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EFFICIENCY OF MANAGEMENT OF BUSINESS SUBJECTS IN THE AGRICULTURAL SECTOR OF THE ECONOMY IN THE CONDITIONS OF EUROPEAN INTEGRATION

The system of enterprise management during wartime is regulated by the establishment of special rules of economic interaction on the market by the state. These rules determine the performance indicators of the enterprise management system, motivations for cooperation, principles of gaining competitiveness, opportunities for realizing the institutional potential of business forms, strategic priorities for the development of entrepreneurship and other factors of the organizational and economic development of entrepreneurial formations. In the process of research, it was established that the essence of the concept of "management system effectiveness" is revealed by scientists from different positions. All these positions of scientists can be combined into groups of resource, complex and system approaches. Each approach has its advantages and disadvantages and characterizes the process of effective management on the basis of specific provisions, assessment conditions, criteria for the effectiveness of management of results. There is no generally accepted definition of the concept of "effectiveness of the management system". Very often, "effectiveness" is correlated with the indicator of "effect as a result of the implementation of measures" and identified with the concept of "effectiveness". It was established that management efficiency is a debatable category that takes into account not only methods of its assessment, but also criteria [1, p. 126-136].

It was found that "the application of the efficiency criterion to management decisions is closely related to the survival" of the business entity. The maximization of the company's profit from the sale of products or its production reflects the criterion of economic efficiency, which characterizes the approach to its evaluation. Efficiency criteria can also include factors of the effectiveness of the organizational structure, the effect of time, compliance with the market environment, the capacity of the market niche, etc. A differentiated approach to the selection of performance indicators more adequately takes into account the peculiarities of the enterprise management system. At individual stages of production, it is possible to determine economic efficiency in different ways.

It was established that the effectiveness of the management system is a generalizing complex characteristic of the adaptability of the management system,

which makes it possible to assess the level of achievement of the enterprise's functioning in wartime conditions, taking into account the integrative integrity of the two components - subsystems of internal and external management efficiency and the management system as a whole. It is justified that the effectiveness of the management system should be evaluated from the standpoint of the company's subsystems: personnel motivation; coordination of business processes; prognostication; decision-making; attraction and use of resources; control and assessment of development [2, p. 41-53].

It was found that the performance evaluation indicators of the management system are formed in two directions - internal efficiency, external efficiency. The methodical approach to organizational support for evaluating the effectiveness of the management system is reflected in the sequence of calculation operations of indicators of information resources and recording the state of their compliance with regulations. It is justified that methodical approaches to the assessment of management system efficiency have some shortcomings, in particular, external efficiency may not be considered as a component of management efficiency; only financial reporting is not a comprehensive information platform for evaluation; efficiency is not only the ratio of the effect to the cost of resources [3, p. 28-40].

In the process of research, the analysis of the effectiveness of the enterprise management system was revealed on the example of the company "Agrofirma Krynytsia", which is located in the Sumy district of the Sumy region. It was established that the organizational and management structure is linear in the type of interdepartmental relations, two-level in the number of administrative units and territorially united in the form of labor organization in the main agricultural production. The management of the business entity is carried out by the director, who is the owner, the sole head and is fully responsible for all matters of organization and management. He independently solves all the problems of the development of the business entity; organizes the work of subordinates and bears full responsibility for it; represents entrepreneurship in all institutions; manages assets and property; concludes contracts, etc. The director reports to the chief accountant (assistant chief accountant, payroll accountant, cashier, warehouse manager); chief economist; chief engineer, chief agronomist, chief zootechnician. The management system provides for the observance of clear instructions and regulations on functional divisions, formed on the basis of the organizational structure of management, is manageable and provides an opportunity to achieve results. The functions of logistics and marketing departments are performed by the accounting and economic service. The business entity does not engage in foreign economic activity. There is no activity in the management of the introduction of innovations at Agrofirma Krynytsia. It was revealed that the mechanism of operation of the company "Agrofirma Krynytsia" falls under the regulatory function of regulatory and legislative acts. It is substantiated that the farm has a grain production direction with active meat cattle breeding. The level of specialization is average.

The administrative process begins with the implementation of the functions of organization and planning, which is carried out for animal husbandry and crop

production, taking into account the available land area. The total land area of land was 3,771 hectares, including: agricultural land – 1,527 hectares; hayfields – 1,693 ha; pastures – 545 ha; perennial plantations - 6 ha. It is substantiated that crop production occupies the largest specific weight in the structure of marketable products. In crop production, the largest share belongs to the cultivation of winter wheat. Its revenue in 2022 amounted to UAH 214.5 thousand. Also, in 2022, a large part of the revenue fell on the sale of oats. The third most important crop is sunflower. In 2022, the revenue amounted to UAH 91.6 thousand. In the reporting year, such crops as millet and potatoes began to be grown. From the sale of millet and potatoes, the company received UAH 1.6 thousand each. revenue If we consider animal husbandry, then in 2022, compared to 2020, the income from the sale of cattle and pigs in live weight increased by UAH 24,000. and UAH 2.5 thousand. and is UAH 62.9 thousand. and UAH 5.6 thousand. in accordance. The income from the sale of milk decreased somewhat. The increase in revenue for certain types of products is associated with the increase in market prices and, possibly, with the increase in sales volumes, and the decrease in commodity products is due to the decrease in production volumes.

Financial plans of "Agrofirma Krynytsia" include planning of expenses, income, and profit. In the period of 2022, agricultural production at the enterprise is ineffective. A decrease in the number of employees was detected; capital intensity; fund security; basic weapons; labor productivity; of gross production per 1 person/hour. The main management strategy is the strategy of survival in wartime conditions (cost optimization and state stabilization). In general, the current management mechanism of the business entity of Agrofirma Krynytsia is quite weak.

It was revealed that Agrofirma Krynytsia managed to survive during the quarantine restrictions of 2020 as a result of the spread of the Covid-19 pandemic. In 2021, the quality of management of Agrofirma Krynytsia was rated as "good". There was an increase in funds from operating activities and a decrease from financial activities. There was no investment activity. During 2022, the structure of cash flows deteriorated and the quality of management in wartime conditions was already unsatisfactory. The company "Agrofirma Krynytsia" became completely dependent on borrowed funds, had a high risk of financial complications and, as of the beginning of 2023, could not cover its obligations, had a very low level of financial stability and an illiquid balance sheet. It is justified that the company "Agrofirma Krynytsia" is unable to convert its assets into money to make the necessary current payments and timely repayment of its debt obligations. It was revealed that in 2022, the management focused on using only one financial lever to increase business activity – increasing equity capital. The main factors that caused the deterioration of business activity in 2022 were a significant increase in the cost of goods sold by UAH 225,000. and an increase in the amount of receivables by UAH 37,000. Achieving such indicators is associated with extreme operating conditions, poor-quality financial management system, inflexible and unstable organizational and management activities of management.

We conducted an assessment of the effectiveness of the management system of the business entity from the standpoint of the social motivation of employees. A staff

survey was conducted – 27 employees. We calculated the level of flexibility of the management system of "Agrofirma Krynytsia" $\{(The\ level\ of\ dissatisfaction\ of\ employees\ with\ the\ current\ state\ of\ the\ business\ entity\ * The\ level\ of\ unity\ of\ the\ ideas\ of\ employees\ about\ its\ future\ state\ of\ the\ business\ entity\ * The\ level\ of\ unity\ in\ the\ ideas\ of\ employees\ about\ the\ action\ plan\ that\ will\ lead\ to\ the\ improvement\ of\ the\ state\ of\ the\ business\ entity\ of\ the\ business\ entity)\ / (Level\ of\ resistance\ to\ changes\ on\ the\ part\ of\ managers\ of\ the\ business\ entity\ * Level\ of\ resistance\ to\ changes\ on\ the\ part\ of\ subordinate\ employees\ of\ the\ business\ entity)\} / 100 = \{ (72*61*65) / (54*60)\} / 100 = 0.8811$, which is lower than 1. It is important to increase the flexibility and level of adaptability of the management system of the company "Agrofirma Krynytsia" to functioning under martial law.

It was revealed that in wartime conditions, the management of Agrofirma Krynytsia implements a defensive survival strategy. The matrix of the SWOT analysis of Agrofirma Krynytsia reveals that the business entity has some weak positions that reflect the peculiarities of the state of financial management at the enterprise. Reasoned areas of development strategies recommended for the implementation of Agrofirma Krynytsia company, among which the components of the SIM (strengths and opportunities) and SLM (weakness and opportunities) fields are important, the use of which will help reduce the cost of production; increasing the company's competitive advantages and production profitability.

We assume the implementation of the following development strategies of Agrofirma Krynytsia. SIM field (strength and capabilities): use of existing No-till technology for the purpose of introducing innovative equipment; increasing the intensification of production and the implementation of digitization technologies; expanding production by optimizing the sown area. The field of SLM (weakness and opportunities): making capital investments in the renewal of production assets; increasing the profitability of production by using drones to monitor the operational application of pesticides on specific plots of land and to identify diseases or pests on crops); introduction of innovative technologies in order to minimize costs for fuel and lubricants and plant protection products. The field of SLZ (weakness and threats): the use of resource-saving technologies in order to reduce the manifestations of price fluctuations for material resources and products and increase profitability; implementation of measures to increase the company's competitive advantages and increase the ability to adapt to extreme operating conditions in order to survive in the environment. Field of PPE (strengths and threats): reduction of inflationary risks by concluding futures contracts on the established price of products; reducing the risk of exposure to weather conditions and possible costs through the implementation of the resource-saving No-till technology [4, p. 60-70].

Management should: implement innovative technologies in the cultivation of agricultural structures; start interaction with other business entities of the territorial community; develop systems of controlling, logistics and marketing activities; develop a list of management solutions in order to localize possible threats and minimize weak positions; begin to use the advantages of the branch integration and cooperative

management structure in order to invest in the development of human capital and research activities; optimize the management decision-making system; to increase the volume of production and sales of products (services) in order to stabilize costs and increase profits. It has been established that the tractor driver, accountant and director of Agrofirma Krynysia have the best material incentives for quality competitive work. The components and conditions for the implementation of the development strategy of Agrofirma Krynysia for 2025-2027 have been determined. It is noted that the priority projects will be organizational-management and technical-technological ones.

Thus, in the process of research, it is substantiated that the directions for improving the management system of Agrofirma Krynysia reflect the need for the development of anti-crisis and strategic management; controlling; marketing; logistics; strategies of general mobile and adaptive development of the enterprise; implementation of transformational measures and implementation of a quality change management system, etc. Optimization of human and system factors and factors of effective communication and work tools are among the areas of optimization of the management decision-making system. Reasoned directions for improving the information and analytical management system and the need to use digital tools in the management decision-making system.

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