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EXPORT MANAGEMENT OF AGRICULTURAL ENTERPRISES UNDER CONDITIONS OF INTEGRATION INTO THE WORLD ECONOMIC SPACE

Halahur Yuliya. Export management of agricultural enterprises under conditions of integration into the world economic space. The article studies export tendencies in the development of export of domestic agricultural enterprises in general and to the EU in particular by agricultural product group. The evaluation of fluctuations in export volumes of agricultural raw materials in Ukraine was done based on the calculated seasonality index. The main factors of effective formation of export potential of agricultural enterprises are determined. It is necessary to introduce effective mechanisms of management and constant growth of staff professionalism at enterprises as factors of their potential for export are proved by the example of the European Foundation for Quality Management. The experience of foreign countries to stimulate exports is studied and measures of state support to exporters of Ukraine are proposed under conditions for integration into the world economic space.

Key words: export, export potential, agricultural production, management mechanisms, export promotion.

Халахур Ю.Л. Управління експортом аграрних підприємств в умовах інтеграції до світового економічного простору. В сучасних умовах господарювання економічний розвиток країни визначається рівнем використання її виробничо-ресурсного потенціалу та участю в глобальних інтеграційних процесах. Експорт є одним із стратегічних напрямів функціонування підприємства на зовнішньому ринку, а євроінтеграція України значною мірою сприяє розширенню ринків збуту продукції за кордоном. У статті досліджено динаміку розвитку експорту вітчизняних аграрних підприємств в цілому та наведено темпи його росту (зменшення). Проаналізовано тенденції розвитку експорту аграрної продукції до країн ЄС в розрізі товарних груп. Відзначено важливість переходу від поставок сировини до продажу товарів із високою доданою вартістю. Для оцінки коливань обсягів експорту продуктів переробки сільськогосподарської сировини, на основі щомісячних даних, розраховано показник індексу сезонності, його амплітуду коливання та середнє квадратичне відхилення. Визначено основні чинники ефективного формування експортного потенціалу аграрних суб'єктів господарювання. Від того, на скільки вони відповідають ринковим умовам господарювання, залежить ефективність його реалізації. Відзначено, що на підприємствах не достатньо приділяють уваги управлінню експортною діяльністю. На прикладі Європейського фонду управління якістю, доведено необхідність впровадження ефективних механізмів менеджменту на основі управління персоналом, внутрішньої політики підприємства, обраної стратегії діяльності, партнерських взаємовідносин та інновацій. Відзначено, що нарощування експортного потенціалу можливе за умов постійного росту професіоналізму працівників апарату управління та персоналу зовнішньоекономічної сфери підприємства, поєднуючи інноваційні підходи до вирішення проблемних ситуацій, точні розрахунки, залучаючи дорадчо-консультативні служби спеціалізованих установ. Відзначено важливість управління експортною сферою на загальнодержавному рівні. Вивчено досвід зарубіжних країн щодо стимулювання експортних поставок та запропоновано заходи державної підтримки експортерів України.

Ключові слова: експорт, експортний потенціал, аграрна продукція, механізми менеджменту, стимулювання експорту.

Халахур Ю.Л. Управление экспортом аграрных предприятий в условиях интеграции в мировое экономическое пространство. В статье исследованы тенденции развития экспорта отечественных аграрных предприятий в целом и в страны ЕС, в частности в разрезе товарных групп аграрной продукции. На основе рассчитанного индекса сезонности проведена оценка колебаний объемов экспорта продуктов переработки сельскохозяйственного сырья. Определены основные факторы эффективного формирования экспортного потенциала аграрных предприятий. На примере Европейского фонда управления качеством

доказана необхідність впровадження ефективних механізмів менеджмента і постійного росту професіоналізму підприємств, як ключових факторів успішного його використання. Изучен опыт зарубежных стран по стимулированию экспортных поставок и предложены меры государственной поддержки экспортеров Украины в условиях интеграции в мировое экономическое пространство.

Ключевые слова: экспорт, экспортный потенциал, аграрная продукция, механизмы менеджмента, стимулирование экспорту.

Introduction. Processes of integration that occur around the world make it possible to use benefits associated with the economy due to scale. Therefore, domestic economic departments should be ready to expand their trade borders. Those that have already mastered foreign markets must exercise control over their export activities. In the competition in international markets, powerful companies with sustainable economic development win, and small ones whose export potential is not strong are absorbed by powerful world export leaders.

Studies of export activities of an enterprise in market conditions are a more complex process than during the command-administrative system because every company is an individual business unit and carries on activities in a competitive business environment. The impetus for its focus on the foreign market should be increasing domestic resources, sustainable economic development, availability of sustainable competitive advantages, favourable market conditions, a good price that will cover costs and ensure maximum profits and limited internal channels of sales.

Analysis of recent researches and publications. Problems in the export management an enterprise are studied by domestic and foreign scientists: S. Anholt [9], H. Brenych [6], S. Voitko [8], M. Gamov [3], I. Hansa [4], L. Dashutina [1], M. Dorosh [6], A. Dunska [2], B. Dutka [6], N. Myalo [8], L. Nikolaeva [10], I. Tenetko [2].

In particular, under the current economic conditions, L.O. Dashutina provides internal and foreign threats to foreign economic activity. The first category, according to the author, can be adjusted through the strategic levers of governance. The second category is the result of government policy, competition pressure and negative effects of globalization [1, p. 129]. A.R. Dunska and I.I. Tenetko determine the instability of the economic and political situation in conditions of globalization and integration processes among negative factors affecting the export sphere of enterprises [2, p. 272]. M.S. Gamov stresses the need to identify existing and potential competitive advantages of the company as a factor in the successful implementation of its external economic potential [3]. Given the significant scientific refinement of authors, we note that along with the low competitiveness of domestic products in the world market, fluctuations in export volumes of agricultural products are also due to the lack of experience in overseas market segments, using outdated management practices, and lack of transparency of the system of stimulating export activities. Given the significant scientific refinement of authors, we note that along with the low competitiveness of domestic products in the world market, fluctuations in export volumes of agricultural products are also due to the lack of experience in overseas market segments, using outdated management practices and lack of transparency of the system of stimulating export activities.

Main purpose of the article. The evaluation of trends in the development of export of agrarian enterprises of

Ukraine; studying the experience of supporting exporting enterprises of developed countries; developing proposals for improving the management of exports of domestic business entities under conditions of integration into the world economic space.

Results and discussions. Ukraine is positioned in the global market primarily as an agricultural country. Despite the serious economic crisis, agriculture remains a major sector of the economy, which could not only keep its positions but also strengthen them [4, p. 116]. Since 2016, there has been a trend in export growth. In 2018 were received more than in 2011 – by 145% (Fig. 1).

However, there is a negative trend in the structure of its export of agricultural products. In particular, the share in sales volume in the world market of raw materials is still greater than the share of finished products. In 2018, it amounted to 59.6% [5]. This indicates a low level of domestic processing industry, its technological backwardness, and as a result, Ukraine is not an exporter of industrial and consumer goods but their buyer of its own raw materials of industrially developed countries. In turn, in the Ukrainian market foreign processed products displace domestic producers which further exacerbate the problem of unemployment [6, p. 217].

Monthly data seasonality index was calculated to assess fluctuations in export volumes of certain types of agricultural products processed by enterprises in Ukraine in 2018 (Table 1).

Analysis of research results showed that the largest oscillation amplitude of seasonality index was observed in the supply of exports of sugar and confectionery products by enterprises in Ukraine – 93.0 pct, while the lowest one – grain finished products, 31.0 pct. The average quadratic deviation was also calculated, which indicates that the low level of the seasonality of monthly export supplies is inherent to the manufacturing of grain finished products, alcoholic and non-alcoholic beverages, and high level of seasonality – for products made of meat and fish.

Ukraine is a participant of the European integration processes and is open to cooperation with foreign business partners. The data of the Mission of Ukraine to the European Union and the European Community demonstrate that in 2018 compared with 2017, there was a positive trend of export growth to the EU by an average of 14.3% [7].

The same situation occurred in terms of agricultural products. Volumes of supplies of the following major product categories were increased: animal products – by 34.1%, vegetable products – by 22.1%, finished food products – by 5.0% (Table 2) [5]. This indicates that the Association Agreement signed in 2014 is certainly a new stage of development of relations between Ukraine and the EU, but in order to have domestic products in demand, it is appropriate to retool production, which requires substantial investment [8, p. 38].

Given the significant export opportunities for domestic agricultural production, the export potential of the industry is not fully used. Due to specific functioning of agricultural enterprises, we can distinguish factors involved in its formation, namely manufacturing, research and innovation and personnel, infrastructure, technology, market size and its economic situation, export policy, terms of trade, mentality and social features of socio-economic development of the partner. The efficiency of export potential depends

on how they correspond to market conditions. That is, all kinds of available resources beginning with donated by nature to man-made ones are involved in this process. However, at the enterprise level more attention should be paid to the management that ensures the success of products in markets of foreign countries and infrastructure factors that include finance and credit and marketing institutions, namely, logistics companies, stock exchanges and advertising agencies and so on (Fig. 2).

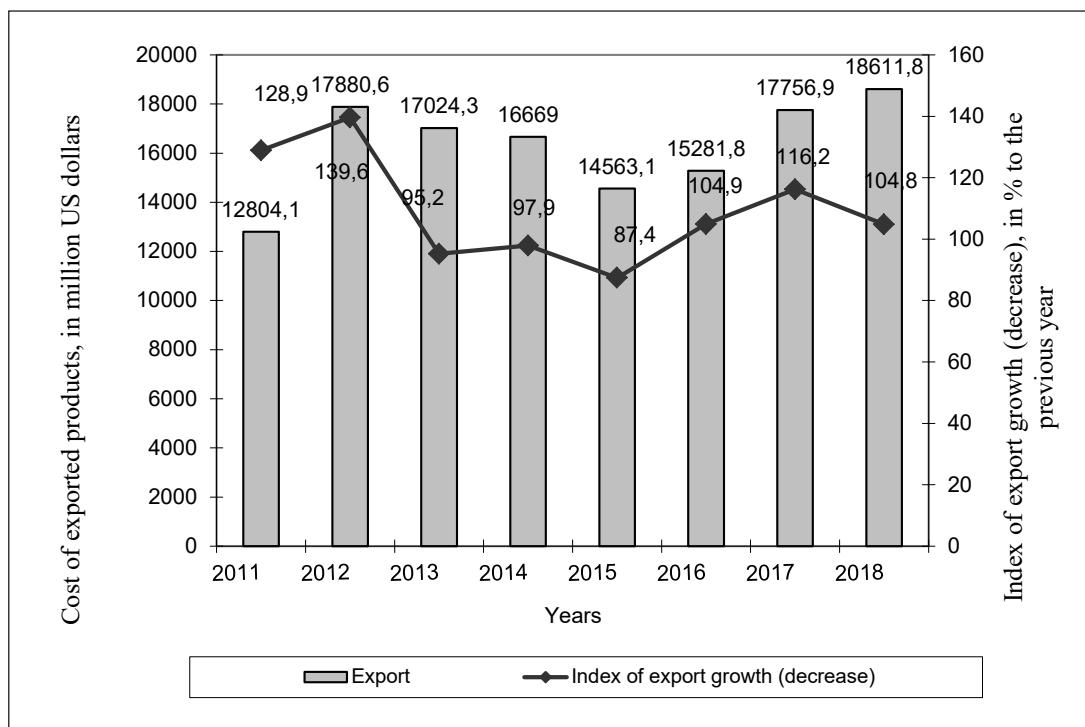


Fig. 1. Dynamics of export volumes of agricultural products and the index of export growth (decrease)

Source: Calculated according to the data [5]

Table 1

Evaluation of fluctuations in export volumes of agricultural raw materials in Ukraine, 2018

Indicators	Sugar and confectionery products	Production of the milling industry	Meat and fish products	Grain finished products	Vegetable processing products	Alcoholic and non-alcoholic beverages
Seasonality index,%						
January	150.8	117.7	63.5	87.4	100.6	92.9
February	88.5	103.0	80.4	98.3	91.3	86.2
March	102.8	136.2	73.6	105.1	94.0	96.2
April	85.9	123.3	86.9	90.5	101.4	110.7
May	103.4	118.8	83.2	90.3	85.2	114.4
June	115.8	118.0	92.5	90.7	71.0	107.9
July	89.4	72.0	123.5	101.4	86.3	109.0
August	67.2	59.4	126.7	118.3	96.7	113.3
September	57.8	52.7	97.4	105.3	83.3	95.5
October	113.0	96.2	154.2	113.6	118.7	93.0
November	124.5	98.4	122.7	111.7	150.2	98.9
December	100.9	104.2	95.2	87.3	121.3	82.0
Oscillation amplitude	93.0	83.5	90.7	31.0	66.9	32.4
Average quadratic deviation	24.0	24.6	25.3	10.9	18.7	10.4

Source: Calculated according to the data [5]

The key to the success of businesses in global markets is their efficient mechanisms of management. Inefficient mechanisms of management often lead to low levels of using export potential. The quality management scheme of the European Foundation for Quality Management deserves attention. In this model, the final results of business activities depend on personnel management, enterprise policy, the chosen strategy, and partnerships. Innovation is a factor that contributes to strengthening the economic efficiency (Fig. 3).

Variability of the market environment and the crisis in the global economic system require constant growth of personnel professionalism. Enlarging export potential under these conditions can be achieved by raising the qualification level of the system of enterprise management and employees of its foreign trade sector, combining creative approaches to problem-solving with precision of calculations in solving specific problems, encouraging employees

to acquire new skills, and using advisory and consultancy services in the specialized institutions (Fig. 4).

Stimulating exports of agricultural products is a national task. It is necessary to consider the experience of highly developed countries in this regard. For example, in the UK, the export support functions are divided between the Ministry of Trade and Industry, Ministry of Foreign Affairs, and the Bank of England. The first two agencies collect and provide information to enterprises on global market conditions. The Ministry of Trade and Industry also organizes exhibitions. An important role in the country belongs to the Department of Guarantees of Export Credits, which deals with short-term insurance of exports, foreign investments and various projects.

In France, the responsibilities for insurance of export credits are entrusted to a private French company that utilizes both its own and public resources. Thus from total expenditure arising from commercial risks, it returns up to

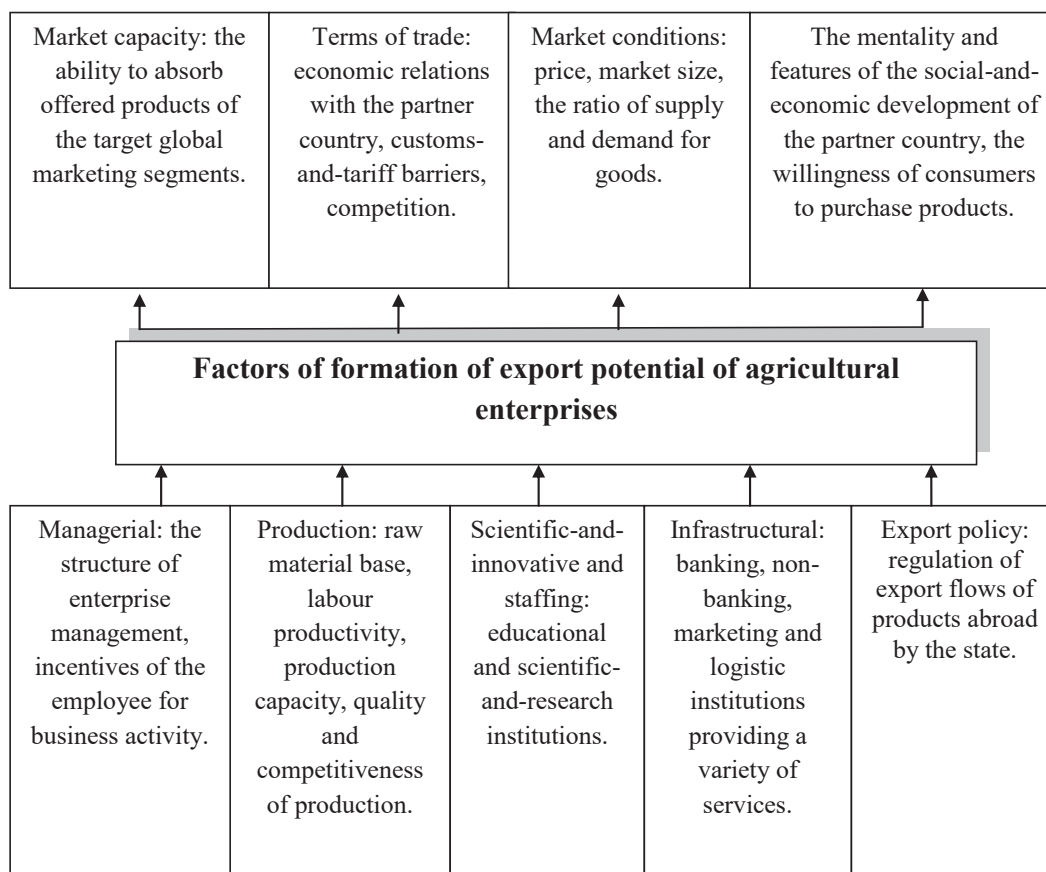


Fig. 2. Factors of formation of export potential of agricultural enterprises

Source: developed by the author

Table 2

Dynamics of export volumes of Ukraine to the EU, in thousand US dollars

Sections of Combined Nomenclature	2018	2017	2018 in % till 2017
Live animals, animal products (groups 1-5)	378897.1	282548.2	134.1
Vegetable products (groups 6-14)	3694908.5	3026133.1	122.1
Fats and oils of animal or vegetable origin (group 15)	1143823.4	1475901.2	77.5
Finished food products (groups 16-24)	908515.4	865252.8	105.0

Source: [7]

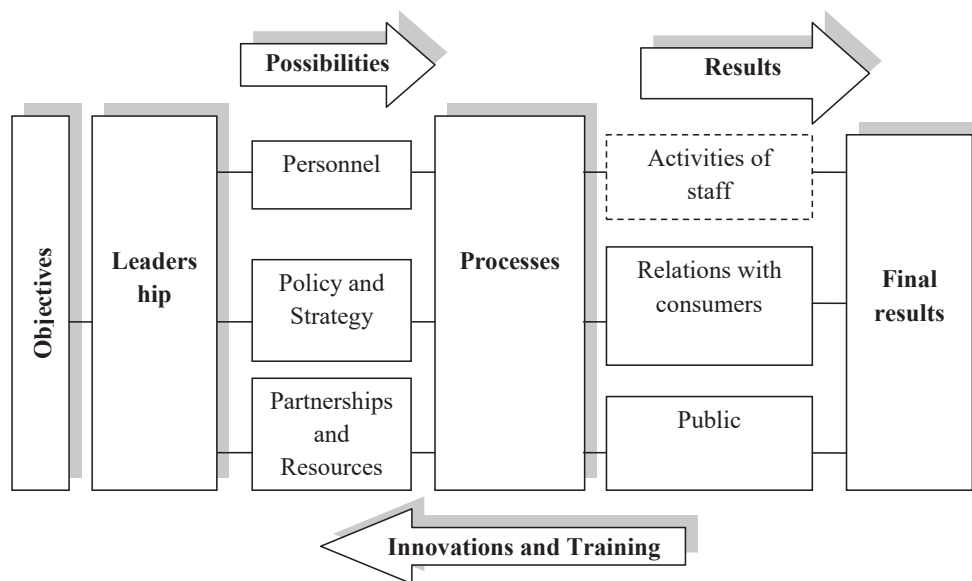


Fig. 3. Scheme of quality management (The European Foundation for Quality Management (EFQM) model)

Source: [9]

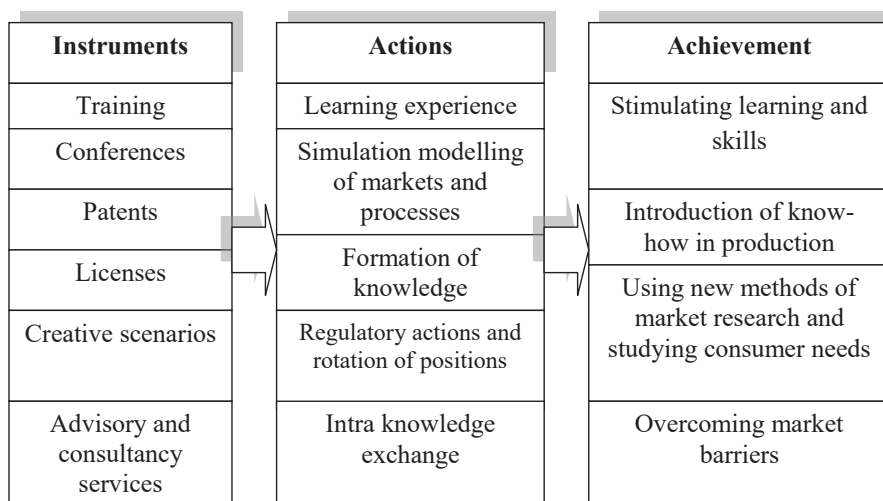


Fig. 4. Instruments of growth of the professional level of personnel

Source: developed by the author

85% of the money, however, because of political risks it returns up to 90%.

In Finland, the Bank of Finland deals with the short-term financing export. However, only companies that increase the volume of their exports can get support. Providing tax incentives is also practiced (40% of profits from exports are not taxed), payments determined by the difference between domestic and world prices and benefits for travel expenses [10, p. 54-55].

Conclusions and further researches directions. The export activity of enterprises in the agrarian sphere in Ukraine requires reorientation from a commodity direction to sales abroad of products with added value. For a successful implementation of export potential, it is necessary to implement effective mechanisms of management based

on the high qualification level of managers and employees involved in foreign trade.

The mechanism of stimulating domestic exports also needs substantial improvement. The experience of foreign countries should be adopted and adapted according to stages of economic development of Ukraine. We believe that the country needs to provide more active state support for export-oriented enterprises. Namely, it is necessary to improve legislative support, develop infrastructure, and elaborate the mechanism to encourage export activities, promote the participation of enterprises in international exhibitions, and provide export credits. It is also important to take measures in response to the depreciation of the national currency in order to reduce losses from currency exchange fluctuations.

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