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DOI <https://doi.org/10.26661/2414-0287-2022-4-56-03>**AGRICULTURAL ENTERPRISE DEVELOPMENT STRATEGY****Seysebayeva N.H., Krasnoshchok Ya.V.***Zaporizhzhya National University**Ukraine, 69600, Zaporizhzhia, Zhukovsky str., 66*

ngs19570104@gmail.com, yaroslav2029@gmail.com

**Key words:**

development strategy, enterprise, agricultural market, agribusiness, Agrottrade-2000

The article is devoted to the study of the peculiarities of the implementation of the strategy for the development of an agricultural enterprise. The development and implementation of a strategy for the development of a modern agricultural enterprise is a tool for ensuring long-term development. The peculiarities of agricultural production, the lack of adapted methods for assessing the types of their development lead to the practical application of development strategies only by a small number of enterprises, while the latter prefer situational management, which makes it possible to maintain a market position only in the short- and medium-term perspective. Strategies for the development of a modern agricultural enterprise must take into account the use of resource and system approaches; focus attention on the entrepreneurial aspect, comprehensive coordination of the content, process and context of strategies for the development of agricultural enterprises. The definition of the concept of "enterprise strategy" is considered. The work of the enterprise "Agrottrade-2000" was analyzed, an assessment of external factors and the potential of internal resources, its weaknesses and strengths was carried out, the mission and vectors of development were determined, which serves as a basis for determining the strategic goals and objectives of the agricultural enterprise. The stages of formation of the development strategy of an agrarian enterprise have been studied. When developing strategic decisions, options for developed strategies are evaluated, as well as the most effective strategy is selected. In the case of significant changes in external factors that directly affect the activity of an agricultural enterprise, as well as changes in its internal potential that prevent the implementation of a pre-planned strategy, strategic changes are adjusted at the necessary stages of its implementation. Conclusions were made regarding the further strategic direction of the Agrottrade-2000 enterprise, which, in order to achieve break-even production, involves the application of a stabilization strategy, which includes the introduction and development of a strategic planning system at the enterprise. The practical application of strategic planning aims to ensure the effectiveness of the enterprise's activities and the formation of its new competitive advantages, which involves the justification of an effective strategy for its development.

**СТРАТЕГІЯ РОЗВИТКУ  
СІЛЬСЬКОГОСПОДАРСЬКОГО ПІДПРИЄМСТВА****Сейсебаєва Н.Г., Краснощок Я.В.***Запорізький національний університет**Україна, 69600, м. Запоріжжя, вул. Жуковського, 66***Ключові слова:**

стратегія розвитку, підприємство, ринок сільського господарства, агропідприємство, Агротрейд-2000

Стаття присвячена дослідженню особливостей запровадження стратегії розвитку сільськогосподарського підприємства. Розробка та запровадження стратегії розвитку сучасного сільськогосподарського підприємства є інструментом забезпечення довгострокового розвитку. Особливості сільськогосподарського виробництва, відсутність адаптованих методик оцінки типів їх розвитку призводять до практичного застосування стратегій розвитку лише незначною кількістю підприємств, останні ж надають перевагу ситуаційному управлінню, яке дає можливості забезпечити утримання ринкової позиції тільки в коротко- та середньостроковій перспективі. Стратегії розвитку сучасного сільськогосподарського підприємства повинні враховувати використання ресурсного і системного підходів; акцентувати увагу на підприємницькому аспекті, комплексному узгодженні змісту,

процесу та контексту стратегій розвитку сільськогосподарських підприємств. Розглянуто визначення поняття «стратегія підприємства». Проаналізовано роботу підприємства «Агротрейд-2000», проведено оцінку зовнішніх факторів і потенціалу внутрішніх ресурсів, його слабких та сильних сторін, визначено місію та вектори розвитку, що слугує підґрунтям для визначення стратегічних цілей і завдань сільськогосподарського підприємства. Досліджено етапи формування стратегії розвитку аграрного підприємства. При розробці стратегічних рішень здійснюється оцінка варіантів розроблених стратегій, а також вибір найбільш ефективної стратегії. У разі істотних змін зовнішніх факторів, які безпосередньо впливають на діяльність сільськогосподарського підприємства, а також зміни його внутрішнього потенціалу, які перешкоджають реалізації заздалегідь запланованої стратегії, здійснюється коригування стратегічних змін на необхідних етапах її реалізації. Зроблені висновки щодо подальшого стратегічного напрямку роботи підприємства «Агротрейд-2000», який для досягнення безбиткового виробництва передбачає застосування стратегії стабілізації, що включає запровадження і розвиток на підприємстві системи стратегічного планування. Практичне застосування стратегічного планування має на меті забезпечення результативності діяльності підприємства і формування його нових конкурентних переваг, що передбачає обґрунтування ефективної стратегії його розвитку.

### Problem statement

In modern conditions, agrarian enterprises work under conditions of increased risk, so it is quite difficult for them to ensure a constant increase in the efficiency of their work in the long term. Therefore, for their development, it is quite appropriate to develop and implement your own strategy, which includes a planned and thought-out course of action, as well as the possibility of timely response to changes in the external environment.

In this work, I would like to consider the development of a development strategy on the example of the agricultural enterprise “Agrotrade-2000”.

### Recent research and publications analysis

The analysis of publications on the topic of the study showed that the work of leading scientists was devoted to the theory and practice of strategy formation: Sayenko M.G., Bruslynovska I.V., Matviychuk V.I., Borysyuk O.V., Malenytskyi D.S., Yankovska V.A., Tsikhanovska V.M., Keranchuk T.L., Hladyshchuk Ya. A, Orlova K. Ye., Voronkova A.A, Voronkova A.V. However, most scientists study theoretical and general methodological approaches related to the development and justification of enterprise development strategies, without taking into account the specifics of the industry. Not enough attention is paid to the study of the formation and implementation of the strategy for the development of agrarian enterprises. Therefore, this study was carried out in this direction.

### The purpose of the article

The purpose of the article is to consider the implementation of the development strategy of the agro-industrial enterprise “Agrotrade-2000”.

### The main material representation

Analyzing the activities of agricultural enterprises, we can come to the conclusion that most of them work without a defined development strategy, which significantly

weakens their position in the competition, especially in the case of their entry into new sales markets.

Looking at the approaches of scientists to the concept of “enterprise strategy”, it can be noted that there are several approaches to its definition.

Sayenko M.G. defines the concept of enterprise strategy as a systematic plan of its potential behavior in conditions of incomplete information about the future development of the environment and entrepreneurship, which includes the formation of a mission, long-term goals, as well as ways and rules of decision-making for the most effective use of strategic resources, strengths and opportunities, elimination weaknesses and protection from external environmental threats for future profitability [1].

Bruslynovska I.V., Matviychuk V.I. give the concept of the financial strategy of the enterprise the following definition: it is a set of measures for the effective management of the processes of attraction, distribution and use of financial resources of business entities, aimed at such an organization of the financial relations of the enterprise with counterparties, which allows achieving the established goals, first of all – ensuring the growth of its market value [2].

Enterprise strategy O.V. Borysiuk, D.S. Malenytskyi. defined as a strategically oriented activity aimed at securing a competitive position on the market and maintaining long-term competitive advantages in a certain field of activity [3].

Yankovska V.A. believes that the financial strategy of the enterprise is the determination of the long-term financial goals and objectives of the enterprise, which include the formation, management and planning of its financial resources in order to increase the value of the enterprise under the condition of ensuring financial balance [4].

When developing an enterprise strategy, the following stages can be distinguished:

1. Analysis of factors of the external and internal environment.
2. Diagnosis of consumer needs.

3. Comprehensive assessment of the production potential of the enterprise.
4. Formation of a system of strategic goals of the enterprise.
5. Determination of strategic alternatives for enterprise development.
6. Selection of the most optimal strategic alternative.
7. Ensuring the implementation of the selected strategy.
8. Monitoring the implementation of enterprise development [5].

In this work, we would like to pay attention to the development of the agricultural enterprise. According to the concept of the State target program for the development of the agrarian sector of the economy for the period until 2022, the priorities are to increase the volume of production of gross agricultural products by all categories of farms, reduce the area of degraded agricultural land, create a modern system of seed and nursery production, expand the area of production of organic products and raw materials, create a state register of breeding agricultural animals, improvement of the system of state support for agricultural production and its transparency [6].

Until February 24, a fairly stable development of the agricultural market was observed, but since the beginning of the hostilities, it has suffered quite large losses, part of the agricultural land is currently under occupation, some of the land is also undergoing military operations, besides this, exports abroad have decreased quite a lot. Therefore,

it is quite appropriate for agricultural enterprises to develop a development strategy.

In this paper, we would like to consider an example of the development strategy development of the enterprise “Agrotrade 2000”.

Agrotrade-2000 LLC was founded in 2009. The company started its work as an elevator certified for the compliance of grain storage services and its processing products in 2011. Agrotrade-2000 is one of the largest producers of vegetable oil in the Kyiv region. The company is currently a leader in the implementation of innovative approaches and services on the market of the Kyiv region and Ukraine. In 2014, the Kolos seed production plant was built. In 2017, the company established the direction of organic farming and received the first relevant certificates. The Agrotrade Group brought the seed material of its Agroseeds brand to the market. The company grew hybrids and varieties from world leaders from France, Austria and Germany (Fig. 1) [7].

According to Fig. 2, the company Agrotrade-2000 during its existence increased the area of its lands from 3,000 hectares to 70,500 hectares, that is, it increased them by 23.5 times.

The key areas of activity of “Agrotrade-2000” LLC are:

1. Organization of wholesale trade in grain and its processing products.
2. Creation of a powerful client base.
3. Organization of warehouse storage of grain.
4. Processing of oil crops.

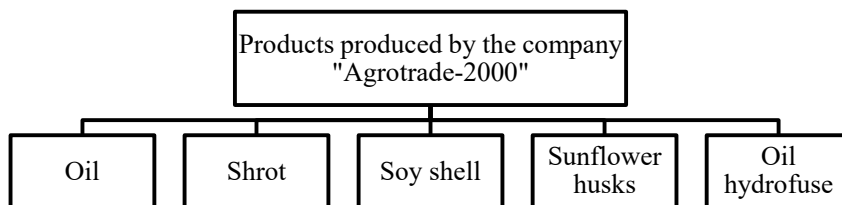


Fig. 1 – Products produced by the company “Agrotrade-2000”

Source: compiled by the authors based on [7]

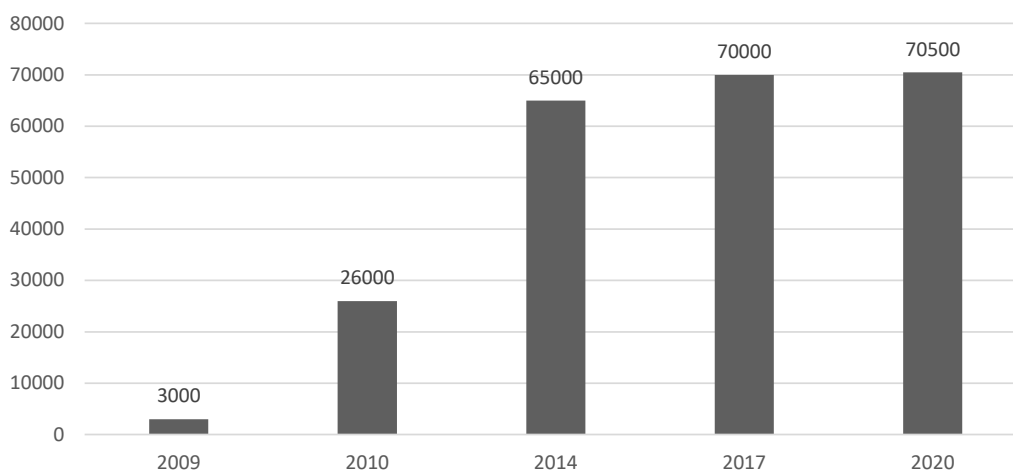


Fig. 2 – Land area of Agrotrade-2000 (hectares)

Source: compiled by the authors based on [7]

5. Study of the grain market.
6. Cooperation with foreign buyers.
7. Participation in specialized exhibitions [7].

For the further development of the enterprise, he needs to form a development strategy.

Stages of formation of the strategy for the development of an agrarian enterprise:

The first stage is the analysis and identification of strengths and weaknesses in the company.

Having conducted a SWOT analysis of the activity of the Agrotrade-2000 enterprise, it can be concluded that it currently has many threats to its activities due to hostilities, but despite this, the enterprise has large production capacities, which allows to optimize activities and improve the products produced (Table 1).

Weaknesses that the company has are primarily related to the increase in the price of raw materials, as well as the difficulty of forecasting the yield of crops.

The second stage is the identification of strategic alternatives, that is, the determination of the company's mission, the formation of strategic areas of the company's activity.

The company's mission is to provide the agricultural industry with high-quality elevator capacities with a wide range of services.

The main vector of the company's development is the expansion of existing production facilities and the development of additional areas of processing agricultural products.

The strategic goal of the enterprise is food safety, feed safety, environmental and social responsibility [8].

Revealing the essence of the company's strategic directions of development, the following features should be highlighted:

I. Creation of a strategic planning service. The Agrotrade-2000 enterprise does not have strategic

planning. In the conditions of martial law, when agricultural enterprises do not have a stable demand for their products, it is quite expedient to create a strategic planning service that will determine the development of the enterprise on the market in the long-term perspective and determine additional directions of its functioning.

The process of strategic planning covers the following directions:

- Carrying out portfolio analysis.
- Development of corporate strategy and supporting strategies.
- Formation of the results of strategic planning [9].

The result of the creation of a strategic planning service is the creation of a certain development strategy for the further effective functioning of the enterprise in the unstable conditions currently prevailing in the agricultural market of Ukraine.

II. Strengthening the image of the enterprise. A positive image in the conditions of the modern business environment quite often becomes a decisive factor in ensuring the effective operation of enterprises.

The following tools are used to develop the image:

1. Positioning – creating such an image of the enterprise in the market environment that shows its uniqueness and importance for the consumer.
2. Manipulation – is used to covertly introduce into people's subconscious the desired associations with that other product or company as a whole.
3. Mythologizing – creating a story that the target audience subconsciously wants to believe, without proving or verifying this information, but with trust in public opinion regarding this myth.
4. Emotionalization is a tool that helps in better memorization of positioned information due to its vivid emotional coloring.

Table 1 – SWOT analysis of “Agrotrade-2000”

|                             | <b>Opportunities</b>  | <b>Threats</b>  |
|-----------------------------|---|---|
| <b>External environment</b> | <ol style="list-style-type: none"> <li>1. State support of agro-industrial enterprises, for example, issuing loans at 0%.</li> <li>2. Provision of tax benefits from the state</li> <li>3. Opening of new sales markets</li> <li>4. The possibility of attracting foreign investments</li> </ol>  | <ol style="list-style-type: none"> <li>1. Instability of exchange rates</li> <li>2. Lowering the price level</li> <li>3. Rising inflation rates</li> <li>4. Decrease in demand for storage services due to the state of war and decrease in cultivated areas.</li> <li>5. Possibility of loss of assets as a result of hostilities and martial law</li> </ol> |
|                             | <b>Strong Sides</b>   | <b>Weak sides</b>   |
| <b>Internal environment</b> | <ol style="list-style-type: none"> <li>1. The company has production facilities to optimize the work of the oil processing workshop</li> <li>2. The production capacities of the company allow storing a large amount of vegetable oil at the same time.</li> <li>3. High level of staff education, every year they are trained by domestic and foreign buyers</li> </ol> | <ol style="list-style-type: none"> <li>1. The difficulty of mastering new types of agricultural products.</li> <li>2. High costs of agricultural production; high dependence of pricing on market factors.</li> <li>3. Unsustainable yield of bioenergy crops due to adverse weather conditions, pests, etc.</li> </ol>                                       |

Source: compiled by the author based on [8]

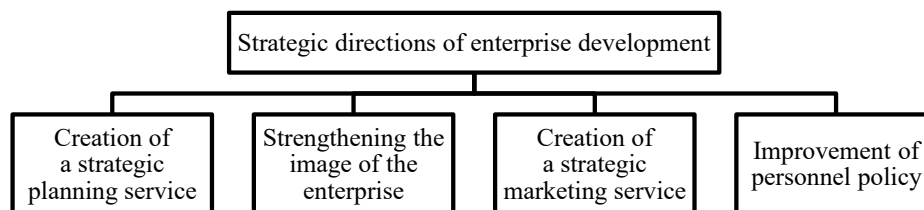


Fig. 3 – Strategic directions of enterprise development

5. Visualization – creation of visual image elements (trademarks, logos, colors, form of packaging, etc.) [10].

The results of strengthening the company’s image are product promotion on the market, attracting investors.

III. Creation of a strategic marketing service. In the 21st century, more and more consumers make their purchases through social networks. Therefore, enterprises that are active users of social networks and promote their products there have high competitive advantages over other enterprises.

“Agrotrade-2000” has its social pages in such social networks as Telegram, Instagram, YouTube, Twitter and Facebook, but they are more informative in nature. Therefore, the enterprise should implement strategic marketing, which will be aimed at conducting an advertising campaign through social networks. Carrying out strategic marketing requires significant investments, but its results can be an increase in the sales market, the influx of new customers and increased competitiveness.

IV. Improvement of personnel policy. “Agrotrade-2000” employs 116 people, the majority of whom are men. The staff must undergo regular training with the participation of leading domestic and foreign specialists. The personnel policy of the enterprise is quite developed, the enterprise rewards its employees for the work done, but it also has its shortcomings, it should be directed to the influx of young specialists [8].

The third stage is the development of a strategy, that is, a comparison of alternative options for the company’s development strategy.

In world practice, three main types of enterprise development strategies are distinguished (Table 2).

For most agricultural enterprises of Ukraine, it is desirable to apply a growth strategy.

But due to Russia’s military aggression, in our opinion, “Agrotrade-2000” should choose a stabilization strategy that will allow it to keep the company at the level of development it had before February 24. But when choosing this strategy, it is still expedient for the company to direct its actions to expand production and increase the sales volume of its products.

The fourth and final stage of creating a development strategy at the enterprise is its implementation. At this stage, the enterprise should determine for itself the main strategic direction of development, which it will implement as a priority, and introduce a certain project group that will deal with it.

At the “Agrotrade-2000” enterprise, in our opinion, it is appropriate to start with development precisely by creating a strategic planning service, because it is this strategic direction that will allow us to achieve the goals of the “stabilization strategy”.

**Conclusions**

Summarizing all of the above, we can conclude that the development strategy for the enterprise is a very important factor, because thanks to it, the enterprise can identify its weak points and work on their solution, in order to ensure its effective functioning.

Analyzing different views on the definition of the concept of “enterprise development strategy”, we can conclude that it is a set of measures aimed at increasing the efficiency and competitiveness of the enterprise with a long-term perspective.

Examining the company “Agrotrade-2000” in our work, we came to the conclusion that this company is quite actively developing in the market of grain storage, as well as as a producer of vegetable oil. The enterprise uses innovative technologies and quite carefully monitors the education of its employees. But one of the company’s shortcomings is the lack of a strategy for its development. Therefore, the work investigated the stages of strategy implementation for this enterprise.

As a result of the study, it was concluded that the strategy that is most suitable for this enterprise is the stabilization strategy, the implementation tool of this strategy is the introduction and development of a strategic planning system, which will allow the enterprise to stabilize its work in rather difficult conditions that have arisen due to the military aggression of Russia against Ukraine.

Table 2 – Enterprise development strategies

| Enterprise development strategy         | Peculiarities of enterprise development strategies  |
|---|---|
| Growth (development) strategy           | reflects the company's intention to increase the volume of sales, profit, capital investments, to consolidate and maintain a leadership position, to have its own unique competitive advantages                               |
| Stabilization (sustainability) strategy | characterizes the enterprise's desire to maintain the achieved production volumes in conditions of significant instability of sales and profit volumes, to achieve market equilibrium, increase market share, maximize profit |
| Survival strategy                       | defense strategy in the conditions of a deep crisis of the enterprise. The main goal of this strategy is to avoid the possibility of bankruptcy, to ensure break-even production.   |

Source: compiled by the authors based on [11]

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