

**PURPOSE OF ASSOCIATION OF ENTERPRISES IN COOPERATIVES
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In the article, it has been proven that small and medium-sized enterprises should cooperate to ensure their competitive advantages. However, according to the peculiarities of regional development, cooperatives are more likely to integrate businesses in one or more related industries within the region. Therefore, cooperation should be based on the principles of combining sectoral and territorial integration. Statistical analysis of the dynamics of the number of different cooperatives in Ukraine and their comparison with the total quantity of legal entities are business entities showed the underdevelopment of cooperation between enterprises in Ukraine. Instead, a comparative analysis of the foreign practice of merging enterprises into cooperatives proves the economic effectiveness of such cooperation, as well as the positive impact of the activation of the cooperative movement on the development of regions. Research on the development of cooperatives in the Zaporizhzhia region shows the dominance of service cooperatives, which facilitate more effective cooperation of their participants. Thus, these arguments have provided the basis for substantiating the proposals for the development of cooperatives by creating appropriate associations of enterprises in order to increase the economic efficiency of their activities and strengthen the economic potential of Ukrainian regions. The results of horizontal and vertical analysis of statistics on the number of cooperatives in Ukraine became the basis for logical conclusions about the trends of development of domestic cooperatives, and their synthesis made it possible to identify the problematic and priority spheres of association of enterprises in cooperatives to ensure the economic development of regions. The monographic research method has been used to study the successful experience of operating the Mondragon Cooperative Corporation in Spain, as well as its development already internationally. The comparative analysis has made it possible to explore the foreign practice of merging enterprises into cooperatives in order to substantiate proposals for the activation of cooperatives in Ukraine by creating such associations of enterprises and providing for this economic development of the regions. A comparative analysis of the development of cooperatives in the Zaporizhzhia region with the tendencies of their functioning in Ukraine has revealed differences that point to the peculiarities of this region. It is advisable for companies that join a cooperative to achieve the synergy effect to consolidate participants within the Zaporizhzhia region, gradually expanding their activities.

**ДОЦІЛЬНІСТЬ ОБ'ЄДНАННЯ ПІДПРИЄМСТВ У КООПЕРАТИВИ
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економічна ефективність, Запорізький регіон, кооператив, кооперація, об'єднання підприємств, розвиток регіону, синергія.

У статті доведено, що підприємства малого та середнього бізнесу для забезпечення своїх конкурентних переваг мають кооперуватися. Проте кооперативам, зважаючи на особливості регіонального розвитку, доцільніше об'єднувати підприємства однієї чи декількох суміжних галузей саме в межах регіону. Тобто кооперація має відбуватися на принципах поєднання галузевої та територіальної інтеграції. Статистичний аналіз динаміки кількості різних кооперативів в Україні та їх порівняння із загальною кількістю юридичних осіб – суб'єктів господарської діяльності засвідчили нерозвиненість кооперації між підприємствами в Україні. Натомість компаративний аналіз зарубіжної практики об'єднання підприємств у кооперативи доводить економічну ефективність такої співпраці, а також позитивний вплив активізації кооперативного руху на розвиток регіонів. Дослідження тенденцій розвитку кооперативів у Запорізькому регіоні

засвідчує домінування обслуговуючих кооперативів, які сприяють більш ефективній співпраці їхніх учасників. Отже, зазначені аргументи дали підстави для обґрунтування пропозицій із розвитку кооперативів шляхом створення відповідних об'єднань підприємств задля підвищення економічної ефективності їхньої діяльності та зміцнення економічного потенціалу регіонів України. Результати горизонтального та вертикального аналізу статистичних даних щодо кількості кооперативів в Україні стали інформаційним підґрунтям для логічних висновків про тенденції розвитку вітчизняної кооперації, а їх синтез дав можливість визначити проблемні та пріоритетні сфери об'єднання підприємств у кооперативи для забезпечення економічного розвитку регіонів. Монографічний метод дослідження застосовувався для вивчення успішного досвіду функціонування Мондрагонської кооперативної корпорації в Іспанії, а також її розвитку вже на міжнародному рівні. Компаративний аналіз дав змогу дослідити зарубіжну практику об'єднання підприємств у кооперативи для обґрунтування пропозицій щодо активізації кооперації в Україні шляхом створення таких об'єднань підприємств і забезпечення за рахунок цього економічного розвитку регіонів. Порівняльний аналіз розвитку кооперативів у Запорізькому регіоні з тенденціями їх функціонування в Україні виявив відмінності, що вказують на особливості цього регіону. Підприємствам, які об'єднуються в кооператив для досягнення ефекту синергії, доцільно консолідувати учасників у межах Запорізького регіону, поступово розширюючи свою діяльність.

Statement of the problem

Until recently, economic development was secured almost solely by competition between individual economic entities. Of course, gaining a competitive advantage is a significant factor in economic efficiency. However, competitive wars or confrontations have both positive effects on the winners and a number of negative effects. But the world is changing, making business owners aware that working together and working together on a mutual benefit basis can produce better results than competition. In addition, cooperation does not directly deny competitiveness in business, but it makes this competition more civilized.

There are ongoing processes of consolidation, consolidation, integration of various areas of economic activity. For example, every third bank in Ukraine is a part of a banking group. In the real economy, both traditional business associations such as corporations or consortia, as well as new business associations such as clusters, strategic alliances, etc. are being created.

In the world, the development of economic relations is based on the principles of a combination of specialization and cooperation, which provides the effect of synergy. In Ukraine, cooperatives have not been sufficiently developed today, although such mergers of enterprises, along with other forms of mutually beneficial business cooperation, can stimulate effective regional development and contribute to strengthening the economic potential of Ukrainian regions.

Analysis of recent studies and publications

Since the cooperative form of business association is attractive enough to all participants of this integration process, the cooperation has been thoroughly researched by many scientists. However, in Ukraine, researchers are mostly exploring the issues of cooperative development in agriculture, although such cooperation is appropriate for many sectors and spheres of the national economy.

Among the scientific papers that cover a wide range of topical issues of the development of cooperative

organizations, it is worth mentioning the work of Anna Lashch, which systematizes the prerequisites for the emergence of cooperation and outlines its prospects.

Scientists Vladyslav Honcharenko and Alla Milka substantiated new theoretical and methodological approaches to determining the socio-economic efficiency of cooperative enterprises and national cooperative systems.

Oleh Hirman's article explores the categories of cooperation and partnership as tools for sustainable regional development in Ukraine. Regarding the alternative areas that open up new horizons for the creation of cooperatives in the form of cooperatives, the practical guide Roksolana Baiko explores the experience of Germany and Austria in the development of energy cooperatives.

Objectives of the article

The purpose of the study is to substantiate proposals for mergers of enterprises in cooperatives to ensure the economic development of the Zaporizhzhia region. The objectives of the study are: statistical analysis of the dynamics of the number of different forms of cooperatives in Ukraine and the Zaporizhzhia region; identification of problems and obstacles to the development of cooperation in various spheres of the national economy; to study the best foreign experience of merging enterprises into cooperatives and substantiating proposals for economic development of Ukrainian regions by creating associations of cooperative enterprises.

The main material of the research

The cooperative movement in Ukraine is not something new, so cooperatives have been created on our territory in the past and in the past centuries. However, nowadays the cooperative form of cooperation and business association is still underdeveloped when compared to foreign practice. In particular, Anna Lashch is of the opinion, noting that "public, charitable organizations and associations of cooperatives do not carry out sufficient educational

activities among the population in sufficient numbers... there are no cooperative training centres” [6].

According to the Law of Ukraine “On Cooperation” a cooperative is a legal entity formed by individuals and/or legal entities that voluntarily united on the basis of membership to conduct joint economic and other activities in order to meet their economic, social and other needs on a self-governing basis. The purpose of cooperation is to meet the economic, social and other needs of members of cooperative organizations on the basis of a combination of their personal and collective interests, the separation of risks, costs and income between them, the development of their self-organization, self-management and self-control.

According to the tasks and nature of the activity, cooperatives are divided into the following types:

production, service and consumer. According to the directions of activity, cooperatives can be agricultural, housing, gardening, garage, trade, purchasing, transport, educational, tourist, medical, etc. [7].

The analysis of the topic of scientific publications on the problems of development of cooperation in Ukraine shows that the majority of authors investigates the issue of cooperation in the agricultural sphere.

It may even be a false idea that in our country the vast majority of cooperatives are agricultural. However, official data of the State Statistics Service of Ukraine indicate other proportions of the distribution of cooperatives by types and directions of activity [5].

Table 1 – Horizontal analysis of the quantity of cooperatives in Ukraine

Indicators	As of February 1								2020 y. to 2013 y., %
	2013	2014	2015	2016	2017	2018	2019	2020	
Production cooperatives	2496	2792	2331	2320	2307	2428	2221	2207	88,42
Serving cooperatives	20550	20597	16689	17484	18176	21644	19084	19579	95,27
Consumer cooperatives	781	810	728	730	748	861	752	768	98,34
Agricultural production cooperatives	1220	1198	1006	995	996	1094	1004	1005	82,38
Agricultural service cooperatives	944	1042	902	949	1015	1169	1216	1269	134,43
Other cooperatives	7610	7149	2788	3327	3218	3386	3281	3278	43,07
Total cooperatives	33601	33588	24444	25805	26460	30582	27558	28106	83,65
Total number of legal entities	1343890	1373632	1075808	1123786	1188598	1239299	1302530	1354069	100,76
The share of cooperatives,%	2,50	2,45	2,27	2,30	2,23	2,47	2,12	2,08	×

Source: calculated by the author according to the data [5]

Thus, the dynamic analysis conducted in Table 1 shows that for the whole period from 2013 to 2020 (data were analysed as of February 1) the lion's share of cooperatives were servicing. Production cooperatives prevailed over consumer cooperatives. In 2015, the total number of cooperatives decreased significantly due to Russian

aggression in eastern Ukraine and annexation of Crimea. From 2013 to 2017, the share of cooperatives in the total number of legal entities decreased, in 2018 it increased quite sharply almost to the value of 2013, but as of February 1, 2020, it is the lowest for the whole analysed period (Fig. 1).

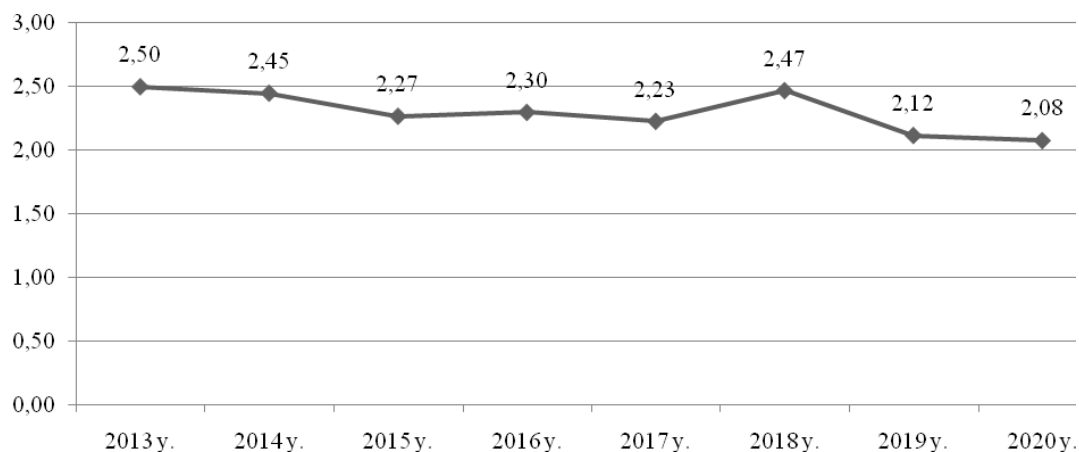


Fig. 1. Dynamics of the share of cooperatives in the total number of legal entities – economic entities, %

An analysis of Table 2 shows that during the study period the share of production cooperatives increased slightly, as did the consumer cooperatives, while the share of service

providers increased significantly against the backdrop of the share of other cooperatives.

Table 2 – Vertical analysis of the ratio of different forms of cooperatives

Cooperatives	As of February 1, 2013		As of February 1, 2020		2020 to 2013, +/-	
	quantity	%	quantity	%	quantity	%
Production	2496	7,43	2207	7,85	-289	0,42
Serving	20550	61,16	19579	69,66	-971	8,50
Consumer	781	2,32	768	2,73	-13	0,41
Agricultural production	1220	3,63	1005	3,58	-215	-0,05
Agricultural servicers	944	2,81	1269	4,52	325	1,71
Others	7610	22,65	3278	11,66	-4332	-10,99
Total	33601	100,00	28106	100,00	-5495	×

Source: calculated by the author according to the data [5]

Table 3 provides a comparative analysis of the dynamics of the number of cooperatives in the Zaporizhzhia region, as well as their share in the total number in Ukraine by individual types and types of cooperative organizations.

The proportions and tendencies of the regional development of cooperatives are somewhat different from the national ones.

Table 3 – Comparative analysis of the number of cooperatives in Zaporizhzhia region to their number in Ukraine as a whole

Indicators	To start with 2013		To start with 2020		2020 to 2013, +/-	
	quantity	share in total in Ukraine, %	quantity	share in total in Ukraine, %	quantity	%
Production cooperatives	124	5,04	73	3,31	-51	-1,73
Serving cooperatives	1186	5,75	1088	5,57	-98	-0,18
Consumer cooperatives	3	0,39	3	0,39	0	0,00
Agricultural production cooperatives	31	2,53	33	3,27	2	0,74
Agricultural service cooperatives	16	1,69	25	1,97	9	0,28
Other cooperatives	516	6,75	241	7,35	-275	0,60
Total cooperatives	1876	5,57	1463	5,21	-413	-0,36
Total number of legal entities	49515	3,69	47441	3,51	-2074	-0,18

Source: calculated by the author according to the data [5]

In Fig. 2, the tendency to decrease in the share of other cooperatives (trade, purchasing, transport, educational, etc.) and the increase of cooperative organizations are clearly observed in the Zaporizhzhia region.

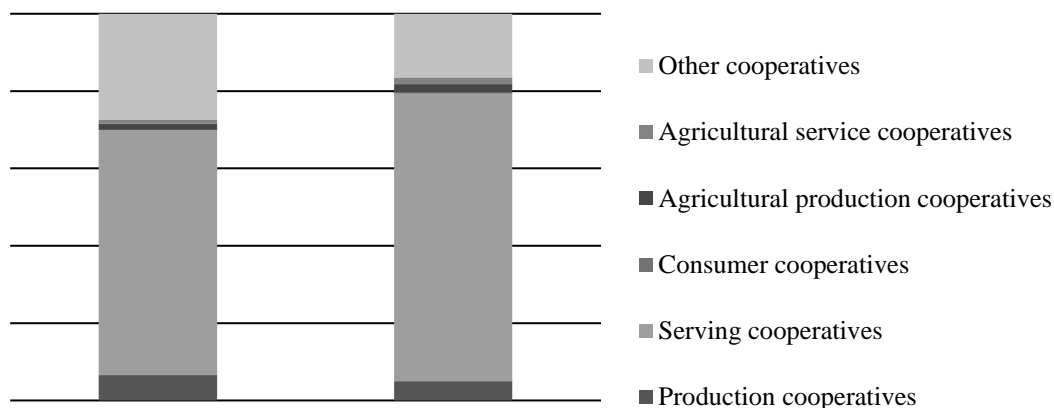


Fig. 2. Structural changes in the number of different types and types of cooperatives in the Zaporizhzhia region

Thus, in Ukraine and in the Zaporizhzhia region, there is a certain imbalance in the development of cooperatives in favour of the service providers, while other types are underdeveloped. Here is an example from the financial sector. Yes, the current banking law provides for the possibility of forming banks in the form of a cooperative, but now no such bank. In Europe, such banks have been in operation for a long time and have proven viable during the financial crisis, and the post-crisis period demonstrates their effectiveness.

With respect to the real economy, cooperative organizations and associations can be created in the industrial sector, in particular by consolidating mechanical engineering enterprises and other related industries.

In Spain, since 1956, the already powerful multi-industry Mondragon Cooperative Corporation has been developing, which not only ensures the economic development of the regions, but also stimulates the international economic relations of the country as a whole. Although now this large-scale cooperative already has many partners from different countries of the world, its participants are the enterprises of one municipality of Mondragon [2]. This fact proves that the territorial distribution of the cooperative members must have certain boundaries; as a rule, it may be a separate region.

In this context, Oleh Hirman rightly noted that the effectiveness of regional development management depends on the availability of effective organizational forms that are capable of contributing to the management tasks as much as possible. Such forms in the process of regional development in modern conditions are regional partnership and cooperation [3].

The economic growth of the regions depends on the balanced development of business entities, the merging of

enterprises in cooperatives to increase efficiency through synergy.

Conclusions

Thus, cooperatives exist in Ukraine, but their share does not exceed 2.5% of the total number of economic entities. According to the positive changes in the economic development of the regions, which are associated with the revitalization of the cooperative movement, we have to say that there are not enough cooperatives. In addition, not only their number, but also the scope of the activity should be taken into account.

In addition, there are some disproportions when there are a lot of serving cooperatives and far fewer direct cooperatives. Successful foreign practice convincingly proves that the development of production cooperatives can stimulate the economic growth of the regions, so, in Ukraine, it is advisable to create an association of industrial enterprises in the form of cooperatives. This will increase their efficiency and strengthen the economic potential of the regions.

In the Zaporizhzhia region, it is advisable to develop agricultural cooperatives to enhance an agricultural potential. In addition, there are opportunities and suitable territories for the creation of energy cooperatives for the development of alternative energy (wind, sun, etc.), as well as production and service cooperatives that would unite small and small medium-sized enterprises of the machine-building industry, which are now trying to compete with large machine-building enterprises on their own.

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