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## Development Of Entrepreneurial Structures Of Production And Trade Sphere On The Basis Of Integration.

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### ABSTRACT

This article covers the issues of merging business structures based on vertical integration in order to increase the efficiency of their business activities. Particular emphasis is placed on the introduction of new mechanisms in the organizational and management structure. Based on the factor model, the most important factor signs are determined, the expediency of the proposed organizational structure in the enterprise is calculated.

**Keywords:** agricultural production, efficiency, innovative mechanism, model.

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## INTRODUCTION

In an era of increasing globalization processes, the problem of providing high-quality and healthy food to the population is of particular relevance. Due to the fact that the main supplier is agricultural production, the problem of increasing the efficiency of financial and economic and expanding the economic activities of the subjects of the agro-industrial complex is of scientific and practical interest. In this situation, there are several areas: improving the institutional framework of functioning, improving management efficiency, integrating innovation products into production; consolidation of production.

Combining agricultural production has an undoubted superiority. This is manifested in the reduction of social risks, the ability to use all available reserves, which during integration clearly increases. With a well-established sales system, it becomes possible to sell a larger volume of output. However, along with positive trends, negative ones are also possible, since the newly created economic system is not able to provide the conditions for effective mutual cooperation and may exacerbate existing contradictions. In addition, it should be noted that in world practice, the phenomenon has long been known that when integrating all subjects should have relatively identical economic characteristics, therefore, the successful preparation of agricultural organizations to transition to a new stage of development should contribute to a successful cooperation process. and financial activities.

In general, it is necessary to create a development model that provides for reducing the dependence of the manufacturer on the results of the economic activity of each separate reporting period. The basis should be based on an approach based on market mechanisms, the attitudes of international organizations, the banking system, multilateral organizations regulating the activities of the agro-industrial complex. The implementation of this event is possible through the creation of an organizational-economic mechanism based on the backbone structures, including elements of organization, functional support and institutional component. In the modern scientific community, the innovation mechanism is considered as a dynamic system aimed at changing business activities in order to improve the structural elements of the business process. The organizational formation of any territorial AIC has its own characteristics of formation, development, economic growth and its own strategy of functioning.

## MATERIALS AND METHODS

Based on the foregoing, in order to extend the growth phase and economic efficiency of economic activity, we propose the creation of a new organizational structure based on the integration of the serving infrastructure system, increasing the efficiency of functional security and forming an organizational and economic cluster. As a rule, the calculation of the effect of integration occurs on the basis of a synergistic effect:

$$E_{a1} + E_{a2} + E_{a3} + E_{aj} + \dots E_{an} < E_n, \quad (1)$$

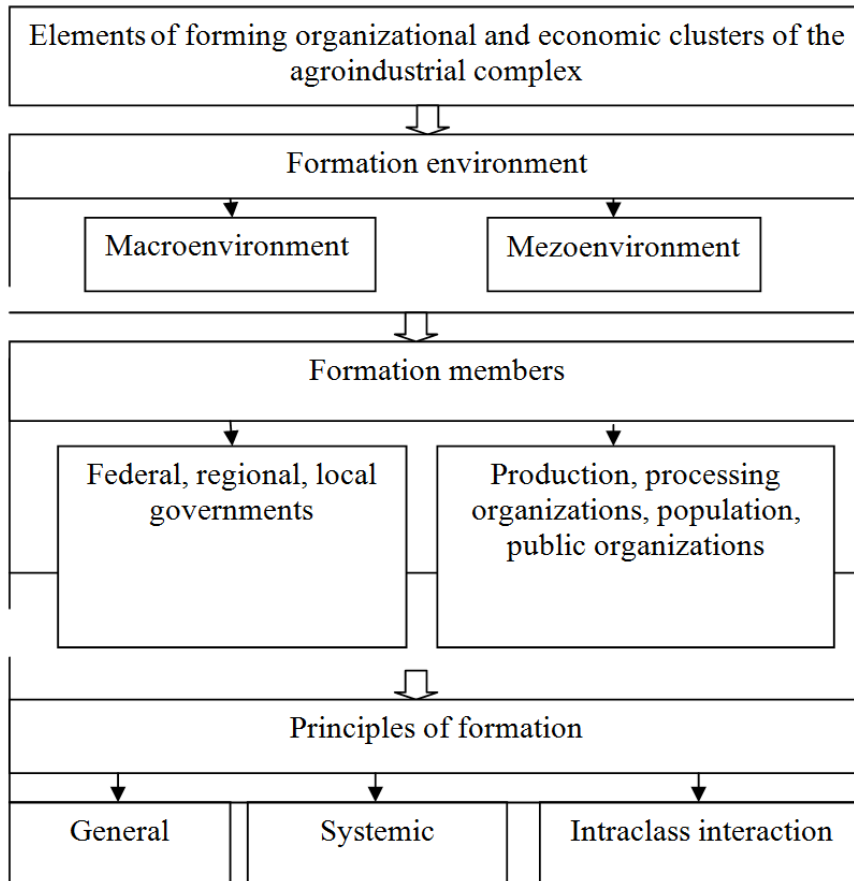
where:

$E_{af}$ - effect of the economic entity before the merger  $a_j$ ;  $E_n$ -the cumulative effect of integrating subjects;

Thus, the overall effect is achieved:

$$S = (E_{a1} + E_{a2} + \dots E_{an}, S > 0.$$

The greater the synergistic effect, the more stable the integration process.



**Figure 1: Elements of the formation of the organizational-economic cluster of the agro-industrial complex**

**RESULTS AND DISCUSSION**

The problem of increasing the efficiency of the development of the agricultural complex in the Krasnodar Territory has acquired particular relevance in the past few years. This is connected, firstly, with a massive reduction in the livestock industry, and secondly, a significant decrease in the social level of the rural population.

In the local economy of the Krasnodar Territory, crop production plays a significant role, and then only the industry - animal husbandry. However, as shown by preliminary studies for 2013-2017, production has an unstable dynamics of development, and the production of certain types of agricultural products has become unprofitable. The reasons for the ongoing processes is a sharp reduction in livestock numbers and, in general, production efficiency. For the revival of production, it is necessary to switch to a new form of business activity with the mandatory introduction of breeding achievements of advanced science.

The model of the proposed organizational and economic mechanism will be considered on the example of the regional system of the agro-industrial complex of the Krasnodar Territory. LLC Agrofirma, whose main activity is the cultivation of grain and leguminous crops. The organization has been operating since 1995 and has already established itself as a promising agricultural society. In general, it should be noted that the development of this agricultural structure occurs in the vector of market transformational transformations, reduction of production efficiency for some types of products. This situation is now inherent in most of the agricultural structures of the Krasnodar Territory.

These circumstances and determined the choice of application of practical recommendations on this sectoral economic system.

Preliminary studies have shown that under these conditions, the company can reduce its effectiveness, which entails the need to increase the volume of crop production.

We propose to integrate elements of the innovation mechanism into economic activities, which will allow the organization to enter the phase of intensive development. This system will be focused on the reorganization of the existing structure.

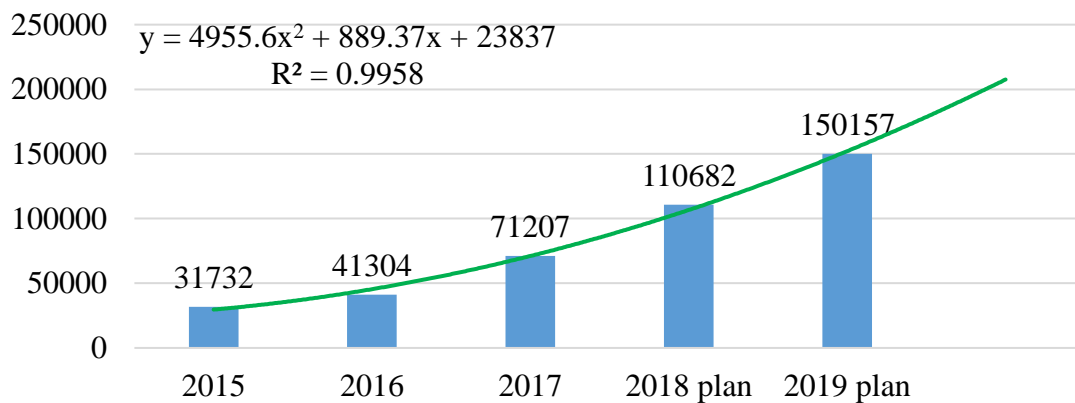
The scheme of formation of the organizational-economic mechanism (Fig. 2) implies a change in the functions of some divisions and the emergence of new elements in development based on the institutional, functional and organizational component.

To assess the feasibility of the organizational structure, we will evaluate the profit and the factors that have a significant impact. We use the factor model to predict profits in LLC "Agrofirma". Immediately, it is necessary to make a reservation: since the production of products in agriculture is subject to the influence of many factors and its volume may change as a result of the spontaneous influence of one of these factors. The use of factor models extends the ability to forecast profits. The factor model is a synthesis of several methods of planning profits from sales, which allows to reveal various factors that influence the projected profit. The factor model can be represented as follows:

$$P_p = P_b + \Delta S + \Delta N + \Delta CP + \Delta P, \tag{5}$$

- where:  $P_p$  – projected profit;  
 $P_b$  – base period earnings;  
 $\Delta S$  – impact of changes in sales;  
 $\Delta N$  – impact of structural (assortment) shifted sales;  
 $\Delta CP$  – impact of cost change;  
 $\Delta P$  – impact of changes in selling prices.

Using this model, we calculate the estimated profit of the organization. The resulting results are reflected in Figure 2.



**Figure 2: Forecast of profit in LLC Agrofirma on the basis of the factor model, rub.**

As can be seen from Figure 1, on the basis of the factor model, the profit forecast for 2019 was 150157 thousand rubles.

This forecast was made without the use of profit management techniques, that is, without using measures to increase it. After analyzing all the factors affecting the level of profit, it can be noted that in 2018 in Agrofirma LLC the most significant factor was the decline in prices for sold products. Therefore, an increase in profits is possible by searching for new distribution channels for products at a higher price.

As we see with the changes, the maximum profit in 2016 amounted to 113242.74 thousand rubles. Let's make a forecast taking into account the factor model for 2017.

$$Pp = 113242,74 + 15101,174 + 48142,826 - 22332 - 1437 = 152717.74$$

Profit from sales in 2017 as a result of the pricing policy correction amounted to 152717.74 thousand rubles. This figure exceeds the predicted value in 2016 by 42035.74 thousand rubles, that is, this amount will amount to the economic effect of finding a new distribution channel and revising the pricing policy.

The search for new sales channels, the integration of elements of the innovation mechanism in economic activity in order to increase its efficiency, involves finding ways to expand production. This is possible due to the expansion of conditions for growing crop products.

Any innovative mechanism involves several directions. In particular, the stage of development and implementation of innovative products. At this stage, as an option, it is possible to suggest introducing a mechanization process for the production of Agrofirma LLC. One of the problems of reducing the efficiency of the production cycle of crop production is low seedling stability. On the basis of a survey of agricultural producers, it was established that a problem in economic activity is timely watering, fertilizer, application of seed material, and treatment against pests. Often, due to the imperfection of the available technology and the variability of climatic conditions, there are problems with the speed of the above procedures. In particular, all activities should contribute to the transition of the agricultural sector to the post-industrial stage of development, production should be modernized and the existing infrastructure improved taking into account the potential of the regional economy and society.

To this end, it seems necessary to use a mechanism based on the mixing of seeds, water, fertilizers, which will improve the quality of seedlings and ultimately lead to an increase in the harvest. To this end, it is necessary to purchase small-scale mechanization tools, in particular hydro seeders, seeders of the exact direction. In this regard, one of the directions in the development of the business process is the expansion of the production and technical base, based on the creation of a structure that will improve the management of the business process of the organization.

The selection of the organizational mechanism in the structure of the organization's economic activities implies the unification of companies for the processing, transportation and storage of products.

The technology transfer mechanism contributes to the movement of technology from the public sector to the business sector. It implies that the state cannot implement the developed ideas through practice and it is considered correct to transfer the development to entrepreneurial structures.

The institutional support unit involves the active interaction of the organization with various institutions. According to the estimates of developed countries, the efficiency of the production cycle is increased by more than six times, and the period for integrating the development is not more than two years.

## CONCLUSION

Taking into account the phases of development of entrepreneurial structures, the whole process of improving business activities can be represented in the form of certain stages: the formation of institutional conditions for the effective development of entrepreneurship; process optimization in a functional environment; development of a system of interconnection and interaction with partner counterparties. For the organization, we can recommend cooperation with scientific educational institutions, in part by combining with the center of control of science and innovation on the basis of the Kuban State Agrarian University. In addition, there are practical projects for the creation of innovative products for the agricultural sector by researchers at this research center, who have already concluded that it is practical to implement these projects.

Thus, the proposed model will optimize the profit of the organization when creating an efficient production cycle system. The proposed mechanism will allow a partial transition to the post-industrial stage of development, improve the economic conditions for the formation of the agro-industrial complex, will increase the profitability of products, and as a result, improve the material well-being of the rural population.



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