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BUSINESS PROCESSES RE-ENGINEERING IN AGRI-FOOD SPHERE AS A FACTOR OF ENSURING FOOD SAFETY AND QUALITY

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Successful economic development of any enterprise in modern highly-competitive conditions depends greatly on enhancing the production process and services via introducing modern technologies that can provide the required quality level of goods. Improving the material and technical base through the use of scientific and technological progress and appropriate management methods allows economic entities to form additional competitive advantages that will contribute to the efficient utilization of the available and potential resources [1].

The increase in the cost of the non-renewable natural resources, increasing dependence of production on natural and climatic conditions, limited access of producers to the financial resources are the result of low rates of the technical and technological renewal of the agricultural production in the cost structure of the national agricultural products.

The current situation in the agricultural sector poses a number of challenges, the main among which is the need to improve business conditions, conduct quality transformations that can increase the competitiveness of agricultural production in the domestic and foreign markets, provide food security, and approximate the national agriculture policy to the European standards [9].

In view of the current situation features, it is necessary to implement effective management mechanisms for the technological restructuring of agri-food enterprises, which will form a qualitatively new level of ensuring the state food security.

Improving the country's food security by accelerating the production of high quality food is the key to increasing living standards, preserving and protecting the environment through the rational use of natural resources, and thus increasing the competitiveness of the domestic producers and expanding its export opportunities [4].

The Cabinet of Ministers of Ukraine approved the conception of the state target program for the development of the agricultural sector of the economy until 2022 to improve the quality, safety, and competitiveness of agri-food products [9].

The main task of the abovementioned Program is to create organizational and economic conditions for effective, socially-oriented development of the agricultural sector, stable supply of agricultural raw materials to the industry and to provide the population with high-quality and safe domestic agricultural products, increase the share of the products with high added value, strengthen Ukraine's presence at the world market of agricultural and food products[9]. Re-engineering of agri-food enterprises can become a solution to the problem under consideration.

But, along with this, there is some uncertainty regarding the implementation of the idea of reengineering. Namely, Yu.Lopatynsky and V. Kyfiak argue that the implementation of the ideas in practice needs specifying the basic principles of reengineering, efficient for the development of the agricultural relations:

- 1) introduction of a product quality management system to increase its competitiveness on the world market;
- 2) formation of a balanced reporting system of the indicators that reflect the efficiency of the economic entity in terms of its production, financial, and marketing functions (ie the efficiency of all processes);
- 3) introduction of process-planning of enterprise activity;
- 4) utilization of corporate operating systems [5].

Intensification of the agricultural production in current conditions of fierce competition is practically impossible without constant improvement of management methods and seeking out the reserves to increase the quality of production. Agricultural raw materials go through several stages of control:

- input control to prevent the use of the raw materials with harmful impurities in the production;
- compliance with the production requirements, technological and laboratory control;
- control over the storage conditions and terms of sale of food products through a ban on the use of components of artificial origin used to increase the shelf life of products for consumption [4].

To create new opportunities for the production of quality and safe goods, the agri-food companies ought to improve the material and technical base of the enterprise and, timely, implement the achievements of the scientific and technological progress. All this is connected, first of all, with the restructuring process. Restructuring of the enterprise can be defined as the implementation of organizational and economic, legal and technical

measures aimed at changing the structure of the enterprise, its management, forms of ownership, including process-planning. The principal goal of restructuring is to extend the enterprise's feasibility to recover financially, to increase the amounts of competitive products production, to increase the whole production process efficiency [2].

However, it is necessary to select carefully those ways of restructuring, which can improve the quality and safety of goods produced and sold at the domestic market. The study has revealed that technological restructuring is the most effective way of improving the quality and competitiveness of the national food products, owing to the existing production capabilities of agri-food enterprises.

Modern management of technological restructuring at agri-food enterprises must meet the following requirements:

- flexibility and adaptability to constantly changing market conditions;
- focus on reducing material and energy resources;
- focus on increasing the role of information resources;
- responsibility of the management staff and public authorities for the social stability of both their teams and the region in which they operate [4].

Before discussing the strategies of technical and technological restructuring of agri-food enterprises, it is advisable to identify and study the specific features of their production process. Thus, in accordance with the Law of Ukraine On Basic Principles and Requirements for Food Safety and Quality, the production process is interpreted as an activity that involves the production of sanitary facilities, all stages of the technological process, namely, primary production, preparation, mixing and related procedures, processing, filling, packaging, renewal and other changes in the state of the product [7].

Technological factors stipulate the introduction of new technologies in every field of activity. Computers provide high-speed data processing for complex production tasks. New machines and processes revolutionize production methods. Information technology and automation affect not only technical but also social working conditions [10].

In the field of standardization, the state policy lays emphasis on the balanced application of many principles, one of which is the adaptation to modern advances in science and technology, promoting innovations, and increasing the competitiveness of domestic producers [8].

In view of the abovementioned, it is necessary to implement systemically modern achievements of science and technology and modernize the outdated production facilities through the implementation of the technical and technological restructuring of agri-food enterprises.

The technical and technological restructuring involves the modernization or replacement of the outdated fixed assets, introduction of new technological

processes, investing the programs aimed at more efficient use of the production process capacities, and other available resources of an enterprise. Liquidation of some divisions and even enterprises can be considered as an integral part of this type of restructuring. A broader definition of the technical and technological restructuring may involve the regional relocation of the production facilities to take advantage of the strategic options, reflected in lower wages, a higher level of the staff skills, a promising market, better infrastructure, and other factors that can appear beneficial for relocating the business entity. This type of restructuring can not significantly increase the efficiency of management if it is not accompanied by additional changes in the organization, management, and development of the marketing and product policies, as well as without the introduction of strategies to stimulate the competitiveness of the production [6]. Therefore, in this context, it is gainful to determine the main directions of structural transformations that will facilitate the solution to the problems related to increasing the quality and safety of the consumer goods.

Thus, I.M. Cherniavska offers the following directions of the structural reforms for the Ukrainian enterprises in the field of production:

- monitoring of the existing production processes of the enterprise and closing the inefficient and technically retarded productions;
- reducing the number of production units (shops, sites, etc.);
- revealing the «strategic core» of the enterprise, the most important, technically equipped processes, and concentrating efforts on their activities improvement [10].

O. Kostiuk argues that improving the quality and safety of products should become a priority of each division of the enterprise if they really endeavor to solve this urgent task successfully. This goal can be achieved through highly professional planning and modernizing production processes with a focus on the implementation of low-waste and non-waste technologies that provide resource and energy saving.

Goods quality and safety and environmental management systems at enterprises need constant improvement, regulation, and revision of the goals and objectives. In this context, it is necessary to determine the structure of the processes and documentation, improve the working conditions of the staff, and motivate them to advance [4].

The findings of the study manifest that re-engineering of business processes in the agri-food sphere is an important factor of ensuring food safety and quality and can increase their production formats. Comprehensive and effective implementation of re-engineering opens new perspectives for further effective functioning of the enterprise in the conditions of the globalization changes and production of high-quality and safe for consumers goods, which, in turn, ensures the country's food security.

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