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INNOVATION AS AN EFFICIENCY INCREASING FACTOR OF AGRICULTURAL ENTERPRISES RESOURCES USING

Nowadays, providing effective development of domestic agricultural sector and producing high-quality competitive agricultural products require changes, first of all, regarding the use of resource potential, ensuring the implementation of innovative and resource-saving technologies of production, etc. Rational, maximally efficient use of resources involved in the production of agricultural products is a prerequisite for achieving a balance of societal interests (social, economic, environmental), as well as the basis for ensuring national priorities for the development of the agrarian sector; ensuring food security of the country; optimization of agricultural export potential; profitability of commodity producers; provision of socially oriented state agricultural policy.

At the same time, this requires application of special knowledge and specific approaches to addressing urgent issues of the agrarian sector, in particular concerning the organization of rational land use; use and implementation of labor potential; optimization of innovation activity; updating and upgrading of technical and technological facilities and equipment, etc. [3].

In the realities of modern times, innovation is becoming a key factor for most enterprises development. The increasing number of scientific works, where the research activity is investigated, is characteristic. In the majority of them considerable attention is paid to innovative processes connected with improvement of the whole production and economic potential of the enterprise. That is why domestic scientists try to substantiate national innovation priorities, find effective mechanisms for attracting and effective innovations using [1]. We should note that the intensification of research on the issues of innovation was taking place in the 1960s – during the

accelerated development of scientific and technological progress. Further study of innovative activity, initiated by J. Schumpeter, was performed by J. Bright and his followers. At present, this problem has caused the development of research by such scholars as: Yu. Benderskyi, P. Belenkyi, A. Vlasova, V. Heiets, N. Gladushyna, O. Denysova; M. Dolishnii, R. Ivanukh, S. Ilienкова, O. Kavtysh, L. Kolobova, O. Kuzmin, V. Lavruk, O. Lapko, A. Kuteinykov, S. Pokropyvnyi, Ya. Plotkin, A. Savchenko, V. Terekhov, A. Chukhno, T. Shmatkovska and others [1, p. 38; 2, p. 42; 3; 4; 5; 6; 7, p. 143; 8, 143; 10, p. 121].

The purpose of the publication is to study the problem of increasing the efficiency of agrarian enterprises resources using on an innovative basis.

At the current stage of economic development, the effective implementation of economic activity by agrarian enterprises on a competitive basis requires a qualitative, economically grounded plan for the development of the existing economic, including resource and innovation potential. The functioning of agrarian enterprises in the conditions of limited financial resources induces the organization of activities in such a way that at the possible minimum cost of resources to obtain the maximum possible results. Studies show that the vast majority of agricultural enterprises cannot even provide a simple reproduction of resource potential. For agricultural commodity producers, the issue of the deficit of certain types of productive resources, their low quality, as well as their sub-optimal structure and interaction is relevant, which in aggregate contributes to lowering the rates of economic development of the agrarian sector. It is the innovative potential of the enterprise that can provide the efficient use of available limited resources.

As it is stated in the National Report “Innovative Ukraine 2020”, the main characteristics of the current stage of the innovation process in agrarian enterprises are as follows:

- sufficiently high level of innovation activity of enterprises;
- limited use of own innovations by agrarian enterprises;
- interdependence of innovation activity degree of the enterprise and its profitability;
- diversification of innovative activity directions of effective enterprises;

- absolute predominance of enterprises own funds among sources of innovations financing;
- low level of use of institutional sources of information by agrarian enterprises regarding innovations and possibilities for their implementation;
- versatility of innovative activity of crop and livestock enterprises by its types;
- innovation for the environment [6].

As the main aims of innovation, agrarian enterprises determine updating the resources and processes, accessing to new markets or increasing the share of the existing market, reducing labor costs, materials and energy resources, primarily per unit of output. At the same time, agrarian enterprises pay much less attention to reducing the negative impact on the environment and expanding the range of products.

The market determines the innovative activity of the enterprise as an external factor in the following aspects: the necessity of new innovations; availability of alternatives in the selection of an innovation project; definition of terms of its realization; the order of innovations implementation on the market; the scale of the innovation dissemination, etc.

Objective factors of internal environment of innovation process affect the quantitative parameters of innovation, the ability to produce and distribute innovations. Subjective factors act at the moment of decision making on a specific innovation project by the subjects of the innovation process, whose tasks are to analyze external conditions and internal capabilities of its implementation.

A comprehensive characteristic of the company's ability to innovative activity is its innovative potential. The concept *potential* means the ability and willingness of any organization to implement the innovation process.

Innovative potential of an enterprise can be defined as an integral complex of resources interrelated in certain socio-economic forms, which characterizes the ability of an enterprise, under the influence of external and internal factors, to create and effectively implement innovations in order to achieve innovative strategic changes, increase economic efficiency and enterprises competitiveness [5].

Innovative potential occupies a leading position as a component

of the economic potential of an enterprise and plays an important role in providing its effectiveness (Fig. 1).

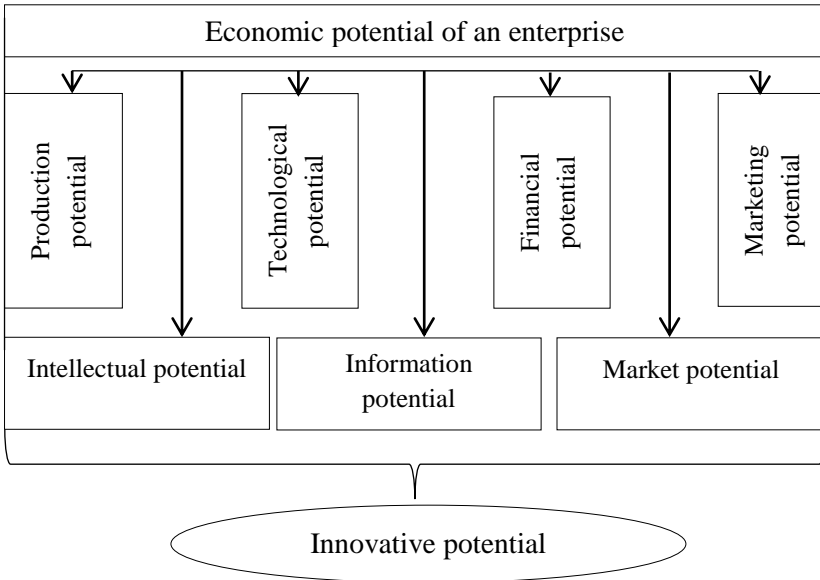


Fig. 1. The place of innovative potential in the structure of economic potential of the enterprise [7]

In order to increase the efficiency of an enterprise's activity on an innovative basis it is expedient to determine the growth factors of production efficiency in the main directions of the production process development (Fig. 2). These areas cover the complex of technical, organizational, and socio-economic measures that achieve savings in living labor, costs and resources, and the improvement of the quality and competitiveness of products. The most important value for increasing the economic efficiency of production is given to the rational use of production potential, maximum loss reduction and efficient use of resources.

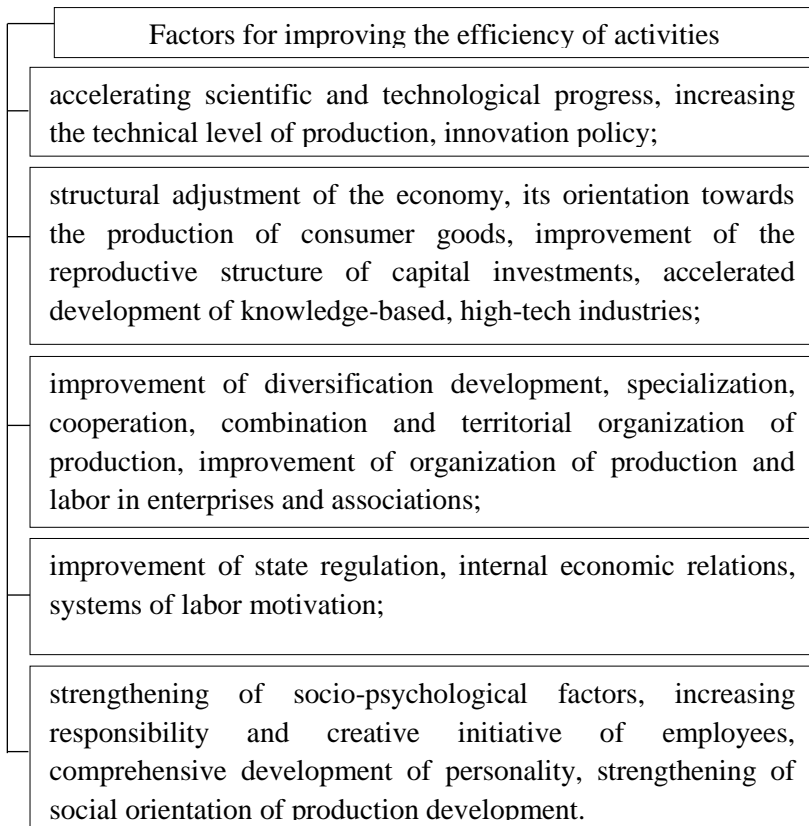


Fig. 2. Factors for improving the efficiency of an enterprise on an innovative basis [11]

One of the most important elements of management concept of agrarian enterprises innovative activity is the development of innovation policy, which includes important strategic and tactical aspects. The essence of the strategic aspect is the possibility of developing and implementing long-term innovation projects and programs that ensure the most effective achievement of the global goals of agrarian enterprises. Tactical measures are aimed at promoting the quality of goods and production efficiency, as well as strengthening the innovative potential of enterprises, which is a strategic criterion for the effectiveness and efficiency of their

functioning [8].

Implementation of innovations in the agrarian sector of the economy should be carried out in all spheres of activity. Agrarian enterprises should take into account the trends of innovation development of other industries and fields of activity. First of all, we are talking about the introduction of technological, both process and product innovations, as well as non-technological – organizational and marketing ones. At the same time, “the general trend of reducing the timing of the introduction of an innovative product into “life” and profit in the shortest time is the main motivating factor for businesses” [9].

The development of the innovative technology update in agriculture of Ukraine was contributed by the emergence of agricultural services market, which began to cover the increasing scope of implementation of certain elements of advanced technologies. In particular: introduction of high-yielding varieties and hybrids of main crops; highly productive and advanced technical means of production and spare parts for them; perfect plant protection products from weeds and diseases [4].

In current conditions, such specialized sectors of agricultural services have been formed in Ukraine, which promote the innovative development of agrarian production through the transfer of innovative technologies:

- in the field of production of high-yield seed and hybrids of agricultural crops, which annually sow the growing areas of crops in Ukraine: Pioneer, Singenta, Monsanto, Novi Sad, KWS SAAT, Euralis, LG, NPZ Lembke;

- in the field of plant protection against weeds, pests and diseases: Monsanto, Singenta, BASF, Bayer, Arista LifeScience, Dupont, Ceminova;

- in the field of supply of agricultural machines for various purposes and spare parts and repair materials, the following corporations and companies operate: AMAKO, John Deer, New Holland, Case, Kverneland, Kinze, Hardy, Claas, De Laval, Horsch, Amasone, Kuha, Cimbria Haid;

- in the areas of combined activities with the expansion of the complexity of agro-services, the growing importance is acquired by: AMAKO, Singenta, Monsanto, Dupont [4].

Effective use of innovative potential of agrarian enterprises is still negatively affected, in particular, by the imperfection of legislative regulation of innovation activity; both their own and loan limited financial resources for the implementation of innovations; outflow of highly skilled workers; imperfection of the methodology for evaluating the effectiveness of innovations; undeveloped processes of using venture capital; deterioration of the technical base of scientific institutions; lack of support for innovative entrepreneurship at the regional level, etc.

The elimination of the destructive influence of these processes on the effective use of innovative potential by agrarian enterprises is possible due to the improvement of their financial situation with the help of increasing, first of all, their own profit and implementation of measures of state agricultural policy. In particular, the state should ensure the establishment and maintenance of associations of small enterprises and farms in different organizational and legal forms as a way of expanding the possibilities of innovative development, dissemination of scientific and technological innovations among this group of commodity producers; intensifying the activities of scientific institutions in cooperation with agrarian enterprises and strengthening their information provision in the field of innovation. Such a partnership in the field of innovative provision of increasing the efficiency of resources utilization by agrarian enterprises will have undeniable advantages in achieving the strategic objectives of the industry and the economy as a whole.

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