

SYSTEMATIZATION OF THE EXTERNAL FACTORS OF COMPETITIVENESS OF AGRICULTURAL PRODUCERS

Problem. Agricultural producers, regardless of the type of business, are competitive if they are able to better adapt to changing economic conditions, to effectively carry out their activities in terms of risk and uncertainty, to rationally use the natural resources and produce agricultural products of high quality, which bring the maximum usefulness to the consumers.

In the current economic conditions the development of the increased competition between the agricultural producers of Ukraine make them pay more attention to the research, analysis, rational use of the existing factors and search for the advanced factors of products' competitiveness and the entity as a whole, so one can determine the competitive position of the producers in the agricultural market and achieve the appropriate level of their competitiveness. The investigation of the factors of formation, development and providing of the competitiveness of agricultural producers is actual and prospective for the present.

Analysis of recent researches and publications. O. Berezin, P. Haidutsky, I. Hutorova, D. Domanchuk, L. Yevchuk, V. Zbarsky, S. Kvasha, O. Kopystko, Y. Lopatynsky, M. Malik, A. Moky, V. Mesel-Veselyak, P. Sabluk, H. Tkachuk, O. Ulianchenko, H. Cherevko, O. Shkolny, O. Shpychak and other agricultural economists contributed significantly to the study of the competitiveness of agricultural producers and the factors of its formation, development and maintenance.

Objective. Objective of the research is the consideration, systematization and grounding of the external factors of formation, development and maintenance of the competitiveness of agricultural producers.

The main material. Competitiveness of agricultural producers is determined by their potential, competitive potential, competitive advantages that are formed and developed under the influence of a certain set of factors that are different in origin, nature and degree of validity. The factor of competitiveness is the direct cause, which is necessary and sufficient for changing one or more criteria of entity's competitiveness [1, p. 94] or its level of competitiveness in general.

Wrong systematization and definition of the variety of the factors of competitiveness of agricultural producers sometimes cause serious adverse effects, and often lead to the reduce of the competitiveness in general.

According to the origin, the factors of competitiveness of agricultural producers are divided into two main groups: internal and external [1, p. 94; 2, p. 20; 3; 4, p.135; 5].

The external factors of competitiveness of agricultural producers are the market environment factors, in which the manufacturer operates and which are formed by the external entities: consumers, suppliers, government, customers, contractors.

The external factors affect all categories of farms (agricultural enterprises and households), although they are manifested outside the sector, because the structure of the sector largely determines the rules and options of strategies and their objective is the maximum adaptation to these external forces [6, p. 89] (fig. 1).

In our opinion, the external factors of the formation and development of the competitiveness of agricultural producers can be divided into the following groups:

1) factors of megalevel (world economy):

- conjuncture of world agricultural markets;
- international division of labour;
- dynamics of exchange rates;
- international agreements in the field of foreign trade in crops, livestock and agricultural production

means;

- change in the level of openness of national economies, level of the integration of a country to the world community;

- competitiveness of the economy and the country's image in the international arena: significant factor in the success of the export-import sector and attracting of the foreign investment in the national economy;

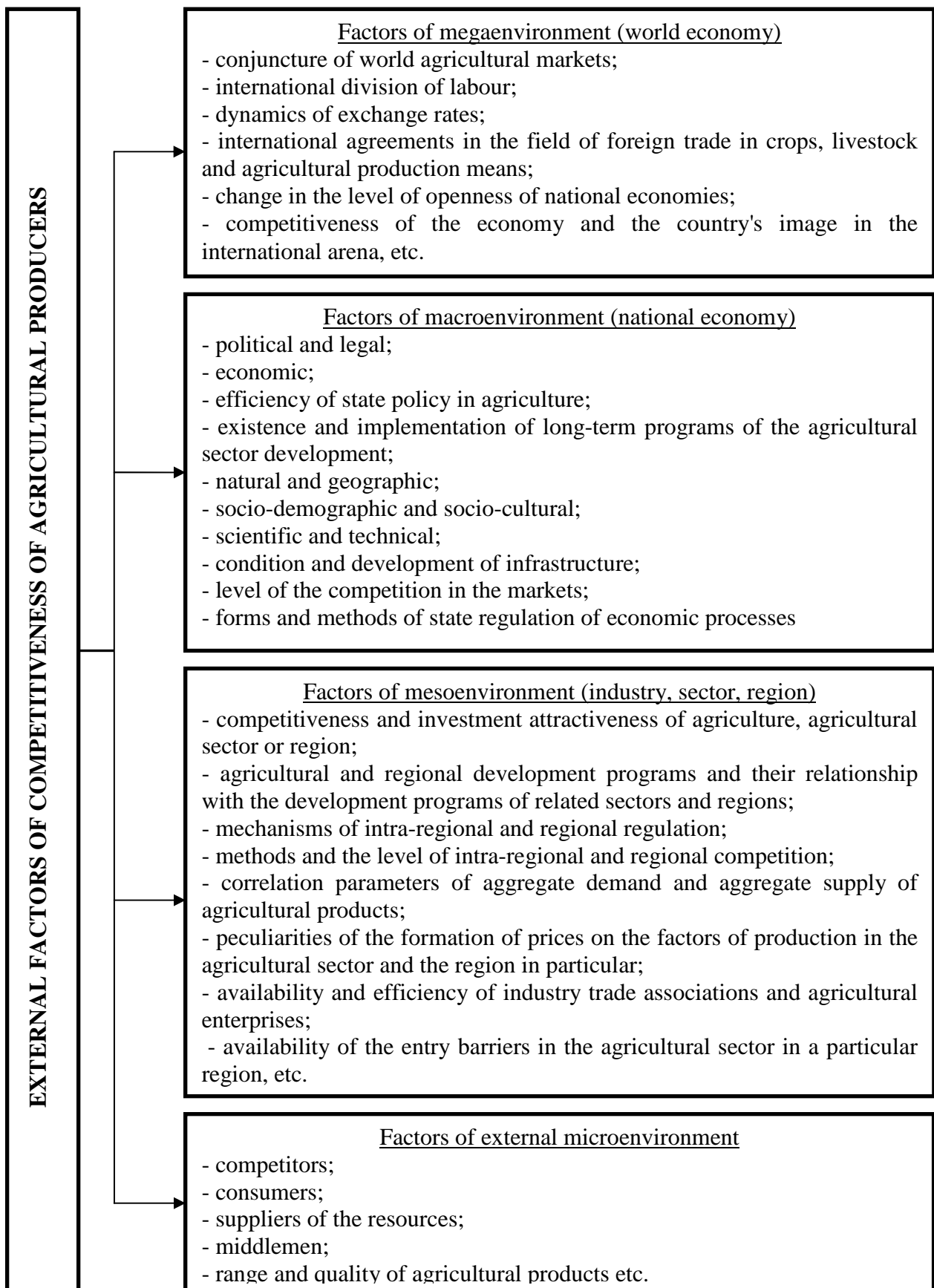


Fig. 1. External factors of competitiveness of agricultural producers (elaborated on the basis of [6; 13;2; 14])

2) factors of macroenvironment:

- political and legal (elaboration, improvement and control over the observance of legislation that encourage the development of market relations in the agricultural sector and the level of their compliance

with European and international norms of law; state system of the standardization and certification of agricultural products; the stability of the political situation in the country; the political sustainability of economic development; legal guarantees on property);

- economic (financial and credit, investment, tax, food, agriculture, innovation policy, depreciation, including various government grants and subsidies, tariff policy and related duties, quotas; development of the state insurance system; participation in the international division of labour; parity prices on the agricultural products and manufactured goods; system of loans of the agricultural producers [2, p. 21]);

- efficiency of state policy in agriculture (quality of government regulation; the level of corruption in the country; state control over the adherence to the mandatory regulatory requirements, certification rules; the legal protection of the interests and rights of the consumers of agricultural products [7, p. 53] etc.);

- existence and implementation of long-term programs of the agricultural sector development: Ukraine has a strategy for the development of the agricultural sector (until 2020) [8]. The strategy is elaborated on the basis and taking into account the statements of the Constitution of Ukraine, the Law of Ukraine «On the Fundamentals of the State Agricultural Policy for the period up to 2015» [9] and other legislative and regulatory acts, according to which the activity in agriculture is realised, the equal rights of entities are guaranteed, rational norms of food consumption and the indicators of achievement of food security are determined, the state programs in the sphere of agricultural sector development are realised. To them belong State target program of Ukrainian village development up to 2015 [10], State target economic program of fishery development in Ukraine for 2012-2016 [11], national projects «Restored cattle», «Corn of Ukraine», «Green markets»;

- natural and geographic (topography; soils; weather conditions [2, p. 21]; factors of genetic origin, related to the physical, chemical, and biological properties of soils that were formed as a result of long-term soil formation; potential of plant varieties and animal breeds potential; factors stipulated by heterogeneous bioclimatic, hydrological natural conditions [12, p. 32]; greening of industrial activity and permanent restoration of natural resources; distribution of productive forces);

- socio-demographic and socio-cultural (the total population of the country, including rural and urban; the level of migration from rural areas to cities; the condition of migration of scientific personnel; system of training and retraining of management and production personnel in the country; the level of rural areas development; the level of population's income and its purchasing power [2, p. 21]; cultural traditions; national customs; psychological factor; mentality of the population);

- scientific and technical (level of scientific and technological progress; the volumes of innovative activity; share of expenditure on scientific research; the number of patented technologies; the level of greening of agricultural production; the level of technology used in the manufacture of equipment; the system of intellectual property protection);

- condition and development of infrastructure (industrial infrastructure, innovation infrastructure, innovation and investment infrastructure, information and communication infrastructure, the global information infrastructure, social infrastructure, transport infrastructure, information infrastructure);

- level of the competition in the markets (the number of agricultural enterprises and households; the rate of change of the agricultural market; the intensity of competition and agricultural manufacture);

- forms and methods of state regulation of economic processes (forms and methods of state support to the agricultural sector, government purchases);

3) factors of mesoenvironment (industry, regional):

- competitiveness and investment attractiveness of agriculture, the agricultural sector or region;

- agricultural and regional development programs and their relationship with the development programs of related sectors and regions;

- mechanisms of intra-regional and regional regulation;

- methods and the level of intra-regional and regional competition;

- correlation parameters of aggregate demand and aggregate supply of agricultural products;

- peculiarities of the formation of prices on the factors of production in the agricultural sector and the region in particular;

- availability and efficiency of industry trade associations and agricultural enterprises;

- availability of the entry barriers in the agricultural sector in a particular region, etc.

4) Factors of external microenvironment: competitors, consumers, suppliers of the resources, middlemen, range and quality of agricultural production, replacement items. Thus, in our opinion, it is advisable to divide micro-level factors into: the factors of the external microenvironment and the factors of the internal microenvironment. Groups of factors of the external microenvironment, according to M. Porter's research, are the factors of industry competition that determine its intensity.

The external factors of competitiveness of agricultural producers can also be viewed by the method of T.E.M.P.L.E.S. [15] (*Technology, Economics, Market, Politics, Laws, Ecology, Society*) (table 1).

Table 1

The main external factors of competitiveness of agricultural producers according to the methods of T.E.M.P.L.E.S

Group of factors	Main factors of the group
Technology	- new informational technologies; - new standards of agricultural equipment; - new types of agricultural production etc.
Economics	- growth rate of the economy and agriculture; - dynamics of the agricultural market and its saturation; - value of loans; - inflation and unemployment level; - policy on wage and pricing; - income level and its structure, etc..
Politics	- political conditions in the country; - stability; - loyalty of the government; - protection in the industry; - administrative barriers of entrance and exit in the industries of the agriculture; - system of property protection etc.
Laws	- legislation and regulations on labour relations; - legislation and regulations on labour relations on taxation etc.
Ecology	- legislation in the sphere of the ecology; - relation between technologies and environmental safety.
Society (social and demographic factors)	- level of education and culture; - quantity and dynamics of the population; - births and deaths; - sex and age of the population etc.

Key role in the process of determination of level of competitiveness of producers of agricultural produce and increase of their competitiveness on the whole, to our opinion, authentication of factors, determination of measure of their meaningfulness, influence, estimation of concrete factor or their great number, plays.

Conclusion of the research. Competitiveness of certain agricultural producer is presented by a complex and dynamic system of unclear factors, that differently affect the level of competitiveness of the entity in a certain competitive environment. While forming, developing and maintaining of a certain level of competitiveness of the agricultural producers one should determine the dominant factors (competitive advantages) in comparison with the competitors. This will make it possible to create a competitive potential of an agricultural producer, to provide some level of competitiveness and to take a certain competitive position in the competitive environment.

References

1. Pavlova, V., Kuzmenko, O., Orlova, V. and Ryzhkova, H. (2011), *Konkurentospromozhnist pidpriemstva: upravlinnia, otsinka, stratehiia* [Competitiveness of enterprises: management, assessment, strategy], monograph, Vy-vo DUEP imeni Alfreda Nobelja, Dnipropetrovsk, Ukraine, 352 p.
2. Ulianchenko, O., Yevchuk, L. and Hutorova, I. (2011), *Konkurentospromozhnist silskohospodarskykh pidpriemstv ta stratehichni aspekty yih formuvannia* [Competitiveness of agricultural enterprises and strategic aspects of their formation], monograph, Virovets A.P. «Apostrof», Kharkiv, Ukraine, 340 p.
3. Fatkhutdinov, R.A. (2005), *Upravleniye konkurentosposobnostyu organizatsii* [Management of the enterprise competitiveness], Eksmo, Moscow, Russia, 544 p.
4. Sviatnenko, V. (2010), "Factors increasing the competitiveness of industrial enterprises in the context of globalization", *Teoretychni ta prykladni pytannia ekonomiky*, no. 23, pp.131-141.
5. Yemelianova, I. (2010), "Classification of the factors of competitiveness of agricultural enterprises", *Skhid*, no. 2 (102), pp. 20-23.
6. Mokii, A.I. and Vasylytsev, T.H. (2010), *Stratehiia ta mekhanizmy zmitsnennia prostorovo-strukturnoi konkurentospromozhnosti rehionu* [Strategy and mechanisms for strengthening of the space and structural competitiveness of the region], monograph, Liha Pres, Lviv, Ukraine, 488 p.
7. Chetyrkina, N. (2009), *Upravleniye konkurentosposobnost'yu organizatsiy sfery uslug* [Management of the competitiveness of the organizations of the sphere of services], SPbGUEF, St. Petersburg, Russia, 128 p.

8. "Resolution of the Cabinet of Ministers of Ukraine "The development strategy of the agricultural sector of the economy for the period up to 2020"" (2013), Cabinet of Ministers of Ukraine, available at: <http://zakon4.rada.gov.ua/laws/show/806-2013-p#n7> (access date January 28, 2014).
9. The Verkhovna Rada of Ukraine (2006), The Law of Ukraine "On the Fundamentals of the State Agricultural Policy for the period up to 2015", Supreme Council of Ukraine, vol. 1, pp.17.
10. "Resolution of the Cabinet of Ministers of Ukraine № 1158 "State target program of the development of Ukrainian villages for the period up to 2015"" (2007), Cabinet of Ministers of Ukraine, available at: <http://zakon4.rada.gov.ua/laws/show/1158-2007-r> (access date January 28, 2014).
11. "Resolution of the Cabinet of Ministers of Ukraine № 1245 "State target economic program of fishery development for 2012-2016" (2011), "Cabinet of Ministers of Ukraine, available at: <http://zakon2.rada.gov.ua/laws/show/1245-2011-n> (access date January 28, 2014).
12. Berezin, O.V. and Plotnyk, O.D. (2012), *Ekonomichnyi potentsial ahrarykh pidpryemstv: mekhanizmy formuvannia ta rozvytku* [Economic potential of agricultural enterprises: mechanisms of formation and development], monograph, Inter Hrafika, Poltava, Ukraine, 221 p.
13. Ivanov, Iu., Orlov, P.A. and Ivanova, O.Yu. (2008), *Konkurentni perevahy pidpryemstva: otsinka, formuvannia ta rozvytok* [Competitive advantages of an enterprise: evaluation, formation and development], monograph, INZhEK, Kharkiv, Ukraine, 352 p.
14. Tkachuk, H. (2012), *Formuvannia konkurentospromozhnosti malykh pidpryemstv ahrobiznesu: suchasnyi stan ta perspektyvy rozvytku* [Formation of the competitiveness of small agricultural businesses: current state and prospects of development], monograph, ZhDTU, Zhytomyr, 200 p.
15. Hershun, A. (2010), "Analysis of the external environment of business", available at: http://www.iteam.ru/publications/marketing/section_23/article_3634/

Melnyk O.I. SYSTEMATIZATION OF THE EXTERNAL FACTORS OF COMPETITIVENESS OF AGRICULTURAL PRODUCERS

Purpose. Systematization and grounding of the external factors of formation, development and maintenance of the competitiveness of agricultural producers.

Methodology of research is based on the combination of the research methods (dialectical method, methods of analysis and synthesis, analytical method) and aims at the identification and formation of the external factors of competitiveness of agricultural producers.

Findings. The factors of forming, development and competitiveness of agricultural producers are classified according to the environment of operation on the basis of analysis and systematization of different approaches. The external factors of competitiveness of agricultural producers are considered and systematized at different competitive levels.

Originality consists in the further development of the main scientific approaches to the systematization of the external factors of competitiveness and the increase of the level of the competitiveness of the agricultural producers.

Practical value. The results of the research can be used for identification of the competitive advantages of agricultural producers, for formation of the competitive capacity and the appropriate level of their competitiveness.

Key words: the factor of competitiveness, agricultural producers, competitive advantage, competitive potential and competitive position.