



REVIEW
FOR A MONOGRAPH

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**“MECHANISM OF
FORMATION AND
IMPLEMENTATION OF
THE DEVELOPMENT
STRATEGY
OF AGRICULTURAL
ENTERPRISES”**

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In today's conditions of increased risk of doing business, variability and instability of the external environment, acceleration of technological innovations and intensification of competition, strategic management plays an important role, as well as elaboration and implementation of an effective development strategy. The presence of the development strategy indicates the seriousness of the company's intentions towards its customers and partners, the focus on the long term goals. Forming a strategy is one of the most important tasks facing agricultural managers. The agricultural sector plays an important role in the development of the national economy of Ukraine in general. Managers of agricultural enterprises, first of all, need to focus not on solving current problems, but on the implementation of long-term projects that will ensure this development.

The strategy is a roadmap for agricultural enterprises, enabling forming clear strategic, tactical, and operational goals, appointing responsible executors, and adhering to the set deadlines. The problem of many modern agricultural enterprises is the leaders' misunderstanding of the importance of strategic planning. Some of them either do not carry out strategic management or carry it out only formally. However, the strategy should not be a perfectly formed plan that will not be applied. It has to be implemented.

The monographic study consists of three consecutive and complementary sections, which reveal the theoretical and methodological foundations of agricultural development strategy, the process of strategic management, the importance of increasing competitive advantages for business success in the market, trends in agricultural development and strategic analysis of their development, the use of a balanced system of economic indicators to determine the level of strategic capacity of agricultural enterprises. Also a model strategy is developed by the method of Hoshin Kanri. A mechanism for forming and implementing a strategy for the development of agricultural enterprises is elaborated.

The first section – “Theoretical foundations of agricultural enterprise development strategy” – explores the interpretation of the concept “strategy” by different scientists, analyzes approaches to

defining the essence of strategy, offers its interpretation of the term “agricultural development strategy”, that is a purposeful, detailed, orderly and long-term action plan, which integrates a set of rules and guidelines forming a clear line of behavior of agricultural enterprises in the gradual achievement of goals, meeting consumer needs and economic and social benefits, as well as ensuring agricultural growth in the country as a whole. The classification of strategies of agricultural enterprises is summarized and supplemented, the main approaches to the process of strategic management are highlighted, the methodology for formation of agricultural enterprises’ strategy for obtaining competitive advantages is considered, and the main elements of competitiveness of agricultural enterprises in modern conditions are formed.

The second section – “Analysis of trends in the strategic development of agricultural enterprises” – explores some aspects of the analysis of agricultural enterprises of Ukraine and Ivano-Frankivsk region, analyzes the main trends of their strategic development and the features of strategy formation and implementation in agricultural enterprises by conducting surveys on organizational and legal forms of management in Ivano-Frankivsk region. A comprehensive strategic analysis of prospects for the development of agricultural enterprises is done using the following tools: PEST-analysis, SWOT-analysis and TELESCOPIC OBSERVATIONS.

The third section – “Mechanism of strategic planning of agricultural enterprises” – proposes a balanced system of economic indicators to determine the level of strategic capacity of agricultural enterprises, by which the authors understand “existing opportunities and needs for strategic analysis and strategy development”. A typical strategy for agricultural development is elaborated by the method of Hoshin Kanri, the mechanism of formation and implementation of the strategy in agricultural enterprises is proposed and the process of strategic planning is modeled on the example of the agricultural enterprise “Ridna Zemlya”.

The monograph is a completed independent scientific research, which is performed on an important topic and contains scientific and practical value. Of practical importance is that the managers of agricultural enterprises can use the mechanism of the formation and implementation of development strategies proposed by the authors for the successful implementation of strategic management, taking into account the level of strategic capacity of the agricultural enterprise. The authors’ proceedings will contribute to the development of an effective strategy to ensure a timely response to changes in the internal and external environment, efficient use of available resources, increasing competitive advantages and achieving sustainable economic growth in the long run.

The monograph is characterized by scientific novelty, which also testifies to the deep knowledge of the authors with the theoretical and practical aspects of strategic management. It will be useful for economic professionals, as well as professionals who address the formation and implementation of strategies for the development of agricultural enterprises at the scientific and practical levels.