

PROSPECTS OF USING INDUSTRIAL OUTSOURCING IN UKRAINIAN AGRICULTURAL ENTERPRISES

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Industrial outsourcing is an effective tool of growth for small and mid-size enterprises, but it is not widespread in Ukraine. The outsourcing used in many companies to help them to focus on the core activity of the enterprise and to achieve competitive advantages by reducing costs. Among the main reasons for the use of industrial outsourcing are increasing productivity, sharing risks linked to project implementation, and possessing the ability to produce more goods.

This paper investigates industrial outsourcing as the business tool for the development of Ukrainian small and mid-size business. In this paper, the authors research the set of reasons, which lead to industrial outsourcing, is not widespread.

Today, Ukraine is the fourth largest supplier of IT-talent to the world (after the US, Russia, and India), with a corresponding growth the amount of outsourcing in Ukraine. Taking into consideration that Ukraine has considerable popularity in the intellectual outsourcing field, particularly information technology, the Ukrainian market has a great gap in the development of industrial outsourcing. To understand better such phenomena as the popularity of industrial outsourcing, the authors perused the insufficient supply of outsourcing in the agricultural industry of Ukraine. This paper finds that the low level of awareness about industrial outsourcing among the Ukrainian small and mid-size firms, the lack of supply on the industrial outsourcing market are the crucial issues from the side of communication between business and play the central role in the economic growth of Ukrainian SME.

In this paper are analyzed possible reasons for the decrease in the number of agro-industrial equipment. Authors described the economic and cultural factors that hinder the involvement of external operators to perform the necessary functions based on UK, French, Sweden, Dutch and Japanese experience. Also described the differences between using the type of outsourcing in small size enterprises and large size enterprises. The large agricultural enterprises, holdings, used more qualification and production outsourcing, while farms and small size enterprise mostly used a hiring of personnel and temporally some machines. Sheets talks about the implementation of global experience for small size enterprises and farms. Told of using logistical and marketing outsourcing. Described how government regulation could help to develop rural territory and promote to solve some socio-economic problems.

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