

MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE
TERNOPIL IVAN PULUJ NATIONAL TECHNICAL UNIVERSITY

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**AN INVESTIGATION OF THE EXTERNAL AND INTERNAL FACTORS
AFFECTING THE CORPORATION “A-NATURE” PRODUCTIVITY**

Speciality 073 – Management

ABSTRACT

for educational qualification “Master” degree

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Master's research paper has been done at the management in manufacturing sphere department of the Ternopil Ivan Puluj National Technical University.

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GENERAL DESCRIPTION

The thesis of this master's research paper titled "An investigation of the external and internal factors affecting the Corporation "A-nature" productivity". Volume of graduation project is 139 pages.

Internal and external factors have a huge effect on the success or failure of a business. Business owners can't control external factors, but they must be able to anticipate and adjust to these factors to keep their organizations on track. However, business owners and leaders do have significant influence over internal factors that affect a business, and how they handle these internal factors will have a major impact on the future of their companies.

The micro-environment consist of the factors in the company's immediate environment that affect the performance of the company. These include the suppliers, marketing intermediaries, competitors, customers and the public. The micro environmental factors are more intimately linked with the company than the macro factors. The micro forces need not necessarily affect all the firms in a particular industry in the same way. Some of the micro factors may be particular to a firm.

The **aim of the master thesis** is to study the theoretical and applied aspects of improving the productivity of the enterprise by upgrading the influence of internal and external factors.

The determined purpose of the research involves the following **tasks**:

- to investigate the enterprise's macro and micro environment;
- to examine the internal and external factors affecting successful management system of enterprise;
- to conduct the SWOT-analysis as an instrument for the investigation of external and internal factors of influence;
- to give general characteristics of the company and analysis of its organizational structure;

- to research the internal and external factors affecting the productivity of “A-Nature”;
- to investigate the role of state programs in the formation of favorable external and internal factors of “A-Nature’s” activity;
- to form the proposals for improving the efficiency of using the company's internal and external environment.

The Object of Investigation – the process of managing the productivity of the enterprise’s agricultural activity.

The information base of the research was provided by materials of works of Ukrainian and foreign scientists, information from state statistical bodies, legislative and regulatory documents on tourism regulation issues, statistical and statistical data of the investigated tourism company, analytical publications in scientific and specialized literature, as well as surveys and surveys.

MAIN CONTENTS

The introduction clearly states an area of research, justification and discussion procedures, the aim, objectives and the research methods.

Theoretical section of the master's thesis is investigated theoretical basis for determining of internal and external factors affecting the performance of businesses. We have researched that any enterprise carries out its activity under the influence of factors of macro and micro-environment. The micro-environment consist of the factors in the company’s immediate environment that affect the performance of the company. These include the suppliers, marketing intermediaries, competitors, customers and the public. The micro environmental factors are more intimately linked with the company than the macro factors. The micro forces need not necessarily affect all the firms in a particular industry in the same way. Some of the micro factors may be particular to a firm.

In conclusion, there is a bunch of contributing factors the success of the company which comes from both outside and inside a business. Either outside or inside factors are of utmost importance for the development of the company. If a

business hopes to perform smoothly and successfully, they need to take all these elements into consideration before making any decision.

In today's climate of globalization and international trade, firms must consider several internal and external influences to remain competitive. Since the 1970s, the majority of general managers have adopted a strategic management approach to respond to future uncertainties and improve performance. The strategic management modal comprises of a mission statement, objectives and strategy formation. Effective strategic management requires a comprehensive analysis of the operating environment.

Macro environmental factors generally affect all firms by shaping opportunity and risk in the business-environment. Advancements in research and innovation, changes in political stability or cultural framework are macro factors often influencing long-term strategic management, or even the objectives of a firm. The microchip, for example, has shaped management strategy of firms within several industries. Most strategic management modals incorporate an environmental analysis, which scans the existing macro influences and potential opportunities. A situation analysis evaluates environmental influences in relation to internal factors, to establish an individual firm's limitations and competitiveness.

Slightly less pervasive, the micro environment refers to factors affecting firms in a specific sector or industry. Micro factors include competition, suppliers, customers, labor and competition. The "Porter's Five Forces" modal is an industrial analysis used by firms to understand the micro environment. This strengthens management strategy against changes in micro factors, which can reverberate across the entire industry.

We can state that the most organizations engage in strategic planning. Strategic planning is a way to help an organization be more productive by helping guide the allocation of resources in order to achieve goals. It is a strategic management tool. In other words it is a part of strategic management. In fact, strategic planning is a key to successful strategic management. Strategic management is the continuous process of creating, implementing and evaluating

decisions that enable an organization to achieve its objectives. Strategic management allows an organization to be more proactive than reactive in shaping its own future; it allows an organization to initiate and influence – rather than just respond to – activities and thus to exert control over its own destiny.

Research and analysis section refers to the introduction of “A-Nature” Company, SWOT-analysis of the economic activity of “A-Nature”, analysis of strategic management and productivity at “A-Nature” company.

“A-Nature” is an agri-food platform created to facilitate the distribution of agri-food and other products. The company’s main products are fruits, vegetables, and BIO spices. In addition, their stuffed products are peppers and tomatoes, as this is not lacking in the daily cooking of the Congolese people (in 100% of cases in Congo). This company, been born right in the heart of Kinshasa, the capital of the Democratic Republic of the Congo, situated in central Africa.

The vision of the company “A-Nature” is: to be a place of food-processing, created to facilitate the distribution of farm products (BIO) and others, made in Democratic Republic of the Congo; to make the distribution and home delivery accessible for the population living in the city province of Kinshasa as well as in others provinces of Democratic Republic of the Congo; to be able to create a reliable climate with at least 1/12 of his population in futures days, knowing that the city of Kinshasa is populated in more than inhabitants' 17 000 000, at the end to increase their daily figure of affair (business); to spread the possibility of their sales in various points streaming of the city of Kinshasa first of all, afterward to position in several strategic corners(places) of every districts of the capital.

The objectives of the company “A-Nature” are: to sell the brand through proper communication; to build awareness of their business; to increase the TOM (top of Mind) and Mindset of their clients; to stimulate new acquisitions; to create awareness around their products.

Faced with the consumption of increasingly high long-lasting products preserved, “A-Nature” considered that marketing fresh products, is an effective contribution to the food hygiene of the populations. The current major socio-

economic trends are focused on healthy eating, and company is a part of same services: sales and distribution of fresh, healthy products. It should also be noted that the market for spices, fruits and vegetables is evolving well throughout the country, given that the diet of local people includes them at all meals.

The supply of fresh produce remains a major concern; a considerable part of the population is struggling to buy fruit, spices and vegetables at decent prices because their main suppliers are the markets and supermarkets. On the other hand, the instability of the electricity supplied is a factor that does not favor the good conservation of the products. Thus, the daily delivery of products / fresh food, is a very profitable market, beneficial and especially sanitary for the population.

“A-Nature” offers prices lower than those of the market, more or less 30%. This, to allow as many households as possible of different scholarships to be able to access products of good quality. “A-Nature” proposes to be able to establish a developed network of distribution to reach the customers in all places.

The organizational structure which “A-Nature” uses is of American type. In this type, the Managing director direct the organizational hierarchy and is assisted by his Assistant or the Deputy Director General. Besides both, the other directors (financial, commercial, technique, human resources, public relations) are in adjoining position between the hierarchy and the subordinates who are the workers.

The number of the workers varies with the need for the company. So, at the beginning of “A-Nature” where the main activity was the home delivery, the blue-collar staff consisted that of 3 people.

Consequently, as we can see from the calculations, the largest volumes of turnover took place in July and August 2018. Further sales volumes decreased markedly. This can be explained by seasonality of agricultural products sales of the company.

Among the opportunities we can note: market growth for the main company’s product, growing demand, new to eat healthy, Democratic Republic of Congo is accession to EU, changing customer habits, economy is expected to grow

next year, growing number of people buying in store.

At the same time, threats are: corporate tax may increase, rising pay levels, rising raw material prices, intense competition, market is expected to grow next year, aging population, stricter laws regulating environment pollution, lawsuits against the company.

Recommendation section includes the proposals for improving the efficiency of using the company's internal and external environment.

In order to increase the efficiency of the “A-Nature's” interaction with the external environment, we propose to implement the project of demountable shop (Stop Point). It is a purely commercial concept that gives the entrepreneur the opportunity to develop the local sales force for the liquidation of his products. It is composed of angles of metal that form angles, the base and the axis of support. The shelves are made of wood. It is dismountable piece by piece.

The shops are placed in different tributary points, in the neighborhoods of the different municipalities, as well as in the provincial borders, in short in all the of the Democratic Republic of the Congo. It gives the possibility to make activations and sales force of various products for companies in the Democratic Republic of the Congo. Such designs are easy to mount and can be transported without difficulty to long distances by compact transport, for example, a motorcycle with a trailer.

The concept of demountable shop (Stop Point) allows to: create a sales force for different companies; facilitate local sales with proposal of promotional prices; make a product activation simultaneously in different sectors; form a strong ability to organize an exponent; give a large possibility of rapid liquidation of products; allow the population not to travel long distances to purchase certain consumer products.

The pilot project of the demountable shop (Point Stop) allows “A-Nature” to follow closely the evolution of its distribution program, by setting up a pragmatic execution of the administration and logistics. This project determines the schema

to follow for the evolution and development of our distribution program, which in principle will have to cover the entire city of Kinshasa province.

Consequently, the calculations made show that as a result of the implementation of project decisions, the growth of financial revenues is forecasted. Thus, we can note that the project is feasible for implementation.

“A-Nature” is a company operating in the agro-industrial sector. Agriculture is central to emerging market economies. In Democratic Republic Congo it accounts for as much as 65 percent of employment and 32 percent of output. Globally, two-thirds of the world’s poor – some 750 million people – work in rural areas. However, as economies expand and production shifts to manufacturing and services, agriculture’s share of employment and GDP decreases. At the same time, the broader agribusiness industry – business activities performed “from farm to fork” – is playing a more important role in growth and development. Therefore, in this section, we have developed a number of suggestions that can affect the “A-Nature’s” productivity improvement. In particular, formalization of retail as a driver of modernization of “A-Nature’s” productivity, towards efficient farm structure of “A-Nature”, enhancing competition and competitiveness of “A-Nature”, effective land rights of “A-Nature”, better regulation of inputs and output markets in the sphere of activity “A-Nature”, enabling seed innovation for increasing of “A-Nature” productivity, effective fertilizer markets for “A-Nature’s” products.

Thus, we can note that the most attractive model of “A-Nature” development is the concept of sustainable development. The main criterion for sustainable development is the growth in production of safe food to meet the needs of the population, provision of economic efficiency, which will promote expanded reproduction. The social component of sustainable development includes the improvement of living standards and life quality of the rural population, stabilization of demographic and migration processes.

Conclusion includes a summary of project management research at “A-Nature”.

SUMMARY

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“An investigation of the external and internal factors affecting the Corporation “A-nature” productivity”

[Manuscript]: a comprehensive thesis for obtaining the qualification of master's degree

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Master degree thesis consists: 139 pages, 22 figures, 31 tables, 34 references.

The Object of Investigation – the process of managing the productivity of the enterprise’s agricultural activity.

The Aim of the Work is to study the theoretical and applied aspects of improving the productivity of the enterprise by upgrading the influence of internal and external factors.

Research methods – economic and statistical, and comparative analysis, expert survey method, dialectical knowledge, economic synthesis.

Design proposals for improving of the internal "A-Nature's" environment through implementation of "Stop Point" project and upgrading of agribusiness competitiveness and productivity of the company “A-nature” through the use of favorable external factors.

The results were implemented in activity of the agricultural enterprise “A-Nature”.

Key words: internal and external factors, productivity, competitive status, direct environment, SWOT-analysis, development trends.