

DOI: <https://doi.org/10.32782/2524-0072/2022-46-67>

UDC 330.322:336

INVESTMENT SECURITY OF FINANCIAL SECURITY OF AGRICULTURAL ENTERPRISES

ІНВЕСТИЦІЙНЕ ЗАБЕЗПЕЧЕННЯ ФІНАНСОВОЇ БЕЗПЕКИ АГРАРНИХ ПІДПРИЄМСТВ

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Agriculture occupies a leading place in the development of the economy of Ukraine, therefore it is important to ensure the appropriate level of their financial security. Investments play a significant role in solving this issue. In today's economic conditions, the issue of attracting internal and external investments, as well as their rational use, is becoming particularly relevant. The current state of market transformations in Ukraine requires such conditions that would guarantee economic security for investors and ensure innovative development of the domestic economy. The transition to an innovative model of development of the agrarian sector of the economy directly depends on investments – their volume, structure and directions of application. In the conditions of economic globalization, investments play the role of a foundation for ensuring the high competitiveness of Ukrainian commodity producers, they are an important prerequisite for the successful integration of Ukraine into the world economic space, the achievement of a high standard of living of the population and food security of the state. The purpose of the article is to develop practical recommendations for increasing the investment attractiveness of agricultural enterprises, as a prerequisite for ensuring an adequate level of their financial security. In the process of research, scientific methods, economic and statistical, were used – to assess the dynamics of the volume of capital investments; grouping method – to determine the impact of capital investments on the performance of enterprises; analysis and synthesis – to find out the reasons that cause changes in the volume of capital investments; tabular and graphic – for displaying the obtained research results; abstract and logical – when making theoretical and methodical generalizations. The investment attractiveness of agricultural enterprises of different regions is analyzed, an algorithm for researching the level of investment security as a component of its financial security is proposed.

Key words: investment attractiveness, agricultural enterprises, investments, financial security.

Сільське господарство посідає провідне місце в розвитку економіки України, тому важливим є забезпечення належного рівня їх фінансової безпеки. У вирішенні даного питання значну роль відіграють інвестиції. В сучасних економічних умовах питання залучення внутрішніх та зовнішніх інвестицій, а також раціональне їх використання набуває особливої актуальності. Сучасний стан ринкових перетворень в Україні потребує таких умов, які б гарантували економічну безпеку інвесторам та забезпечували б інноваційний розвиток вітчизняної економіки. Перехід на інноваційну модель розвитку аграрного сектора економіки безпосередньо залежить від інвестицій – їх обсягів, структури та напрямів застосування. В умовах економічної глобалізації інвестиції виступають у ролі фундаменту для забезпечення високої конкурентоспроможності українських товаровиробників, є їх важливою передумовою для успішної інтеграції України в світовий економічний простір, досягнення високого рівня життя населення та продовольчої безпеки держави. Метою статті є розробка практичних рекомендацій, щодо підвищення інвестиційної привабливості сільськогосподарських підприємств, як передумови забезпечення належного рівня їх фінансової безпеки. У процесі дослідження використано наукові методи економіко-статистичний – для оцінювання динаміки обсягу капітальних інвестицій; метод групування – для визначення впливу обсягів капітальних вкладень на результати діяльності підприємств; аналізу і синтезу – для з'ясування причин, які спричиняють зміну обсягів капітальних вкладень; табличний і графічний – для зображення одержаних результатів дослідження; абстрактно-логічний – при здійсненні теоретичних та методичних узагальнень. Проаналізовано інвестиційну привабливість сільськогосподарських підприємств різних регіонів, запропоновано алгоритм дослідження рівня інвестиційної безпеки, як складової його фінансової безпеки.

Ключові слова: інвестиційна привабливість, аграрні підприємства, інвестиції, фінансова безпека.

Formulation of the problem. In modern conditions of economic activity, an important factor not only in ensuring financial security, but also in the economic growth of agrarian enterprises is the attraction of investment resources and their effective use and introduction of innovative technologies into the production process. Ensuring the proper development of enterprises requires increasing the amount of investment resources, which will contribute to the provision of high-tech production. In order to increase the level of financial security of agricultural enterprises, an important task is the activation of investment processes, which will ensure the renewal and modernization of the material and technical base. Solving the issue of raising the level of investment and innovative attractiveness of agricultural enterprises is impossible without solving this issue at the national level.

Conducted studies show that the restraint of the development of the country's economy is caused by an ineffective investment policy, which in our country is implemented under the condition of violation of the optimal ratio between national savings and investments in the economic complex, reduction of accumulation volumes, reduction of budgetary capital investments, inefficient use of direct foreign investments.

Analysis of recent research and publications. Studies of theoretical and practical aspects of investment attractiveness are constantly in the center of attention of scientists. In particular, methodological approaches to the assessment of investment attractiveness are reflected in the works of such domestic and foreign authors as E. Hansen, R. Hawtry, S. I. Basalai, N. M. Davydenko, N. Y. Zakharova, S. V. Yukhymchuk. Most scientists studied the theoretical aspects of investment activity, but the issue of increasing the level of investment attractiveness of agricultural sector enterprises in order to ensure the appropriate level of their financial security.

Formulation of the goals of the article (statement of the task). The purpose of the article is to develop practical recommendations for increasing the investment attractiveness of agricultural enterprises, as a prerequisite for ensuring an adequate level of their financial security.

Presenting main material. In today's difficult economic conditions, the state does not have the opportunity to invest in the development of agricultural enterprises, along with this, there is a significant need for them, especially in the

field of animal husbandry. Despite minor positive developments regarding the intensification of the investment process in the country, the needs for investment resources are not fully met. Increasing the level of investment attractiveness of enterprises will contribute to the attraction of additional financial resources, which will contribute to the increase of their innovative development and will have a direct impact on the level of their financial security.

The timely involvement of additional financial resources, namely investment investments, will directly affect the level of financial security of agricultural enterprises, in particular, it will stimulate the activity of activity and the growth of demand for products.

Increasing the level of investment attractiveness of agricultural enterprises will ensure the introduction of the most modern production technologies, in particular environmentally friendly ones. This process will significantly increase the financial security of agricultural enterprises, which will contribute to their further development. Currently, most agricultural enterprises suffer from a number of factors that have a negative impact on their investment attractiveness, including low purchase prices for agricultural products, lack of proper market infrastructure, high interest rates, and low state support for agricultural producers. All these factors have become even more complicated in recent years due to the global financial crisis, the COVID-19 pandemic, and especially the war with Russia and the post-war reconstruction of Ukraine.

Ensuring the effective development of agrarian enterprises, the appropriate level of their financial stability, as well as increasing their competitive positions on foreign and domestic markets depends to a large extent on the choice of investment sources and the efficiency of capital investments. Therefore, the investment component as a component of the financial security of enterprises is extremely important and requires a detailed study of the essence of investment security and its main criteria [9].

Investment resources are the most scarce for the enterprise. They determine the processes of innovative development, the competitiveness of products, their quality, and increase the financial security of enterprises. Also, these resources affect the external environment of the enterprise by improving the reputation, increasing the level of employment of the population and other factors.

The process of formation of investment resources takes place continuously in the form of income from the main production activity, from the receipt of borrowed funds and from non-production activities. Specifically determined amounts of funds that will be directed to the development of the enterprise as investment resources largely depend on the cost of their attraction, the structure and size of the enterprise's capital and are determined during strategic planning of activities.

The dynamics of capital investments in the agricultural economy of Ukraine indicates a rapid increase in their volumes until 2018. Thus, from 2013 to 2018, investments increased 3.6 times and amounted to 65,059 million hryvnias. It is worth noting that the share of capital investments in their total amount also grew, the highest in 2017 was 14.14%. However, in recent years, negative dynamics regarding capital investments have been observed. In general, a decrease in investments in Ukraine occurred in 2020, due to the situation in the world, in particular the Covid 19 pandemic. As for the agricultural sector, the decline in investments has been observed since 2019, compared to 2018, they decreased by more than by 30%. As for the share of capital investments in their total number, the graph shows an increase compared to the previous year, but this trend is related to a decrease in the total number of investments, and not to

their growth in agriculture. In 2021 the situation somewhat stabilized, and there was an increase in capital investments in agriculture by almost 40% compared to the previous year, which was significantly ahead of the pace of investment growth in Ukraine as a whole. We believe that an increase in the amount of capital investment involved will directly contribute to increasing the level of financial security of agricultural enterprises (Figure 1).

Attracting investment resources should be carried out on the basis of relevant programs, in which the priority directions of the inflow of foreign capital and measures to stimulate the inflow of investments should be determined. In our opinion, the optimal option would be when the program for attracting foreign investments is linked to a comprehensive regional development program. This long-term program can identify both priority industries and individual companies for investment. Now it should be noted that foreign investors are interested in industries that provide them with quick payback and maximum profit.

The assessment of investment attractiveness is important, since investments directly affect the final result of agricultural enterprises and the level of their financial security. For the purpose of a more thorough analysis, it is worth investigating the level of investment attractiveness of agricultural enterprises in certain regions of

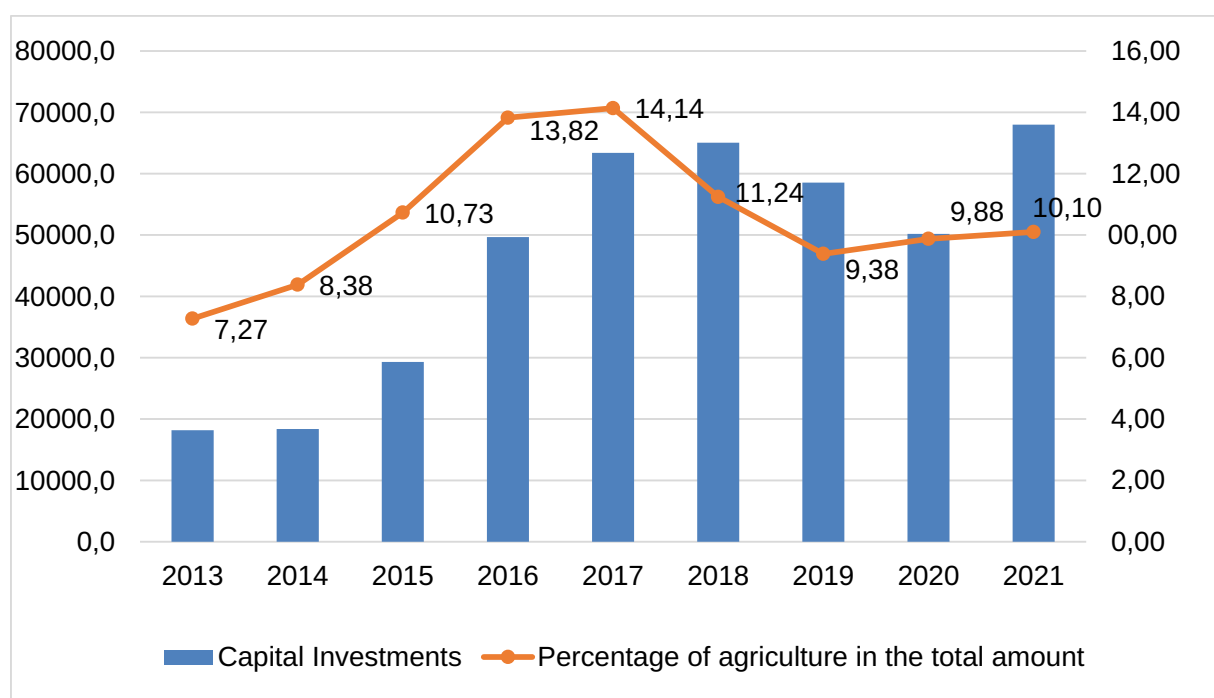


Figure 1. Dynamics of capital investments in the agriculture of Ukraine, million hryvnias

Source: calculated according to the data of the State Committee of Statistics of Ukraine

Table 1

Grouping of regions of Ukraine by the volume of capital investments per 1 ha of agricultural land, 2020

Indicators	Group of regions by the amount of investments per 1 ha of agricultural land, UAH			
	to 2000	from 2000 to 2500	More 2500	in the middle
Number of regions	11	6	7	24
Capital investments per 1 ha of s.-y. land, UAH	1575	2327	3503	2215
Monetary valuation of land	28744	27108	28008	28101
non-current assets per hectare, thousand UAH	11,9	17,6	25,5	16,5
current assets per hectare, thousand UAH	21,8	33,8	41,2	29,5
own capital per 1 ha, thousand UAH	20,4	25,3	35,6	25,1
Added value based on production costs per 1 ha, thousand UAH	8,1	13,6	16,6	11,5
Labor productivity, thousand hryvnias	1213	1559	1632	1436
Volume of sold products per hectare, thousand UAH	19,7	28,8	38,2	26,4
Volume of produced products per 1 ha, thousand UAH	20,8	32,7	42,5	29,0
Export volume per hectare, USD	390	702	749	560
Profit per 1 ha of agricultural land, thousand UAH	2,8	5,1	5,2	4,1

Source: calculated by the author

Ukraine in order to determine possible prospects for their development (Table 1).

The distribution of the regions of Ukraine by the volume of capital investments per 1 ha of agricultural land confirms the fact that with an increase in capital investments, the efficiency of enterprises and the level of their financial security increases. With the growth of investments, there is an increase in economic indicators. Thus, in regions that have more than UAH 2,500 of capital investment per hectare of agricultural land, the volume of production per hectare per year is land is 42.5 thousand hryvnias, which is 46.6% more than the average for Ukraine. The net profit per hectare of agricultural land in this group is the highest – UAH 5.2 thousand, which is 27% more than the average. We note that the volume of export per hectare is 749 dollars. 6 on average in Ukraine, this figure is in the range of 560 dollars. On average, in this group, 3,503 hryvnias of investment per 1 ha of agricultural land are accounted for, but only seven oblasts have these indicators.

The largest number of regions – eleven were included in the first group, where the amount of investment per 1 hectare is up to UAH 2,000 according to the sample. The amount of non-current assets per hectare of these enterprises is only 11.9 thousand hryvnias, which is almost 30% less than the average for Ukraine. As for the amount of profit per hectare, in these enterprises it is only 2.8 thousand hryvnias, on average the specified figure is 4.1 thousand hryvnias (Table 1).

It is worth noting that the investment attractiveness of agricultural enterprises is influenced by external and internal factors, which should be considered as driving forces that ensure the creation of competitive advantages for a specific enterprise in the struggle for limited investment resources [8, p. 381].

We believe that the factors of the external environment that have a significant impact on the investment attractiveness of enterprises should include, in our opinion, economic, political, scientific and technical and environmental

factors. However, it should be understood that despite the significant role of external factors and the feasibility of taking them into account when assessing the investment attractiveness of agricultural enterprises, their influence should not be overestimated. As practice shows, the financial stability and investment attractiveness of a particular enterprise plays a significant role for investors, despite the characteristics of external factors.

Therefore, in the process of research, considerable attention should be paid to internal factors. These include financial and economic, production and technical, organizational and informational.

Regarding the assessment and substantiation of the investment attractiveness of a business entity in the economic literature, depending on the research objectives, two general directions are mainly traced: the analysis of the financial position of the enterprise and its activity for the

past period; the investor's own financial planning, or, in other words, financial design (carried out both for completely new investment projects and for existing enterprises, if the question of investing in them is decided) [1, p. 796].

Investment attractiveness definitely determines the level of investment security of agricultural enterprises, which is a component of their financial security.

According to the "Methodology for calculating the level of economic security of Ukraine, investment security is such a level of national and foreign investments (provided their optimal ratio) is able to ensure long-term positive economic dynamics with an appropriate level of funding in the scientific and technical sphere, the creation of innovative infrastructure and adequate innovative mechanisms [2].

The category of investment security has a significant theoretical basis, especially regarding its provision at the state level. However, there are

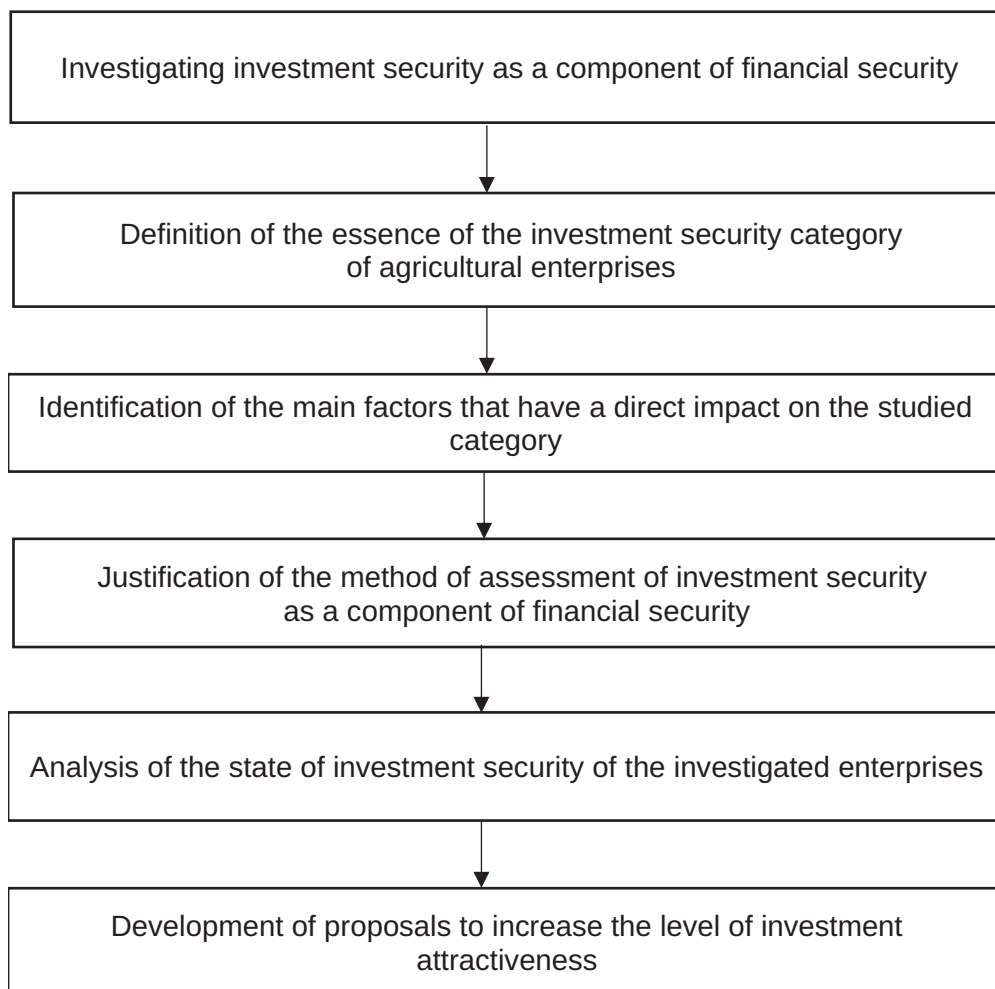


Figure 2. Study of investment security as a component of financial security of the enterprise

Source: formed by the author

a number of scientists who conducted research in this category at the enterprise level as well.

S. Z. Moshenskyi offers a definition that covers all levels, in particular, investment security characterizes such a level of investment in economic processes that ensures extended reproduction, rational restructuring and modernization of the enterprise or the state as a whole [3].

In his studies, I. V. Brodyuk defines that the investment security of an enterprise is the process of ensuring such a state of the investment sphere, under which the economic strategy of the enterprise's development is able to preserve and maintain a sufficient level of investment resources under the conditions of internal and external threats [4].

Yes, Poberezhna M. V. suggests considering investment security from the point of view of resource efficiency. Thus, it defines the following statement "the investment security of an enterprise is a state of effective use of its resources and market opportunities to prevent threats from the external and internal environment that arise in the process of investment activities of the enterprise, which contributes to its sustainable development [5].

A number of scientists, including O. A. Lagovska, G. V. Berlyak identify investment security with investment projects and offer the following interpretation of it "...ensuring the creation of a single mechanism that, on the one hand, constantly attracts money, and on the other – ensures the constant selection, preparation and implementation of new investment projects and the minimization of risks from their implementation" [6].

Investigating the investment security of agricultural enterprises, it is necessary to develop a clear algorithm of sequential actions (Figure 2).

Quite often, this definition is called investment efficiency, offering to evaluate it using the main indicators of the efficiency of capital investments, in particular, the net present value of investments, the internal rate of return on investments or based on information about cash flows. That is, they equate investment safety with investment efficiency, which, in our opinion, is not entirely correct, since all economic processes related to investment activities are not taken into account.

In our opinion, the essence of this category is most fully expressed by the statement reflected in the writings of O. A. Kyrychenko [7], who understands investment security as the state of an enterprise as a subject of investment activity, in which the long-term economic interests of the enterprise are aligned with the influence of the external environment

Conclusions. Summarizing the views of scientists, we suggest that the following definition of the investment security of an agricultural enterprise is the presence of favorable internal (investment attractiveness and investment potential) and external factors (economic and political stability in the country), which provide favorable conditions for attracting investment resources under the condition of protecting the interests of investors, which will contribute to increasing the level of its financial stability.

Stimulating investment processes in agriculture is one of the priority tasks that requires solving a number of problems at all levels of management. The investment strategy of the development of Ukraine should be systematically aimed at agricultural production in order to increase the level of financial security of agricultural enterprises, which will contribute to the development of the industry, the productive functioning of which will ensure the country's food security.

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