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STRATEGIC MANAGEMENT AND MODERN CORPORATE PRINCIPLES IN UKRAINIAN INTEGRATED AGRIBUSINESS

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Abstract

Until 2050 the number of people on Earth will exceed 9.7 billion, which will increase the food consumption by 70%. This will have a significant impact on consumption trends. In order to meet the growing demand, the total factor productivity of agrarian production should increase by at least 1.28% annually. Large integrated ventures are one of the main forms of agricultural production organization in Ukraine, Kazakhstan and Russia. Furthermore, they play an increasing role even in countries where the inception of large agroholding structures was not possible until recently (Czech Republic, Poland, Lithuania, Romania). However, these trends are still poorly covered in available scientific sources. Integrated agricultural structures in developing countries receive much attention mostly in the context of land seizure. At the same time, society is not familiar with agroholdings' organizational structure, management methods, efficiency, as well as institutional preconditions for their development. Therefore, there is a need to investigate these issues in detail by widen the scope of existing research both thematically and geographically. The study aims at describing historical, economic and institutional aspects of agroholdings' development in Ukraine, identification and description of latest trends in strategic management and corporate structure in Ukrainian integrated agribusiness, with the focus on best practices of some biggest agroholdings.

INTRODUCTION

Nowadays the gap between supply and demand is creating increasing pressure on the development of the food and agriculture sector around the world. Therefore, the growth of supply and demand is not uniform. Various changes are taking place in agriculture, including the domination of digital generation. In Ukraine, in addition to global challenges, agriculture faces exclusively local problems: unclear future of the land market; infrastructure problems; war conflict in the East; personnel problems; access to funding.

At the time of the dynamic establishment of agroholdings in the early 2000s, there was alertness about possible monopolization of agriculture in Ukraine (Gagalyuk, Valentinov and Schaft, 2018), but this did not happen. Today there are about hundreds of agroholdings in Ukraine that actively compete with each other, in accordance with all standards of market competition. And this became one of the most important features of Ukrainian agroholdings (Sabluk, Malik, and Valentines, 2002).

For successful large agricultural company development, it is necessary to clearly assign responsibilities and roles of the head of the company and its shareholders. It should be borne in mind that different decision-making styles have their advantages and disadvantages. One of the main challenges for the farm manager is to find the right balance between operational activities and strategic goals of his organizations (Kozhukhova, 2015). Large integrated ventures achieve excellence only if their managers work equally diligently on increasing the efficiency of production (what the company provides to its shareholders in the financial and operating plan) and the company's health (qualitative parameters, characteristics and actions of the company today, which help to achieve sustainable production efficiency tomorrow).

The attitude towards big business, even in the richest developed countries, remains biased, and its role in the economy is the subject of debate. But the role and contribution of Ukrainian agroholdings in the development of Ukrainian agro-industrial production in particular, and in the Ukrainian economy as a whole, can't be overemphasized. So, what is the reason for the domination of large "forms" in Ukraine and what will be the consequences in the future? This article aims to answer this question.

Nowadays the requirements for substantiation of management and operations in agroholdings are constantly increasing. Some aspects of this problem were investigated by such leading Ukrainian and foreign agrarian economists and scientists as

Andriichuk (2002), Boehlje & Gray (2009), Butko (2010), Chaddad (2014), Kozhukhova (2015), Sabluk et al. (2002), Tsymbal (2010) and others. However, the prospects for agribusiness development require further validation of economic, ecological and social efficiency in the conditions of market transformation of land relations in the countryside. The state of development of the problem of functioning of agricultural holdings, as reflected in the economic literature, does not reveal all the issues facing modern economic science in this area of research. Issues related to the management of agroholdings are not adequately covered, since agricultural holdings are both constructive and destructive in the activities of agricultural holdings, therefore, there is a strong need for analysis and substantiation of the management system in agroholdings.

MATERIALS AND METHODS

The theoretical basis of the research is dialectical method of cognition, and its methodological basis forms by the methods, techniques and principles of processes during scientific research to study economic processes in the system (production, processing, realisation), legislative and legal acts, scientific works of Ukrainian and foreign scientists on the problems of the development of integration processes in agro-industrial production and agribusiness. In the process of research, the following scientific techniques and applied methods are used: abstract and logical (for theoretical generalizations, formation of conclusions and proposals); monographic (for a detailed study of individual elements of the phenomenon); analysis and synthesis (the method of unity of historical and logical in economic research); comparative analysis method (comparison of economic indicators to identify the best results); statistical and economic (characteristic of development social phenomena by processing and analysing statistical data).

Secondary data collection is based on official statistics, provided by Food and Agriculture Organization of the United Nations and State Statistic Service of Ukraine. It is data derived from state statistical observations on activity of enterprises and organizations in the field of agriculture, processing industry, trade as well as data of sample surveys on households' living conditions and their agricultural activity, information of customs statistics and other official sources that characterize the forming of food resources and their usage.

RESULTS AND DISCUSSION

Despite plenty of studies devoted to such economic phenomena as agrohholding, the science still does not have generally accepted term, which means such measurement as the exact size of the enterprise in land or money expression. It all depends on the specific country and working conditions. For example, in Germany, the largest enterprises are considered holdings from five thousand hectares, in Australia – up to 100 thousand hectares, in Kazakhstan – up to one million hectares. This paper fully supports other Ukrainian scientist's opinion (Andriichuk, 2002; Butko, 2010; Sabluk et. al., 2002; Tsybal, 2010) that for Ukraine large agrarian enterprises can be considered those with more than 10 thousand hectares of cultivated land or from \$ 15 million of annual turnover.

Agroholdings, as an organizational form of business, are the result of the processes of merger and integration. This was adequate business's response to the market conditions and the extremely unfavourable external environment, given the low market prices for basic products and limited outputs on foreign markets. Let me highlight some of those conditions below:

- ✓ chaos in the economy;
- ✓ imperfection of state institutions;
- ✓ deindustrialization of agricultural production in the post-Soviet period;
- ✓ low production efficiency;
- ✓ distrust between all chains of agro-industrial cycle;
- ✓ the need to find an alternative to basic horizontal / vertical integration;
- ✓ absence of free agricultural land market.

Reaching dozens and even hundreds of thousands of hectares of land in size, agrohholdings are often part of larger vertically and horizontally integrated business groups. Particularly in Russia, Ukraine, and Kazakhstan, where extensive integration of agriculture with related inbound and outbound industries takes place, "agroholding" is a widely used term that designates such organizational structures. A primary agriculture business of agrohholdings is structured such that it includes a mother company that manages hundreds and thousands of corporate farms. The latter are often separate legal entities registered in the form of limited liability companies, joint stock companies, and even family farms. Within an agrohholding, these corporate farms are most often grouped into several clusters based on farm locations, logistics or historical developments. Since the term agrohholding implies a company created to control another company, i.e. a farm, by owning its voting stock, this term may often be misleading, as not all agrohholdings have the structure or organizational features of a holding. Therefore, a number of

authors refrain from using the term agrohholding for definition of the large farming entities in Russia, Ukraine, and Kazakhstan. Instead, given their affiliation with larger business groups, agrohholdings are often referred to as new agricultural operators.

An agrohholding often presents a group of entities bound not only by the asset, contractual and corporate governance interdependence, but also by means of accelerating production through vertical or horizontal integration into a supply chain. Therefore, agrohholdings are often referred to as integrated structures. In particular, they adopt various types of integration: vertical, horizontal, conglomerate, as well as mixed, consisting of all of the above forms. The differences exist in the scale of integrated structures such as size of operated land, labour, capital, and number of involved agri-food enterprises as well as in the degree of legal or economic dependence and/or interdependence. Horizontal integration implies control at the same level of the value chain in similar or different industries. In case of a vertical integration, a company takes complete control over one or more stages of a supply chain. Types of vertical integration strategies include backward integration, forward integration and balanced integration (mix of backward and forward integration strategies). As a result, agrohholdings differ according to their integration strategies as well.

To summarize, agrohholdings are usually understood as commercially oriented groups of a number of legally independent farms and firms coordinated by a central parent company that makes strategic decisions on the development of a group and its members. Such groups may be owned by institutional or private investors and may be vertically or horizontally integrated. They may differ in the type and number of integrated stages of the food chain, the degree of legal and economic independence of affiliated companies, the origin of capital, and, finally, the stock exchange activity.

The functioning of agrohholdings in Ukraine has both positive and negative characteristics. Thus, agrohholding is the ideal platform for access to stock exchanges for investment; promotes attraction of strategic investors, partners and experienced specialists; can facilitate manoeuvrability of own capital, rationalization use of resources; combines production with processing and realisation, which greatly increases the efficiency of work; has access to markets and export opportunities. But along with this, the following difficulties arise: the development of rural infrastructure is not supported; the employment rate of the rural population has decreased significantly; the price of land and food will be high, as large landowners tend to behave like monopolies; there is an ineffectiveness of the current system of spending public funds in support of the agricultural sector;

reduction of fertility, ecological issues, property rights of peasants, monoculture, promotion of GMOs; there is a leak (outflow) of capital abroad, a profit shadowing of agroholdings, etc. The results of such structures indicate their significant impact on the country's economy, and the scope of land acquisition.

Since farming and farmland are in focus for this paper, the authors focus on public companies that have a crop production segment in their business. This naturally excludes listed companies that are pure food processors, and do not engage in their own farm production. There are currently 12 public companies with a significant farming component in Ukraine (Figure 1, 2). For example, the share of holdings in total exports is higher than that of other agricultural enterprises in the total production. If the authors talk in general about the financial indicators of holdings, then over the past year, companies have managed to succeed significantly (Figure 1). Such results were achieved thanks to a trustful relationship with international investors and good macroeconomic situation. For example, in 2017, the average EBITDA among agroholding companies began to grow for the first time in several years – \$ 84.07 million. In 2016, this figure was \$77.31 million (State Statistic Service of Ukraine, 2017). In 2017, there were 93 agricultural holdings, processing more than 10 thousand hectares (State Statistic Service of Ukraine, 2017). The largest number of agroholdings was in Kyiv, Chernigiv and Poltava regions. The total land bank in processing by agroholdings for 5 years increased from 5.6 million hectares to 5.95 million hectares in 2017. The increase in farmland in the use of agroholdings was 6.3%. Leaders on the land bank remain “Kernel” (Figure 2) – 600 thousand hectares, “UkrLandFarming” – 570 thousand ha, “Agroprosperis” (NCH) – 410 thousand ha).

As for the gross production of agrarian holdings, in 2017 it amounted to 55.9 billion UAH (Ukrainian hryvnia), or 22% of the total volume in the country. In 2016, the share of agroholdings in the total production of agricultural products was slightly higher and amounted to 23%. After a significant increase in 2016 (Table 1), agricultural output decreased in 2017 (-2.7%). Decrease of the gross production was affected by three main categories of agricultural producers: agroholdings, other enterprises and households. At the same time, livestock production by holdings (+ 0.5%) and other agricultural enterprises (+0.7) increased against the backdrop of the overall decline.

The average size of the agricultural holding, which is part of the agroholding, is 4850 hectares. The average for Ukraine without taking into account enterprises of agricultural holdings and farms, this indicator is 1058 hectares (State Statistic Service of Ukraine, 2017).

For agroholdings the use of organizational structures will differ from that of ordinary enterprises, primarily because of their larger size and organizational complexity. The first division of types of organizational structures for holdings can be carried out according to the priority principle of construction: vertical and horizontal.

In vertically structured, technologically interrelated holdings, the organizational structure of management will be built first on a functional basis, and then on a divisional one. In horizontally structured holdings and diversified holdings, management occurs first by divisional and only then by functional principle (Kozhukhova, 2015).

There are three stages in the creation of an agricultural holding company. One of the important and predetermining further development of the holding is structural. This stage involves the selection of the most efficient variant of the organizational structure, highlighting independently operating production, processing and serving business units, and their functional application is determined. The organizational construction of an agricultural holding, first of all, deals with the selection of the qualitative composition of participating enterprises in the direction of production and the level of management, substantiation of the technological and economic relations of these enterprises, the degree of centralization of production and other functions, and taking into account the territorial component (Tsymbol, 2010).

The effectiveness of the agroholding's activities to achieve business goals mostly depends on the strategy and organizational structure of the agroholding's management, which respectively describes the composition and interrelations between the performers and the distribution of work between them. The methods for constructing the organizational structures of agroholdings that are currently in use do not correspond to the complexity and dynamic variability of the current dynamic economic environment.

The company's strategy is a long-term course of its development, a way to achieve its goals in the company's market environment and challenges that arise therefrom. The strategy creates benchmarks for the company's development and action plan to form a competitive advantage, meet the needs of customers and increase the efficiency of operational activities. The strategy forms the vision of the company and defines the strategic goals for the activities: marketing, financial results, operating indicators, capital investments, etc. Practice shows that improper performance of even the best strategy destroys any company's achievements.

Strategic management (Griffin, 2012), in turn, is a way of approaching business opportunities and challenges – it is a comprehensive and ongoing

management process aimed at formulating and implementing effective strategies. Finally, effective strategies are those that promote a superior alignment between the organization and its environment and the achievement of strategic goals.

The competitive strategy determines the activity of the agroholding as a whole and ensures the consistency and efficiency of various types of activity of diversified organisational structures in conditions of high dynamic external environment. The activities of agroholdings are multi-sectorial, that is why the main objective of the strategy is to identify areas of activity in which most of the existing assets should be invested (Sabluk et al., 2002). The main objective of this strategy is the internal organizational distribution of resources, based on the analysis of current trends and prospects for the organization development. Regard on this, in authors' opinion, the competitive strategy of agribusiness entities should include strategic directions of the development for crop and livestock sectors that determine the prospects for the development of the company's business units. On development stage of the strategy, it is necessary to take into account which tools of business competition will apply in a particular product market, which channels of product realization are the most preferable, how to improve the production technology, etc.

Detailing the directions for the agroholding's development is reflected in functional strategies. These include production, processing, distribution, marketing, financial, human resource development and other strategies (Chaddad, 2014). The purpose of these strategies is the coordinated activity of structural units ensuring the implementation of a competitive strategy, which is impossible without adequate and timely provision of resources.

Modern world megatrends put a number of challenges for companies in the agribusiness, the answers to which should be given by a strategy. Some of the most actual strategic challenges are collected in Table 2.

As a result, the following strategic directions of the leading agroholdings in Ukraine answering the above-mentioned challenges can be highlighted:

1. Land Bank Management;
2. Increasing the share of the company's market;
3. Increase operational efficiency;
4. Cost chain management;
5. Capital investment management.

The formulating a strategy begins with the definition of the purpose or reasons why the company does not reach its vision now. Studied agroholdings usually follows three steps during this process. Step one is focusing on determining the purpose or reasons. It is desirable to use the SMART approach (specific, measurable, action-oriented, realistic, time-related) to determine them.

Step two includes structuring the purpose or reasons. The main goal of the strategy should be cascaded on the reasons or hypotheses that all together answer the main question. It is necessary to develop an effective structure of the problem that can be analysed for the smallest number of steps and give the required response. Hypothesis tree is a commonly used instrument built on ideas that are not proven, but bring us closer to the solution of the problem. Step three is prioritization. The main purpose of this step is to focus on the most important things. Among agroholdings the general practice is the formation of 2x2 matrix. Basic stages of matrix formation are: determination of criteria for prioritization; evaluating problem elements and focus on the most important ones; after analysis, it is important to go back and check with the matrix.

PEST analysis is one of the tools for analysing external factors that is used to prioritize hypotheses of strategic goals in order to eliminate problems that the agroholdings cannot influence on. PEST analysis offers an approach by which one can comprehensively analyse the impact of political (P), economic (E), social (S) and technological (T) factors on the agroholding's activities. Hypotheses for strategic goals are distributed and prioritized by the level of influence of the company on them.

SWOT analysis is one of the tools for analysing strengths and weaknesses of a company that is used to prioritize hypotheses of strategic goals. The SWOT analysis enables to analyse strengths (S) of the agroholding, its weaknesses (W), opportunities (O) and threats (T). This analysis helps to identify the agroholding in which aspects it is necessary to concentrate resources.

The previous PEST analysis allows to improve the effectiveness of SWOT analysis by eliminating factors (Figure 3), controlling which the agroholding has not enough resources ("too much to bite"). All hypotheses distributed using PEST and SWOT analysis should be proved or refuted with statistical / qualitative estimates to leave only those which are relevant.

Statistical analysis is conducted in terms of a mathematical approach, and is used to identify trends and patterns in the market, which confirm or refute the hypotheses of causes or decisions for strategic goals of the company. Qualitative analysis is conducted in terms of an expert approach, and is used with the purpose of identifying estimates of trends and patterns in the market, confirming either refute hypotheses of causes or decisions for strategic goals of the company. Confirmed hypotheses should be transformed into strategic goals for which it is necessary to identify the main factors that determine their achievement, as well as measurement methods.

The complexity of doing business and the corporate structure of the company determines the

organizational structure of the company and the flow of communication in the organization. Vertically integrated ventures and all international agrarian companies are most often formed by a divisional organizational structure. The product and geographical diversification of the agroholding results in the formation of several decision-making centres – divisions (Sabluk et al., 2002). A special role in such structure belongs to the corporate centre that coordinates the activities of individual divisions. Both advantages and disadvantages are associated with such organisational structure. Among advantages of such structure, the authors can separate the following: high level of flexibility; high level of freedom of activity of divisions; separation of senior management from adoption operational decisions. However, there are some disadvantages of such structure: complexity of coordination of resource allocation; conflict of interests between divisions can lead to disorganization of business processes; high dependence on the effectiveness of managers in the divisions.

The strategy of the company specifies the strategic goals of the company, and corporate management organizes the processes of management of the company to achieve the goals (Table 3). Corporate management is a set of policies, organizational structure and relevant business processes that are relevant to the company's strategy and its values. It also defines the relationship between the stakeholders of the venture: employees, buyers, owners, investors and managers. Strategic goals also determine the level of intervention corporate centre in operational activities, which defines the general conceptual model of the corporate centre.

The purpose of corporate management is to help creating an environment of trust, transparency and accountability that is essential to stimulate long-term investment, financial stability and integrity in business, which in turn provides for more rapid growth and development of inclusive societies. It is also important the place of corporate governance in the agroholding structure, which is highly depends on a value chain and can vary greatly based on the production type, type of product and level of integration. Corporate management is inherent in agrarian, vertically integrated businesses and cooperatives, but they have fundamental differences in the structure of the company. In a vertically integrated agribusiness, the corporate centre coordinates and controls the activities of divisions and divisions throughout the value chain, including the production process. The business model of cooperatives involves the independence of the production process from the corporate centre, which interacts with it on an equal footing with the board (Sabluk et al., 2002).

Summarising the modern approaches and features of strategic management and corporate structure in

most successful Ukrainian agroholdings, the authors developed the following scheme that can be used as a basic approach in management for other large enterprises or companies, even outside of agribusiness field (Figure 4).

A specific additional management issue of agroholdings is their corporate structure particularly, agroholdings in Ukraine employ a substantial number of high salary employees in central offices which are located in urban areas. This reduces the taxable base in rural areas and, accordingly, the revenues of regional budgets. The problem can be solved through amendments to the existing legislation that would provide for salary accounting both at the legal address and at the actual production site. Given the capital and knowledge intensity of modern farming (Boehlje and Gray, 2009), agroholdings as well as independent enterprises depend on the availability of welltrained employees at their production sites. Thus, both should have a strong interest in adequate rural infrastructures, which provides sufficiently attractive living conditions for employees and their families. Important issues are social security as well as infrastructure and lack of entertainment. Otherwise, particularly well-educated young people from rural areas will refuse to return after their education to villages. The number of low-qualified labour in rural areas is high because of both low level of education and non-willingness of qualified employees to work in rural areas. Given these problems, a number of agroholdings have developed their own educational and qualification improvement programs which involve selection of students, their preparation and adaptation to employment at agricultural enterprises. Examples include the programs of the agroholdings MHP and Astarta, job exchanges and agribusiness school (NUKMA). Noteworthy, more and more agricultural universities declare their willingness to strengthen cooperation with the industry, develop updated educational plans, invite lecturers from agricultural enterprises, etc. Also, nowadays, the number of large agroholdings have adopted the learning organization model. While they have long provided training and development opportunities for their employees, the concept of learning organisation is focused on both lifetime learning and continuous organizational transformation.

CONCLUSIONS

With a limited number of arable lands on the planet, increasing of productivity is becoming a dominant business strategy in the 21st century to achieve global competitiveness and long-term growth. It is precisely ensuring the competitiveness of Ukraine on global markets – given the key role

of the agrarian sector for the Ukrainian economy – should be a strategic goal, and giving the priority to one of the groups of agrarian producers would be mistake. Moreover, effective and successful agroholdings already serve as an example and motivation for others. Agrarian competition on the general market conditions should promote convergence (balance) of the productivity level of production for the better, between large and small players of the market – a kind of “catching-up effect” on the scale of the agro-sector. In the recent years, agroholdings generated an increasing share of their profit outside crop and animal production. An important role can be seen in infrastructural investments such as in storage capacities which allow for additional value-added by enabling the farms to sell their produce at periods with better prices.

The competitive strategy determines the activity of the agroholding as a whole and ensures the consistency and efficiency of various types of activity of diversified organisational structures in conditions of high dynamic external environment. The activities of agroholdings are multi-sectorial, that is why the main objective of the strategy is to identify areas of activity in which most of the existing assets should be invested. The main objective of this strategy is the internal organizational distribution of resources, based on the analysis of current trends and prospects for the organization development.

The complexity of doing business and the corporate structure of the company determines the organizational structure of the company and the flow of communication in the organization. Vertically integrated ventures such as agroholdings are most often formed by a divisional organizational structure. The product and geographical diversification of the agroholding results in the formation of several decision-making centres – divisions. A special role in such structure belongs to the corporate centre that coordinates the activities of individual divisions.

The growth of agroholdings is driven by a better ability to deal with the existing deficits in the economic environment of Ukrainian agriculture. In this environment, agroholdings contribute to the development of Ukrainian agriculture and thus of the Ukrainian economy. This contribution may even increase in the future, particularly if agroholdings are able to further exploit their productivity and economic potentials. From the side of their shareholders and other stakeholders (particularly international lenders),

there is a huge pressure to do so. Those, which are not performing are likely to fail.

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Table 1
Gross production of agricultural products in Ukraine, 2008-2017, in prices of 2010 year

Year	Total		Plant production		Animal production	
	billion UAH	agricultural enterprises, %	billion UAH	agricultural enterprises, %	billion UAH	agricultural enterprises, %
2008	201	50	136	58	65	34
2009	197	49	129	55	68	37
2010	194	48	124	54	70	39
2011	233	52	162	57	71	41
2012	223	51	149	55	74	42
2013	252	54	175	59	77	44
2014	251	55	177	59	74	46
2015	239	55	168	59	71	46
2016	254	57	185	61	70	46
2017	247	56	178	60	69	46

Source: State Statistic Service of Ukraine (2017)

Table 2
Strategic challenges in agribusiness based on modern world trends

World megatrends in agribusiness	Examples of strategic challenges
Investing in biotechnology by companies	<ul style="list-style-type: none"> Introducing GMOs into activities to increase the productivity level. Rejecting GMOs to save position on specific markets. Organizing production in extreme conditions with the help of biotechnology to capture new markets.
High prices' volatility for agricultural products	<ul style="list-style-type: none"> Keeping more reserves or keep minimum stocks in peak prices. Generating logistics to cover markets in other regions or reducing transportation costs for local consumers. What contracts and parties do we need to give preference?
Increasing population of the planet	<ul style="list-style-type: none"> To focus on highly productive or high-calorie products. An aggressive strategy in emerging markets or protecting the position on a stable one.
Strengthening the food quality standards	<ul style="list-style-type: none"> What are the ways of plant protection, fertilizer standards, and types of medicines for animals should we use? What controlling methods should be implemented to ensure access to target markets?
Changes in requirements for the exploitation level of natural resources	<ul style="list-style-type: none"> How to manage a land bank and which forms of ownership are more effective? How to maintain competitive costs and how to meet international requirements and environmental standards?
Increased use of IT technologies in production and agribusiness	<ul style="list-style-type: none"> What technologies are providing efficiency improvements at minimal cost? What systems do company need to maintain its competitive advantages?

Source: own compilation

Table 3
Strategy vs. Corporate management in agroholdings

Strategy	Corporate management
Identifies the agroholding's values with which it is guided during activity.	Determines the organizational structure of integrated venture.
Setting a long-term development course.	It forms functions and advanced expertise at different levels of management.
	Determines the roles and responsibilities at different levels of agroholding's management.
Defines strategic key performance metrics.	Develop decision-making.
	Introduces tools for monitoring and tracking goals and objectives.
Describes a plan to achieve strategic goals.	It builds a management system based on transparent processes of managerial decision-making.

Source: own compilation

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Figure 1
EBITDA and profit margin of public agroholdings, 2014-2017
Source: State Statistic Service of Ukraine (2017)

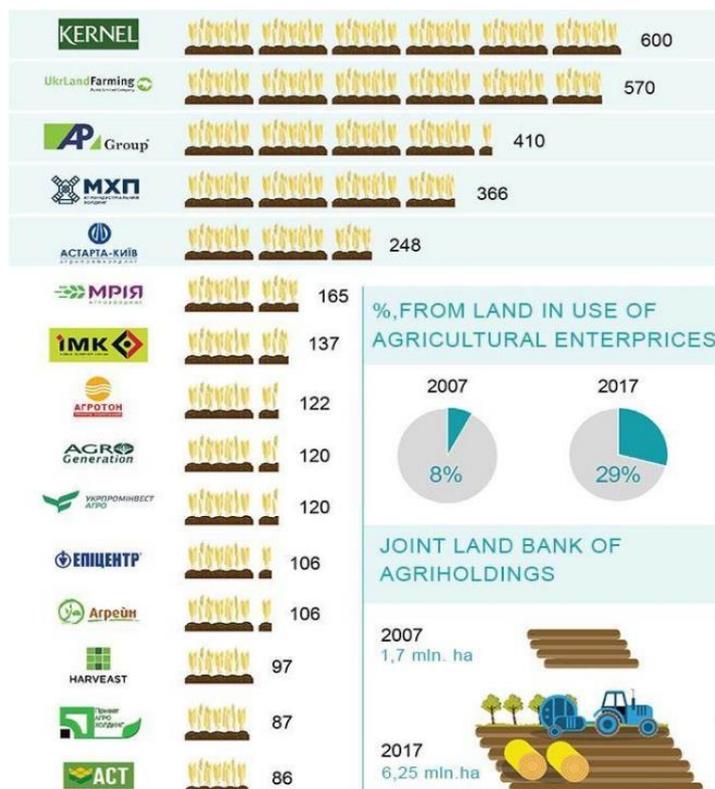


Figure 2
Land bank of the biggest agroholdings, 2017, thousand ha
Source: State Statistic Service of Ukraine (2017)

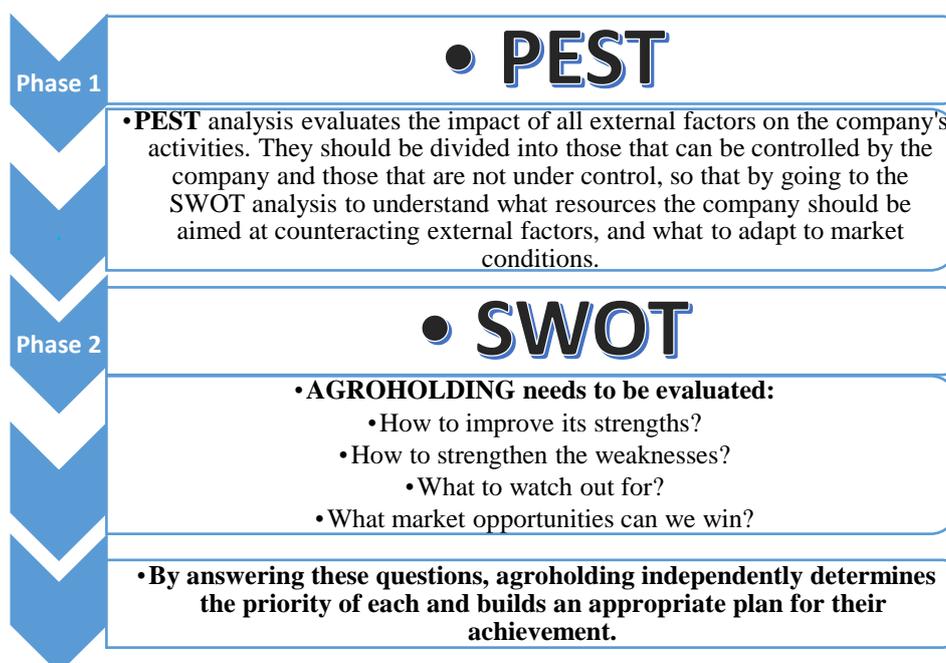


Figure 3
Process of formulating the strategy in agroholding
Source: own compilation

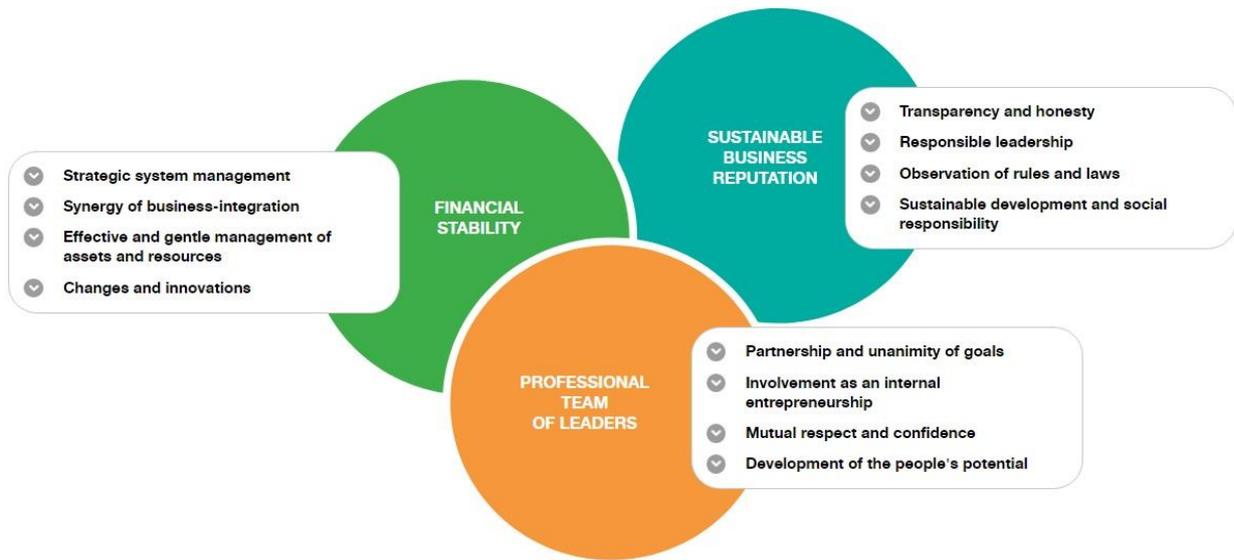


Figure 4
Agroholding's management guidelines
Source: own compilation