SLOVAK REPUBLIC

Miriam Bitterova, Janka Martinovicova, Peter Martinovic, Jan Bitter

Interviewed entities:

Region	Number of entities	Entity
Slovakia	6	AGROPODNIK, a.s. Trnava
		FELIS
		MANNET, s.r.o.
		MOREAU AGRI, s.r.o.
		AGROBIOP, s.r.o.
		AGROMART, a.s.

MANAGEMENT AND SUPPORT

An examination of the organizational structure of entrepreneurial subjects involved in research has shown that up to 50% of them use a classical line structure that occupies the first place in terms of historical development of organizational structures. Typical is the transparency of management relationships, a simple definition of competencies and responsibilities. Two entities (33.3%) apply its modifications - the line-staff and the line-branch structure, which are typical of the input of the top factors in the creation of the organizational structure - staff departments and the sectoral principle of creation and division of organizational units.

The largest surveyed company applies the sectoral organizational structure. In view of the consequent results presented, it is surprising that he did not proceed to innovate the organizational structure toward more progressive - flexible structures, type of project structure. The respondent states that the company carries out its own research. Creating a relatively separate organizational unit for this important activity would support the bonding of its perception not only within the enterprise but also in relation to its surroundings.

STRATEGIC PLANNING (VISION AND MISSION)

All surveyed companies are working out a strategic plan, have a clear vision and mission for the future, which we value very positively. They are approached eruditely to process strategic planning documents, which indicate good professional readiness of responsible managers.

TRENDS MONITORING

Within the examined sample, none of the enterprises operate the KPU monitoring system. However, it is highly appreciated that all enterprises have a prepared reserve (default) plan for the deviation of the business trend. This is usually based on the rational diversification of business activities.

CERTIFICATION

Five out of six surveyed enterprises (83.3%) said they were holders of various certificates by industry - production and services, which reflects a rational and responsible management approach not only to their own business but also to customers and clients, which is one of the basic prerequisites for building and consolidating the positive image of the enterprise in the eyes of the public.

CASH FLOW

In assessing the stability and anticipation of sales, up to 50% of respondents said that their income levels can only be expected and affected in part, mainly due to the unpredictability of the market situation. Two micro enterprises (33.3%) are not at all able to predict their income levels. The most favorable situation in this respect was presented by the largest of the companies surveyed, which is part of the holding. The success of businesses in this area is heavily influenced by access to preferential forms of funding, subsidies, and EU funds.

REVENUE MODEL

In the area of price policy instruments, up to 50% of respondents said that there is no room for their use in terms of their focus. Two entities (33.3%) provide their customers with a price advantage in the form of a quantity rebate, or warranty and post-warranty service.

EMPLOYMENT

When asked whether business management is capable of attracting and retaining a skilled workforce, almost all respondents responded positively, but with the condition of good financial evaluation and the provision of various material and spiritual benefits (13th salary, corporate car, corporate actions for employees and their family reimbursement of costs for additional education, etc.), which is not easy in the conditions of the agriculture sector. Workforce fluctuation in surveyed businesses is fairly favorable, ranging from 0 to 10%, indicating that businesses are successfully pursuing employee stabilization activities.

All surveyed enterprises have training programs for their employees. Normally focused on legally compulsory education in the area of BOZP and PO, professional courses and training oriented to acquisition, and building skills in manipulating with technical and technological equipment in the production process, working with chemicals and animals. Almost absolutely absent training programs aimed at shaping social skills and communication in foreign languages.

The assessment of labor force diversity showed that the bulk of businesses (66.7%) employ people with a changed work ability by 1-2 employees and pensioners by 1-10 employees. The same share of enterprises (66.7%) enters support for student practical training through internships.

PARTNERS AND NETWORKS

All surveyed businesses invest in their social community, mainly by increasing loyalty, contributing to the social fund, organizing corporate events, supporting community and general stock, and more. Similarly, all businesses are in partnership with other companies. Relationships are build through personal contacts.

Only two (33.3%) of the surveyed subjects joins to university - practice - research. On the contrary, very rich is cooperation with local, or regional administration, involving all the companies under investigation.

The waste from its own production activity is processed by only one of the examined enterprises, with the exception of wastewater treatment plants operated by three entities. There is extensive cooperation with other waste disposal organizations, mainly used tires and engine oils. Feedback with organizations manufacturing primary production waste works only in primary agricultural enterprises - composting, use of non-standard cereals and wildlife seed.

Only two (33.3%) of the surveyed companies are in partnership with social business, in the form of sheltered workshops, municipal social enterprises and enterprises for integration into work.

Half of the surveyed enterprises cooperate with the university, specifically with the SUA, and partly engage in the learning process - through excursions for students, internships, practice and lectures.

To evaluate study programs to meet practice needs, all interviewees have stated that current study programs are tailored to the needs of practice only in part, but without specific reminders or constructive design.

SOURCES

As a main source of coverage of entrepreneurial activities, all respondents reported a profit from entrepreneurial activity. Almost all interviewees also use credit resources, and primary agricultural enterprises also draw on EU and PPA funds.

As part of the development of human resources, all surveyed companies have mandatory BOZP training, training courses, and education activities aimed at enhancing capabilities in handling production facilities, working with chemicals, gas and pressure vessels, and live animals. To a lesser extent, educational activities to support managerial skills and PPA training courses are organized.

All surveyed businesses are very positive and accommodating to the personal development of their employees and cover all the costs of their education.

Critical skills most often featured communication, the quality of which is absent in almost all subjects. Other critical skills are lack of knowledge of foreign languages, flexibility and then professional skills.

For a very positive partial result, it is possible to state that all the surveyed companies are analyzing and analyzing the structure of their expenditures in detail, which is the first and indispensable step towards their rational use in future periods.

MARKETING SYSTEM

Marketing

The most used marketing and promotional channels are personal meetings of managers, conferences, training, print media and the internet.

Only half of surveyed business entities have a well-developed marketing strategy. Other businesses are considering processing, but entities in the micro-enterprise category do not see the merits of this document.

Customers

The number of individual business customers is very diverse and directly related to the range of product range, provided services. It ranges from 3-1500.

In terms of customer segmentation, the largest share is represented by primary agricultural, food, forestry and wood-processing enterprises, followed by construction enterprises and wholesalers.

The target group of customers is made up of 90-100% of Slovakian customers, with the exception of a micro-enterprise whose business is a pet shop where the ratio is only 5% relied on by domestic and 95% foreign customers, mainly from Italy.

INNOVATION SYSTEM

Offer

The development of new products is dealt with only by two of surveyed companies. In the latter case, it is an enterprise which is part of the holding and has a separate research and development base, the second case is a micro-enterprise dealing with live animals. With the diversification of production, services are not yet considered by medium-sized enterprises with a relatively stable market position. Micro-enterprises are more favorably prone to the process of divergence, especially with regard to market developments.

Value menu

Customer relationships from a marketing point of view have been marked by all respondents as good or above standard. The possibilities of their improvement are seen in the expansion of Internet services and communication.

The question of the tradability of their products was given only by two companies. The problem with the tradability of our own products is in particular small businesses that do not produce organizational products, which has also been confirmed in our research.

Despite the fact that all respondents presented their brand as meaningful in perceiving customers, only a 50% success rate was achieved with the ability to distinguish specific products.

Sustainability

In the choice of measures to prevent the copying of products, services, the respondents are very skeptical, they are not convinced that any measures have been sufficiently effective.

They seek to strengthen loyalty between their own staff and partners and strictly respect the business secrets.

Compared to competitors, they see benefits in good personal relationships, providing better service in the field of service and cooperation with customers.

Better conditions for successful innovation compared to competition are only a medium-sized enterprise with its own research and development base.

PRODUCTION SYSTEM – BIOECONOMICS

Offer

In the surveyed sample, the largest share of service enterprises - sales and service stands for agricultural primary production, food industry, forestry, woodworking, construction, trade in chemicals, agriculture, agricultural products and agricultural advice.

Capacities and capacity planning

Two-thirds of businesses have a thoroughly elaborated capacity analysis for customer orders. Worse results were presented in the area of the ability to swing fluctuations in customer orders, which is ready to handle only one of the surveyed companies.

Sustainability

Its sustainability connects all surveyed enterprises with rigorous day-to-day management, management of the statistical system of monitoring and evaluation of selected indicators, rational interconnection of operational tactical and strategic management.

Quality management

All respondents have unequivocally stated that their target value is customer quality. Two-thirds of businesses presented the ability to meet the increased customer demands over expectations. All surveyed companies have presented experience in action plans to improve the quality of their products, which means they pay extra attention to the quality of their products and services.

Suppliers

The surveyed enterprises list key suppliers in the number of 2-20 subjects, except for the micro-enterprise dealing with live animals. The dependence of business performance on suppliers varies between 40-100%, which forces businesses to ensure high-quality logistics.