

Analysis of the dynamics of sales volumes of the domestic machine-building complex

Volodymyr Martyniuk¹, Nazarii Tur²

1. Department of entrepreneurship and ecological expertise of goods, Lviv Polytechnic National University, UKRAINE, Lviv, S. Banderystreet 12, E-mail: martyniuk.p.volodymyr@lpnu.ua

2. Lviv Politechnic National University, UKRAINE, Lviv, S. Banderystreet 12, E-mail: tur1808@mail.ua

Abstract –The development of the machine-building industry for the last 5 years has been analyzed. The research of scientific sources on this issue was conducted. Trends in promising changes are revealed. The problems of functioning of machine-building enterprises are detailed and methods of their solution are proposed.

Keywords: competition; competitiveness; demand; investment attractiveness; engineering; innovative activity; modernization.

I. Introduction

The domestic economy is characterized by a decline in production and incorrect proportions of development over the past 5 years. This situation leads to the crisis situation of the most important industry – machine building. The state and the quality level of the production machinery of the country depend directly on the state and functioning of machine-building enterprises. That is why the need for constant control over the situation in the industry becomes urgent. In the early 90's machine-building went into decline, and was in a crisis situation. The products have ceased to be renovated, the depreciation of fixed assets has reached 50%, there has not been a recruitment of new personnel, the average age of workers has come close to 50 years. Only about a quarter of new technologies corresponded to the world level. Since the Soviet Union, many technologies have not been changed, unlike other countries of the world, which has reduced their competitiveness.

II. Main material

Machine building is an important and promising branch of the Ukrainian economy. The modern machine-building complex comprises 11 073 enterprises, of which 136 are large, 1750 medium-sized, and 9187 are small-scale production of machinery, equipment, devices, equipment, vehicles [1; 2]. The analysis of statistical data of the development of Ukraine's machine-building industry in 2007-2014 showed (shown in Table 1) that from 2007 to 2009 there was a recession. In 2010 – a rapid growth, the indicator was higher than the value of 2007. But from 2010 to 2014 there was a gradual decline.

Another reason for the decline in the profitability of the enterprises of the machine-building complex of Ukraine is a decrease in the volume of production. The volume of production of machine-building enterprises on the market is given in the table. 2

TABLE 1
INDICES OF VOLUMES OF MACHINE BUILDING PRODUCTS
(AS A PERCENTAGE OF THE PREVIOUS YEAR) FOR 2009-2016

Years	Indices of volumes of machine building products (as a percentage of the previous year)
2009	119
2010	100,3
2011	55,1
2012	136,1
2013	115,4
2014	96,7
2015	86,4
2016	79,4

TABLE 2
DYNAMICS OF VOLUMES OF SOLD INDUSTRIAL PRODUCTS
IN UKRAINE FOR 2013-2016 (MILLION UAH)

Indexes	Years			
	2013 p.	2014 p.	2015 p.	2016 p.
Volume of sales of industrial products of Ukraine, UAH million	1065850,5	1331887,6	1400680,2	1354130,1
Volume of sold production, UAH million	99270,5	133469	143533,1	117301,9

Finding markets is a major problem in the machine-building industry in Ukraine. Distribution markets in this area are characterized by high competition, which requires high quality goods, the introduction of new technologies and high efficiency of manufacturing. At present, products of the machine-building industry are often morally outdated, due to the use of outdated technologies, wear of equipment by 60-80%, and a small level of innovation implementation. The machine-building complex of Ukraine has more than 20 specialized branches, that is, almost all [4; 5]. The objective reason for the downturn is the decline in economic and investment activity at the domestic level the market and at the same time the reduction of sales on the key for the Ukrainian machine building Russian the market As you know, the leadership of the Russian Federation for several years has led to an active policy of import substitution, and products of foreign, in particular Ukrainian producers, are systematically pushed out of the Russian market. This The process was particularly strong in 2013, when Ukraine was only about to sign an association with The European Union However, Russia still remains the main consumer of domestic machine-building products enterprises. For comparison, it should be noted that exports to the EU today account for 21% of the total the volume of export, and sales to the Russian market – 52%, in the CIS countries – 14%. By separate groups of goods, the dependence on the Russian Federation is even more significant: the share of exports of products energy and transport machine building on the Russian market is 75% and 60% respectively

The main problems of the enterprises of the machine-building complex of Ukraine are as follows:

1. Outdated production assets.
2. Lack of funds from enterprises. The low amount of highly liquid funds leads to the fact that enterprises are not able to calculate with contractors, which reduces their solvency and their competitiveness.
3. Innovative activity of Ukrainian enterprises at a low level, low investment attractiveness [6; 7; 8].
4. Not a number of high-tech spheres in Ukraine. Most importantly, there is a shortage of those that set the export positions of machine building. It is the IT industry, the manufacture of medical equipment, research equipment and advanced passenger cars.
5. Not the competitiveness of many types of domestic production.
6. Lack of skilled workers. At a low level of youth labor remuneration specialists do not have the desire to work in this area, and the vast majority of employees with experience have retirement age. Losing qualified professionals who are discharged or go to retirement, machine-building enterprises can not prepare for them a worthy substitute that has its own reflection in low quality performance.

Conclusion

Summing up all the above, it can be summarized: during the years of the Ukrainian economy's development, the machine-building industry has undergone a long devastating crisis with large-scale losses of production and personnel potential, with a double reduction in the share of machine-building products in production, and reduced innovation and investment activity. Despite the scale of the crisis, the development of the industry is practically impossible without significant investment. Today, outdated equipment reaches about 70%. With shortages, the problems of restoring the industrial potential of the industry are being solved slowly. The country's leadership should make significant efforts to stimulate the investment activity of the machine-building industry and the development of science. The priority development of the industry should be: overcoming the scientific and technological regression from the industrialized countries, increasing the level of scientific developments in this area, supporting the innovation activity of enterprises, creating conditions for increasing the volume of production of high-tech products [1; 3; 7].

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