

Annotation

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Diversification of production and economic activities of agricultural enterprises

Accelerating the pace of scientific and technical progress that happens in last few decades, increased competition caused by globalization of the economy, dramatically aggravate problems of increasing competitiveness of producers, search and realization of their competitive advantages. At the same time dynamic changes in the conditions and environment of management require constant improvement and updating range of technologies in its production and promotion in the market for the purpose of operational search and implementation of market opportunities of innovative development which is not alternative for Ukraine.

Businesses have to solve problems by cutting costs and expanding activities in the direction of stable demand. Thus, the most important for the enterprises is solving problems of minimizing costs and risks.

The article is to define the concept essence of “diversification” and “diversification of production”, its objectives, analysis of its types in market conditions. The aim is to explore diversification of production and economic activities of enterprises as a factor of innovation and strategic development, to improve their competitiveness and economic recovery of the agrarian economy.

The article deals with the concept essence of “diversification” and “product diversification” summarizing views of various scholars on diversification and its types. Basic objectives, advantages and disadvantages of diversification of the company are considered.

Diversification of production and economic activity is a complex of analytical, organizational, regulatory measures aimed at creating, maintaining and expanding economically profitable directions of the company to minimize financial risks. In the competitive environment diversification is one of the factors of survival or reaching competitive advantages and can contribute to successful economic development both at micro and macro levels.

Key words: *diversification, strategy, agricultural enterprises, production, agriculture.*