

ASPECTS REGARDING THE FACTORS OF PRODUCTION AND THEIR USE WITHIN AN EXPLOITATION OF THE CENTRAL MOLDAVIAN PLATEAU

ASPECTE PRIVIND FACTORII DE PRODUCȚIE ȘI UTILIZAREA LOR ÎN CADRUL UNEI EXPLOATAȚII DIN PODIȘUL CENTRAL MOLDOVENESC

BREZULEANU Carmen Olguța, BREZULEANU S.

University of Agricultural Sciences and Veterinary Medicine Iași, Romania

Abstract. *In the speciality literature the production factors are divided into inputs: land, labor, capital and management. Starting from the idea that inputs are divided into four groups (land, labor, capital and management), we can say that the rational use of resources each group has so far only in combination with the other three, taking into account the modification of production structure and accomplishment of scientific and technical achievements. To analyze the factors of production and their use in agriculture we revealed key aspects of economic development - financial agricultural society with legal personality established according to Law no. 36/1991 on the Central Moldavian Plateau. We were analyzed the indicators of land use in the production, use of labor, of machinery and agricultural tractors and proposed a series of measures to make efficient the use of farm inputs which was part of this case study.*

Key words: land, labor, capital, management, exploitation, Central Moldavian Plateau

Rezumat. *În literatura de specialitate factorii de producție sunt divizați în: pământul, munca, capitalul și managementul. Plecând de la ideea, că factorii de producție se împart în 4 grupe (pământ, munca, capitalul și managementul), putem afirma că folosirea rațională a fiecărei grupe de resurse are loc numai în măsura combinării cu celelalte trei, ținând cont de modificarea structurii producției și realizările progresului tehnico-științific. Pentru a putea analiza factorii de producție și utilizarea lor în agricultură s-au evidențiat principalele aspecte ale evoluției economico – financiare ale unei societăți agricole cu personalitate juridică înființată conform Legii nr. 36/1991 în Podișul Central Moldovenesc. Au fost analizați indicatorii utilizării pământului în procesul de producție, ai utilizării forței de muncă, ai mașinilor și tractoarelor agricole, și au fost propuse o serie de măsuri pentru eficientizarea utilizării factorilor de producție în exploatarea agricolă care a făcut parte din prezentul studiu de caz.*

Cuvinte cheie: pământ, munca, capital, management, exploatare, Podișul Central Moldovenesc

INTRODUCTION

In the speciality literature the production factors are divided into inputs: land, labor, capital and management.

Earth is naturally considered as a factor. He is not the result of human activity. Also refers to natural factors and natural resources. Entrepreneurs agricultural land is the main means of production which has a number of specific features, namely: fertility.

Work as a production factor is represented by the physical and intellectual activity, oriented towards obtaining goods and services. This factor is characterized by the number of employees whose employment term is identical or sometimes is given by the total number of hours worked.

Capital as production factor is that all economic assets acquired, heterogeneous and reproducible use in production, distribution and marketing of goods and services.

According to specialists the fourth production factor is **management** or entrepreneurship. Was industrialization requires a different classification of production factors, still showing two factors: **informative and ecologic** called neofactors.

MATERIAL AND METHOD

For the presentation of the results obtained by the agricultural company "AGROSEED SA SCÂNTEIA was used economic statistics of records - financial unit and for their processing and interpretation there were used diagnostic analysis method, investigation and correlation.

RESULTS AND DISCUSSIONS

Starting from the idea that inputs are divided into four groups (land, labor, capital and management), we can say that the rational use of resources each group has so far only in combination with the other three, taking into account the change of the production structure and the achievements of the scientific and technical progress.

Management decisions are identified by the choices in resource allocation, allocation size, and investment, to ensure efficient use and sustainability of competitive margin (Brezuleanu S., 2009).

Links between the four categories of resources are interdependent. For example: the increase the productive capacity of the earth depends on the rational use of means of production, work and management decisions.

Agricultural holdings use factors of various kinds, in various amounts and effects may differ greatly between them, depending on a number of conditions, such as the allocation proportions that combine timing and application methods, quality and content in different active ingredients, etc. (Ciurea I.&collab, 2005)

The latter (expenditure control) seems to be more to reach the producer (entrepreneur). Allocation decisions and mixing conditions for applying the factors related to how that operates exclusively at managing the farm. It is true, however, that a certain action which diminishes the effects produced by a manufacturer active in the use of rational factors, can have their prices, having

him here, the less opportunities for maneuver (the identification of cheaper factors, price negotiation etc.).

To analyze the factors of production and their use in agriculture we will continue to highlight the main aspects of economic development - financial agricultural society with legal personality established according to Law no. 36/1991 on the Central Moldavian Plateau. (Brezuleanu, S. & colab 2008)

The agricultural society "AGROSEED SA SCÂNTEIA is an agricultural society with legal personality which was formed on February 14, 1994 under Law no. 36/1991, being a private agricultural company with variable capital and number of associates.

The company is active in the agricultural crop production, on an area of 399ha in 2007. 488.5 ha in 2008 and 540 ha in 2009, with a total of 32 employees with employment contract. In the diagnosis economic – financial analysis of the agricultural company first level, structure and evolution of production costs.

Calculation on the total activity indicators and the types of activities show that the expenses remained relatively constant compared with 2009, when revenues and expenditures rose steeply.

Table 1

General Situation Analysis of expenditure on AGROSEED SA SCÂNTEIA

Nr. crt.	Specification	2007		2008		2009	
		Lei	%	L ei	% in comparison with 2007	Lei	% in comparison with 2008
1.	Total expenditure of which:	46399	100.0	47611	102.6	71267	153.6
2.	Operating expenses	4.384.9	100.0	45402	103.5	68425	156.1
3.	Financial expenses	2549	100.0	2209	86.6	284.2	111.5
4.	Exceptional expenditure	0	-	0	-	0	-
5.	Total revenue of which:	50333	100.0	49755	98.8	8.435.7	167.6
6.	Operating income	48928	100.0	49405	100.1	8.243.3	168.4
7.	Financial income	1405	100.0	3502	24.9	192.3	136.9
8.	Exceptional income	0	-	0	-	0	-

Increase in total expenditure in 2009 showing the impact of inflation on prices first input. It is apparent that in the three years studied, the agricultural society has not made any expenditure or revenue windfalls.

The analysis of the general operating expenses was achieved through centralized data in table 2.

As shown in table 2, operating expenses increased each year as follows: in 2008 to 3.5% and 56% in 2009 compared to 2007.

Due to the specific of the agriculture, the material costs in 2009 have accounted for approximately 30% of total operating expenses, and the largest share their hold consumables (table 3).

Table 2

Dynamics of the general operating expenses

Nr. crt.	Specification	2007		2008		2009	
		lei	%	lei	% in comparison with 2007	lei	% in comparison with 2008
1.	Operating expenses Of which:	43849	100	45402	103.5	68425	156.0
2.	Current expenditure	13515	100	17956	132.8	23092	170.8
3.	Works. services	7029	100	3577	50.8	4353	61.9
4.	Taxes	1280	100	1306	101.9	1812	141.5
5.	Staff costs	4919	100	6896	140.2	9309	189.2
6.	Other operating expenses	15615	100	13380	85.7	2669	17.1
7.	Amortization expenses	762	100	966	126.8	966	126.7

Table 3

Material expenditure in the agricultural society "AGROSEED" SA SCÂNTEIA

Nr. crt.	Specification	2007		2008		2009	
		lei	%	lei	% in comparison with 2007	lei	% in comparison with 2008
1.	Current expenditure of which:	13515	100,0	17956	132,8	23092	170,8
2.	Materials	0	-	0	-	0	-
3.	Consumables	12919	100,0	17109	132,4	11287	87,3
4.	Energy, Water	101	100,0	128	126,7	101	100,1
5.	Other material expenses	494	100,0	719	145,4	603	122,1

We could notice the evolution of the fluctuating costs of consumables, which rose by around 32% in 2008, then declined to approximately 87% compared to 2007.

A proper appreciation of the development materials costs, and given their importance in operating expenses may be made only in economic terms - financial (Brezuleanu S., 2008).

Analyzing the evolution of total company revenue and the types of agricultural activities for each year analyzed and the dynamic is apparent that they exceed operating expenses in all three years, which lead to a positive operating result (table 4).

Table 4

Economic results of the agricultural society "AGROSEED" SA SCÂNTEIA

Nr. Crt.	Specification	2007		2008		2009	
		lei	%	lei	% in comparison with 2007	lei	% in comparison with 2008
1.	Operating income	48928	100	49405	100,9	82433	168,4
2.	Operating expenses	43849	100	45402	124,0	68425	156,0
3.	Profit + / loss -	+5078	100	+4003	+78,8	+14007	+275,8
4.	Financial income	1405	100	350	24,9	1923	136,9
5.	Financial expenses	2549	100	2209	86,6	2842	111,5
6.	Profit + /loss – financial	-1144	100	-1858	162,4	-918	80,3
7.	Current result of the year	3934	100	2144	54,5	13089	332,7
8.	Total Income	50333	100	49755	98,8	84357	167,6
9.	Total expenditure	46399	100	47611	102,6	71267	153,6
10.	Net profit for the year	2950	100	1608	54,5	9816	332,6

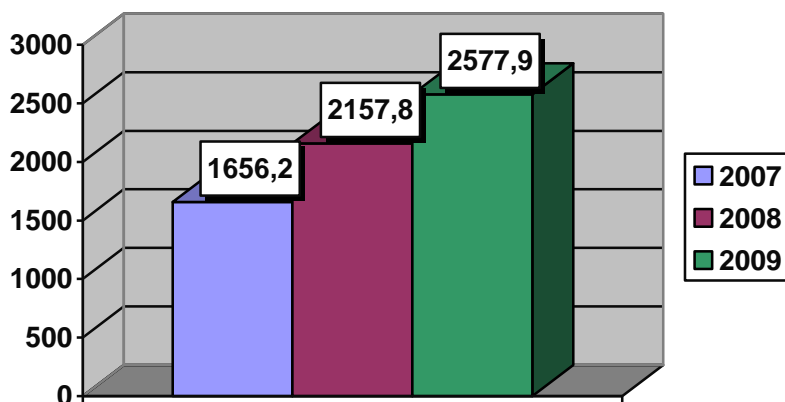
It is noted that the work of operating profit in 2009 increased approximately 2.8 times over 2008.

Financial income values are lower than the financial expenses, which leads to losses in financial results and the loss rate decreased in 2009 compared to 2007 and from 2008.

Work. The company operates with a small number of permanent employees and job card, it is based on certain periods of the agricultural campaign, such as castrating maize on a large variety, but large enough for day laborers, the ending service contracts for periods well defined. Indicators used in the production of human factor:

➤ Value of labor productivity [W_{vm}](Fig.1):

$W_{vm} = \text{Production value} / \text{number of workers [lei/persoană]}:$

Fig.1. Value productivity of labour (W_{vm})

In order to analyze the efficiency of capital use, we use data from the balance sheet of "AGROSEED" SA SCÂNTEIA, for the period 2007-2009.

➤ Financial rate of return on equity [$R_{f_{cp}}$] (fig.3):

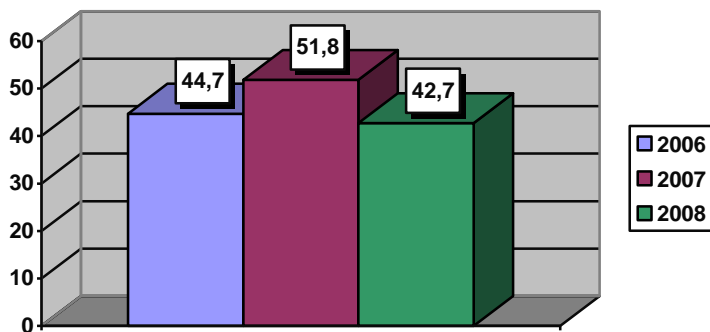


Fig.2. Rate of financial return on equity

CONCLUSIONS

1. Input use efficiency analysis allows highlighting the proposals on the impact factors of production to achieve economic and financial performance in the "AGROSEED" S. A. SCÂNTEIA.

2. Increased profitability of agricultural land through a series of measures: a combination of better reasoning inputs, better choice of suitable varieties of seed used weather forecasts expected the respective years, allocate land and turn their crops more efficiently, increasing yields of agricultural machinery, through fleet renewal by accessing funds europe, and by raising the qualifications of personnel involved in the work.

3. Objectives can be summarized in reaching a prompt response capacity to the market, but also continuous improvement of working conditions and safety of people and facilities, all of the protections imposed on a background of increasingly rigorous environment.-

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