

MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE

Sumy State University

Academic and Research Institute of Business, Economics and Management

Department of Management named after Oleg Balatskyi

«Admitted to the defense»

Head of Department

Ihor

Rekunenکو

(Signature)

(First and last name)

_____ 20__ y.

QUALIFYING WORK

to obtain an educational degree bachelor's

in the specialty "073" Management,
(code and name)

educational-professional program Management
(educational-professional / educational-scientific) (the name of the program)

on the topic: Evaluation of the affiliates' efficiency functioning in the organization structure

The recipient of the group M-91an/1y Masalitina Daryna
(group cipher) (First and last name)

The qualifying work contains the results of own research. The use of ideas, results and texts of other authors are linked to the appropriate source.

(Signature) Masalitina Daryna
(First and last name of the recipient)

Head _____ senior lecturer, PhD, associate professor, Bondar Tetyana

Advisor¹⁾ _____ (position, academic degree, academic title, Name and SURNAME) (Signature)
_____ (position, academic degree, academic title, Name and SURNAME) (Signature)

MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE
SUMY STATE UNIVERSITY
Academic and Research Institute of Business, Economics and Management
Department of Management named after Oleg Balatskyi

I CONFIRM

Head of Department

_____Ihor Rekunenکو _____
(Signature) (First and last name)
_____ 20_____ y.

**ASSIGNMENT FOR QUALIFYING WORK
to obtain an educational degree bachelor's
(bachelor's / master's degree)**

in the specialty _____"073" Management _____ ,
(code and name)

_____educational-professional_____ program _____ Management _____
(educational-professional / educational-scientific) (the name of the program)

on the topic: Evaluation of the affiliates' efficiency functioning in the organization structure

The recipient of the group M-91an/1y Masalitina Daryna
(group cipher) (First and last name)

1. The topic of the work "Evaluation of the affiliates' efficiency functioning in the organization structure" approved by order № 0569-VI dated 25.05.2023 y.
2. The deadline for submission of the completed work by the acquirer _____ 1.06.2023 y.
3. The purpose of the qualifying work: is to develop proposals for improving the methods of analysis and evaluation of the effectiveness of the functioning of branches in the organizational structure of the company.
4. Object of study: the process of functioning of branches in the organizational structure.
5. Subject of study: the directions of evaluating the effectiveness of the functioning of branches in the organizational structure of the company.
6. Qualification work is performed on the basis: based on the analysis and generalization of the authors' research results in textbooks, manuals, scientific periodicals, enterprise reporting data.
7. Approximate plan of qualifying work, deadlines for submission of sections to the manager and content of tasks to fulfill the set goal.

№ of order	Title of the section	Submission deadline
I	THEORETICAL FOUNDATIONS OF THE FORMATION AND DEVELOPMENT OF THE ORGANIZATIONAL STRUCTURE OF BRANCHES	17.05.2023
II	METHODOLOGICAL PRINCIPLES OF EVALUATING THE EFFECTIVENESS OF THE FUNCTIONING OF BRANCHES AND ENTERPRISES	25.05.2023
III	ANALYSIS OF EFFECTIVENESS ON THE EXAMPLE OF BRANCH "OKHTYRKA FORESTRY" SE "FORESTS OF UKRAINE"	05.06.2023

The content of the tasks for fulfilling the set goal of the master's qualifying work:

In section 1, the student must present theoretical foundations of the formation and development of the organizational as well as the methods of evaluating the effectiveness of branches structure of branches.

In section 2, the student must analyze the methods of evaluation the effectiveness of the functioning of branches as well as the foreign companies experience in this relation.

In section 3, the student must offer proposals for improving the assessment of the effectiveness of the functioning of branches in the organizational structure of the company.

8. Consultations on work performance:

Section	Surname, initials and position of the supervisor/consultant	Signature, date	
		Issued the task	I accepted the task
1			
2			
3			

9. Issue date of the assignment 15.04.2023

Head of qualification work senior lecturer, PhD, associate professor, Bondar Tetyana

(position, academic degree, academic title, Name and SURNAME)

(Signature)

Tasks to be completed received Masalitina Daryna

ANNOTATION

The structure and volume of the bachelor's thesis. The thesis consists of an introduction, three chapters, a conclusion, a list of references, which consists of 16 items. The volume of the bachelor's thesis is 32 pages including 3 tables, 1 figure and list of references.

Researching the effectiveness of branches in the organizational structure is a relevant and important task that helps companies improve their performance, manage risks, optimize resources, develop competitive advantages and ensure sustainable development.

Globalization and expansion of markets require companies to actively develop and manage their branches located in different countries or regions. However, to ensure the success of such a global presence, it is important to have an evaluation system in place to determine how effectively affiliates are adapting to local markets and performing their tasks.

The purpose of the study is to develop proposals for improving the methods of analysis and evaluation of the effectiveness of the functioning of branches in the organizational structure of the company.

The object of research is the process of functioning of branches in the organizational structure.

The subject of the study are the directions of evaluating the effectiveness of the functioning of branches in the organizational structure of the company.

The approaches to assessment of the effectiveness of the functioning of branches in the structure of the organization have been studied. Paper includes analysis of various aspects affecting the success of branches, such as organizational structure, communication, leadership and resource allocation. It also examines the factors that determine the success of affiliates in a global context, including adaptation to local conditions, risk management and resource optimization.

The analysis of various methods and approaches to evaluating the effectiveness of branches, as well as identifying factors affecting their success have been conducted. The recommendations and strategies that will help organizations improve the effectiveness of their affiliates and ensure their successful integration into the organizational structure have been developed.

Keywords: ORGANIZATIONAL STRUCTURE, BRANCH EFFICIENCY, PERFORMANCE ANALYSIS, CONTROL, KEY PERFORMANCE INDICATORS.

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INTRODUCTION

Relevance of the research topic. Researching the effectiveness of branches in the organizational structure is a relevant and important task that helps companies improve their performance, manage risks, optimize resources, develop competitive advantages and ensure sustainable development.

Researching the effectiveness of branches in the organizational structure is an important and urgent task for several reasons, such as: improving productivity, managing risks, optimizing resources, developing a competitive advantage, and ensuring sustainable development.

Understanding the performance of branches helps organizations to implement proper management and make strategic decisions aimed at improving their functioning.

Globalization and expansion of markets require companies to actively develop and manage their branches located in different countries or regions. However, to ensure the success of such a global presence, it is important to have an evaluation system in place to determine how effectively affiliates are adapting to local markets and performing their tasks.

This thesis is devoted to the study of the assessment of the effectiveness of the functioning of branches in the structure of the organization. It includes analysis of various aspects affecting the success of branches, such as organizational structure, communication, leadership and resource allocation. It also examines the factors that determine the success of affiliates in a global context, including adaptation to local conditions, risk management and resource optimization.

The study includes the analysis of various methods and approaches to evaluating the effectiveness of branches, as well as identifying factors affecting their success. Further analysis will focus on the development of recommendations and strategies that will help organizations improve the effectiveness of their affiliates and ensure their successful integration into the organizational structure.

The purpose of the study is to develop proposals for improving the methods of analysis and evaluation of the effectiveness of the functioning of branches in the organizational structure of the company.

The object of research is the process of functioning of branches in the organizational structure.

The subject of the study are the directions of evaluating the effectiveness of the functioning of branches in the organizational structure of the company.

Research tasks:

1. To study the theoretical basis of assessment and the essence of branches in the system of organizational structure of companies.
2. To analyze the methods of evaluating the efficiency of companies as a whole.
3. Summarize foreign experience in assessing the effectiveness of the functioning of company branches.
4. Analyze the activity of the enterprise and evaluate the effectiveness of its functioning.
5. To develop proposals for improving the evaluation of the effectiveness of the functioning of the company's branches.

CHAPTER I THEORETICAL FOUNDATIONS OF THE FORMATION AND DEVELOPMENT OF THE ORGANIZATIONAL STRUCTURE OF BRANCHES

1.1 Concepts and types of the organizational structure of branches

The organizational structure of branches plays an important role in streamlining and organizing the activities of organizations with distributed branches. It defines how the branches are organized and how they interact with each other and with the central office. Understanding the concept and types of branch organizational structure is key to effective branch management and coordination.

One of the main types of organizational structure of branches is the functional structure. In this case, branches are organized by functional areas such as production, marketing, finance, etc. Each branch is responsible for its functional area and reports to the central office. This type of structure ensures efficient specialization and coordination of functions between branches.

Another type of branch organizational structure is the geographic structure. In this case, the branches are organized depending on their geographical location, for example, by regions or countries. Each branch is responsible for its territory and local market. The geographical structure makes it possible to better take into account local characteristics and adapt to the needs and requirements of local customers.

A matrix structure is another type of branch organizational structure in which functional and geographic principles are combined. In this structure, branches are organized as a matrix where functional business units cooperate with different regions or countries. This approach allows for combining specialization and efficiency of functional groups with adaptability to local conditions and needs.

In addition, there are other types of branch organizational structures, such as a product structure, where branches are organized by product lines or services, or a

customer segment structure, where branches specialize in serving specific customer segments.

The choice of a specific type of branch organizational structure depends on several factors, including the size and composition of the organization, the geographical distribution of the branches, the nature of the business and the strategic goals of the organization. "As reported in previous studies (Erik Devaney, 2023)".

1.2 Functional structure

The functional structure is one of the most common forms of organizational structure used to manage branches. It is based on dividing the organization into functional groups such as production, marketing, finance, human capital resources and others. Each functional group is responsible for specific tasks and has its internal structure with a manager and subordinate employees.

The main aspects of the functional structure in branch management include specialization and efficiency, clear hierarchy and responsibility, the concentration of expertise and resources, and ease of control and coordination.

Specialization and efficiency are one of the key advantages of a functional structure. The functional structure allows you to group employees with similar professional competencies into one functional group. It promotes the development of deep knowledge and expertise in a particular field, which leads to high-quality tasks and increased productivity.

Clear hierarchy and responsibility are other important aspects of a functional structure. Each functional group reports to a higher level of management, which allows for a clear definition of roles, responsibilities and authorities. This provides a structured organization and reduces the possibility of conflicts between functional groups.

The concentration of expertise and resources is another advantage of a functional structure. The functional structure allows for the pooling of expert knowledge and resources within functional groups. This promotes cooperation and

exchange of experience between employees, as well as effective use of the organization's resources.

Ease of control and coordination is another aspect that favours the use of a functional structure in branch management. Managers can use vertical communication to convey instructions, provide directives, and monitor task performance. This simplifies control and coordination of branch operations.

Despite the advantages, the functional structure also has its disadvantages. Limited flexibility is one of them. A functional structure can make it difficult to change and adapt to changing market conditions because it is based on a rigid division of roles and responsibilities.

Delays in decision-making are another disadvantage of the functional structure. Decision management can be delayed by the need for interaction and coordination between functional groups.

The possibility of functional conflicts is another aspect to consider. In a functional structure, conflicts may arise between different functional groups, as each of them has its own goals and priorities.

In conclusion, the functional structure has its advantages and disadvantages in the management of branches. By taking them into account, organizations can make informed choices and adapt the structure according to their needs and goals.

1.3 Geographical structure

Geographic structure in the management of branches is one of the variants of the organizational structure in which branches are located in different geographical areas or countries. This type of structure focuses on the coordination and management of branch activities from the central office or parent company.

One of the main aspects of the geographical structure is the localisation of decisions and the adoption of important management decisions at the branch level. Branch managers are responsible for making decisions that meet the needs and characteristics of their particular region. This allows us to solve problems faster and more effectively and to respond to changes in local conditions.

Another aspect of the geographic structure is decentralized management. Each branch has its management unit, which is responsible for its work and makes decisions on the spot. This facilitates a quick response to local needs and provides greater flexibility in management.

The geographic structure also facilitates the localization of knowledge and expertise. Affiliates can develop their specialization and expertise to suit the needs of their region. This facilitates the use of local expertise and ensures adaptation to local markets and conditions.

However, the geographic structure can also have its drawbacks. For example, coordination and communication between branches can be challenged by geographical distance and time zone differences. There may also be problems with maintaining a single corporate culture and standards in all branches.

In general, the geographical structure in branch management has its advantages and disadvantages. The choice of this type of structure depends on the specific needs and strategy of the organization. It is important to ensure effective communication, coordination and maintaining unity in the management of branches regardless of their geographical location.

1.4 Matrix structure

The matrix structure in the management of branches is one of the effective approaches to the organization of work in companies with a distributed or global structure. In this structure, branches act as independent units with their own management and decisions, but they also report to the central functional divisions of the company.

The basic idea behind a matrix structure is that functional units (eg, finance, marketing, production) provide specialized support to affiliates that focus on specific market or regional needs. This allows for effective coordination and control over the activities of branches, while providing them with sufficient autonomy.

One of the main advantages of the matrix structure in branch management is the ability to be flexible and adapt to changing market conditions. Branch offices, as independent units, can respond quickly to local needs and challenges, while retaining the support and expertise of central functional units. This allows the company to be competitive and efficient in the market.

However, the matrix structure can also create some management challenges. It can lead to a potential duality of authority and responsibility, as well as difficulties in decision-making and communication between functional units and branches. A clear organizational culture, a high level of communication and cooperation between all structural units is necessary for the successful implementation of a matrix structure in the management of branches.

Therefore, the matrix structure in the management of branches is one of the effective approaches to the organization of work in companies with a distributed or global structure. It allows you to combine the specialized support of functional divisions with the autonomy and adaptability of branches, which helps the company to be competitive and effective in the market.

CHAPTER II METHODOLOGICAL PRINCIPLES OF EVALUATING THE EFFECTIVENESS OF THE FUNCTIONING OF BRANCHES AND ENTERPRISES

2.1 Approaches to evaluating the effectiveness of the functioning of enterprises

Financial analysis is a tool for assessing the financial stability and performance of branches and companies. This method allows the enterprise to evaluate its financial performance, ability to generate income and efficient use of its resources.

One of the main aspects of financial analysis is the assessment of a company's financial indicators, such as profit, sales, profitability and asset turnover. These indicators provide information about the financial condition of the company and lose the strengths and weaknesses of its activities.

Financial analysis will also improve the efficiency of using the company's resources. For example, asset turnover analysis allows how effectively a company uses its assets to generate productivity. High asset turnover is against the efficient use of resources, while low turnover can indicate problems in managing assets.

Estimating profitability is another aspect of financial analysis. She points out that thanks to the company's profitable activities. A high profitability indicates successful operations, while a low profitability may indicate problems in operational efficiency.

Financial problems and risks faced by the company are also important during the financial analysis. For example, analysis of the liquidity of the program development, whether the company is able to fulfill its financial obligations on time.

It is important to get that the financial analysis has your limit. It does not take into account non-financial factors such as product quality, customer satisfaction and the company's innovation potential. Therefore, to obtain a comprehensive assessment of efficiency, it is worth combining financial analysis

with other methods, such as customer surveys, evaluation of product or process quality, as well as analysis of market competitors.

In practical application, financial analysis is used by many companies, including Intel Corporation. This method allows the company to evaluate its financial performance, identify problematic aspects and make decisions to achieve strategic goals. At the same time, it is worth remembering that the financial analysis must be comprehensive and combined with other methods of evaluating the company. (ALICIA TUOVILA, 2023).

Balance sheet assessment is one of the key methods of assessing the performance of branches and companies. This method allows you to analyze and compare various aspects of the branch's functioning to determine its effectiveness and make appropriate adjustments to the development strategy.

The balance sheet evaluation includes an analysis of various factors that affect the branch's performance. The main aspects considered are financial performance, market position, achievement of strategic objectives, customer satisfaction, product quality and management processes.

As part of the balance sheet assessment, financial indicators are used to measure the financial stability and profitability of the branch. This includes an analysis of profit, sales volume, liquidity and profitability. It is important to note that financial indicators are not the only criterion for evaluating performance, but they provide important information about the financial performance of the branch.

The branch's market position is determined by analyzing market share, the competitive environment and the level of customer satisfaction. This aspect of the assessment reveals how effectively the branch implements its strategy in the market and what are its competitive advantages.

Achievement of strategic goals is another important aspect of balance sheet evaluation. This includes checking to what extent the branch is achieving planned results and fulfilling defined strategic tasks. It is important to ensure the correspondence between the strategic goals of the company and the operation of the branch.

Customer satisfaction and product quality are also factored into the balance sheet. It includes the collection and analysis of data on customer satisfaction, product quality requirements, the level of fulfilment of obligations to customers and the reputation of the branch in the industry.

Management processes are also an important aspect of balance sheet evaluation. It is an assessment of the effectiveness of the branch's internal processes, including project management, communication, decision-making and personnel management. The effectiveness of these processes affects the overall productivity and success of the branch.

All of these aspects of the balance sheet are used by Intel Corporation to evaluate the performance of its subsidiaries. This method allows the company to evaluate not only financial indicators but also to take into account various aspects of activity, which contributes to improving the strategy, making informed decisions and achieving better results.

Comparative analysis. Benchmarking is one of the methods of evaluating the performance of branches and companies. This method allows branches to be compared with each other or with other companies to determine the level of efficiency and identify potential improvements.

The basic idea behind benchmarking is that branches are compared on various criteria, such as financial performance, productivity, process efficiency, product quality, market position, and others. This allows you to identify top-performing affiliates and identify problematic or underperforming affiliates that need further improvement.

The advantages of benchmarking are that it provides an objective assessment of performance by comparing branches in the context of specific criteria. This helps the company understand which branches are achieving the best results and which can be a model for others. In addition, the comparative analysis allows you to identify shortcomings and weak points in the functioning of branches, which opens up opportunities for implementing improvements and improving results.

However, comparative analysis also has its limitations. When comparing branches, contextual factors such as company size, market conditions, industry specifics and others must be taken into account. In addition, comparisons can be difficult due to differences in the scale of operations, geographic conditions, cultural characteristics, and other factors.

In a company with a large number of branches, such as Intel Corporation, benchmarking can be a useful tool for evaluating the effectiveness of branch operations. It allows the identification of best practices, common trends and problematic aspects in different branches, which contributes to the improvement of management and the achievement of better results throughout the company.

Analysis of Customer satisfaction. Analyzing customer satisfaction is one of the methods of evaluating the performance of branches and companies. This method allows you to get a complete picture of how satisfied customers are with the product or service provided by the branch and identify potential problems that may affect their satisfaction.

To analyze customer satisfaction, the company can use various tools, such as customer surveys, collecting feedback, observing customer behaviour, analyzing reviews on social networks, and other methods. By collecting data on customer satisfaction, a company can obtain valuable information about their needs, expectations and problems, which allows them to make informed decisions to improve the quality of a product or service.

The advantages of customer satisfaction analysis are that this method allows the company to receive direct feedback from its customers, which is the most objective source of information about product quality and service level. Analyzing customer satisfaction also allows you to identify potential problems and shortcomings that could lead to the loss of customers or a negative impact on the company's reputation.

However, customer satisfaction analysis also has its limitations. Customers may have different expectations and requirements, which can make it difficult to objectively assess their satisfaction. In addition, not all customers participate in

surveys or leave feedback, so the information collected through customer satisfaction analysis may be incomplete or ambiguous.

In conclusion, the analysis of customer satisfaction is an important method of evaluating the performance of branches and companies, as it allows for obtaining important information about customer satisfaction and identifying problematic aspects. This method can be used to improve product or service quality, retain customers, and strengthen the company's market position.

Management balance sheet. The management balance sheet is one of the methods of assessing the efficiency of branches and organizations. This method allows you to analyze and evaluate various aspects of the branch's performance, taking into account various factors, such as financial performance, resource utilization, process and management efficiency, product or service quality, customer satisfaction and other key indicators.

The main idea of the management balance is to evaluate the functioning of the branch from different angles and ensure the balance between different aspects of the activity. For this, various tools and analysis methods are used, including balance sheet reporting, key performance indicators (KPI), strategic planning, and others.

One of the main advantages of the management balance sheet is that it allows you to evaluate not only financial indicators, but also other important aspects of activity, such as product quality, innovation, process efficiency, personnel development, and more. This allows you to get a comprehensive picture of the branch's performance and identify potential problems or opportunities for improvement.

However, the management balance also has its limitations. Defining and measuring performance can be challenging, especially if the branch has a complex structure or operates in different industries. In addition, the interpretation of management balance results can be subjective and context-dependent.

In any case, a management balance sheet is an important tool for evaluating the performance of branches and making management decisions. It allows the

company to ensure a balance between different aspects of its activities and achieve its strategic goals.

Key performance indicators. Key performance indicators (KPIs) are one of the most common and effective methods of evaluating the performance of branches and organizations. KPIs are specific metrics that are used to measure various aspects of a branch's performance and assess its compliance with the company's strategic goals.

Key performance indicators can be established for various areas of activity, including financial performance, customer satisfaction, product or service quality, operational process efficiency, resource management, innovation, and other aspects that are important to a particular company.

One of the main advantages of using KPIs is that they allow you to measure and compare the level of achievement of the goals and results of the branch with the set objectives. They provide an objective basis for evaluating performance and allow focus on priority areas for improvement.

In addition, the use of KPIs contributes to a greater focus on results and the achievement of strategic goals. They allow you to monitor progress and identify potential problems or deficiencies, which helps the company to react quickly and make the necessary adjustments to the operations of the branch.

However, it is important to correctly set and select KPIs so that they are relevant to the specific branch and activity. KPIs should be reasonable, measurable, realistic and aimed at achieving the company's strategic goals.

In conclusion, key performance indicators (KPIs) are a powerful tool for evaluating branch performance. They allow measuring the results and progress of the branch following the company's strategic goals, contributing to a focus on results and improvement of operations.

2.2 How companies evaluate the efficiency of the company's branches

Assessing the performance of branches by large companies is an important task that allows for ensuring optimal functioning and achievement of the set goals of the organization. When evaluating the effectiveness of branches, various aspects are taken into account, which is determined by the specifics of the company's activities and its strategy.

One of the key aspects of performance evaluation is the analysis of financial indicators. Large companies usually require their affiliates to report sales, revenue, expenses, profit, and other financial metrics. This makes it possible to assess the financial stability and profitability of branches, as well as to determine their contribution to the overall financial result of the company.

In addition to financial indicators, the assessment of branch performance may include an analysis of the fulfilment of set goals and objectives. This involves comparing actual results with planned results and evaluating achievements in areas such as market share, sales volume, customer satisfaction, etc. Such an analysis allows you to identify successful and less successful branches and determine the reasons that affect their performance.

The organizational performance of branches can also be evaluated using qualitative indicators, such as the quality of work performed, the level of customer and employee satisfaction, innovation and the ability to adapt to change. For this, surveys, questionnaires, focus groups and other tools can be used to obtain feedback and evaluations from interested parties.

A branch performance evaluation may also include an analysis of the efficiency and effectiveness of management, resource utilization, communication and coordination with the head office and other branches. This allows you to identify possible management problems and establish optimal procedures and practices.

By taking a comprehensive approach to evaluating branch performance, large companies can gain a complete picture of their branch performance and identify opportunities for improvement. The assessment is the basis for making

strategic decisions regarding the development of branches and achieving the general goals of the organization.

How does the McDonald's company assess the effectiveness of the branch in the company's organizational structure. The McDonald's company pays great attention to the evaluation of the effectiveness of the functioning of its branches in the structure of the organization. This is an important strategic activity that helps the company to ensure high quality of service and products in all its facilities.

One of the main approaches to evaluating the effectiveness of branch operations is the use of a system of key performance indicators (KPI). McDonald's defines specific KPIs for each branch, which allows the company to track their achievements and compare them with established standards. Metrics can include sales volume, profitability, resource costs, customer satisfaction, and other metrics that help determine branch performance.

In addition to KPI, McDonald's uses a system of audits and inspections. The company's internal auditors or external experts conduct regular inspections of branches to assess compliance with the company's standards for service quality, food safety, hygiene and other important aspects. The results of audits help to identify problematic situations and shortcomings in the work of branches, which makes it possible to take appropriate measures to improve their functioning.

McDonald's also collects feedback from customers to evaluate the performance of branches. This may include surveys, and collecting feedback on various platforms, including social networks and dedicated online feedback systems. This allows the company to assess customer satisfaction, identify their problems and suggestions, as well as take measures to solve them and improve the quality of service.

In general, McDonald's puts a lot of effort into evaluating the performance of its branches. This allows the company to identify the strengths and weaknesses of each branch, implement measures for improvement and ensure high quality of service and products in all its facilities. Performance evaluation helps McDonald's

maintain its leadership position in the fast food market and meet the needs of its customers.

How does Nestlé assess the effectiveness of a branch in the company's organizational structure. Nestlé takes care of the effectiveness of the functioning of its branches in the structure of the organization by systematically evaluating their productivity. For this, it uses a comprehensive approach that includes various aspects and tools.

One of the key aspects is setting clear goals for each branch. These goals must be shared by the entire company and correspond to strategic goals. They should be specific, measurable, and attainable to establish a baseline for performance evaluation.

Various tools are used to collect and analyze branch performance data. For example, a company may use a performance management system that collects information on key performance indicators such as sales, profits, costs, market share, etc. This data is collected regularly and analyzed to identify trends and factors affecting branch performance.

In addition, Nestlé conducts regular reviews and meetings with branch managers. These meetings provide an opportunity to discuss results, identify problem situations and find ways to improve. The company also provides support and resources for affiliate development, such as training, consulting and experience sharing.

Assessing the performance of Nestlé branches is an ongoing process that identifies potential problems and opportunities for improvement. It provides the company with the information it needs to make decisions and develop strategies. In addition, performance evaluation helps to ensure the high quality of products and services that the company provides to its customers.

In general, the Nestlé company actively evaluates the effectiveness of the functioning of its branches in the organizational structure. This helps the company maintain a competitive advantage, ensure sustainable development and confidently advance in the food market.

How does Intel Corporation assess the effectiveness of a branch in the company's organizational structure. Intel Corporation, as one of the leading manufacturers of semiconductor devices and technological solutions, has an extensive network of branches around the world. This global presence allows the company to expand its markets and provide its products and services to customers in different countries and regions.

Assessing the effectiveness of branch operations is a critical process for Intel. One of the main aspects of the evaluation is the financial analysis of the branches, including an assessment of their income, expenses and profits. The company uses various financial indicators, such as sales volumes, profitability, asset turnover, and others, to determine the financial condition and performance of branches.

In addition to financial analysis, Intel also evaluates the effectiveness of branch operations based on qualitative indicators. This may include evaluation of product quality, customer service level, implementation of strategic goals, project management, communication process and other aspects that affect the performance of branches.

Intel also uses a system of regular branch audits and reviews to verify compliance with company standards, policies and procedures. This includes checking compliance with legal regulations, quality standards, ethical principles and other internal requirements. The results of such audits help identify potential problems and improve the work of branches.

In addition to the internal evaluation, Intel may also engage external consultants and experts to conduct independent evaluations of the affiliates' performance. This may include conducting audits, customer surveys, comparisons with competitors and other methods that help to obtain an objective assessment of the branch's performance.

In general, the assessment of the effectiveness of the functioning of branches in the structure of the organization of Intel Corporation is based on a comprehensive approach, including financial analysis, qualitative indicators, audits

and the involvement of external experts. This helps the company to ensure the optimal functioning of branches and achieve strategic goals in all regions of its presence.

CHAPTER III ANALYSIS OF EFFECTIVENESS ON THE EXAMPLE OF BRANCH "OKHTYRKA FORESTRY" SE "FORESTS OF UKRAINE"

3.1 Forestry reform and creation of the State Enterprise "Forests of Ukraine"

The reform in forestry and the creation of the State Enterprise "Forests of Ukraine" is an important step in the improvement of the forest sector of Ukraine. This reform aims to improve the management and use of forest resources, to ensure sustainable forest use, preservation and reproduction of forest ecosystems.

The creation of SE "Forests of Ukraine" takes place with the aim of centralizing the management of forest resources, ensuring their effective use and preservation. The state enterprise must be responsible for the management of forest areas, the implementation of forest legislation, control over the use of forest resources, and forest protection.

The reform includes a number of important aspects, such as:

1. **Centralized management:** The creation of the State Enterprise "Forests of Ukraine" involves the transfer of powers to manage forest resources at the state level. This will ensure a unified approach to forestry, simplify procedures and improve control over the use of forest resources.

2. **Preservation and reproduction of forest resources:** The reform is aimed at ensuring the sustainable use of forest resources, preservation of forest ecosystems and restoration of high-quality forest areas. SE "Forests of Ukraine" should perform the functions of forest protection, planting of new plantations and reproduction of the forest stock.

3. **Transparency and openness:** The reform provides for the introduction of transparent mechanisms for forest resource management, public access to information about forest areas, and public control over their use.

4. **Promotion of sustainable development:** Forestry reform should promote sustainable development of society, ensuring environmental security and balanced

use of forest resources. SE "Forests of Ukraine" must work in accordance with the principles of environmental responsibility and social responsibility.

The reform in forestry and the creation of the State Enterprise "Forests of Ukraine" is an important step in improving the management of forest resources, preserving forest ecosystems and creating sustainable forestry in Ukraine. This will contribute to the balanced use of forest resources and ensure their sustainable availability for current and future generations.

3.2 Organizational structure of the branch

The organizational structure of the State Enterprise "Forests of Ukraine" refers to the functional structure.

The basic idea of a functional structure is to group employees with similar professional skills and competencies together. Each functional area is responsible for specific functions or areas of work, such as production, marketing, finance, human resources, research and development, etc. Which corresponds to this company. The organizational structure of management at the branch is presented in Figure 1.

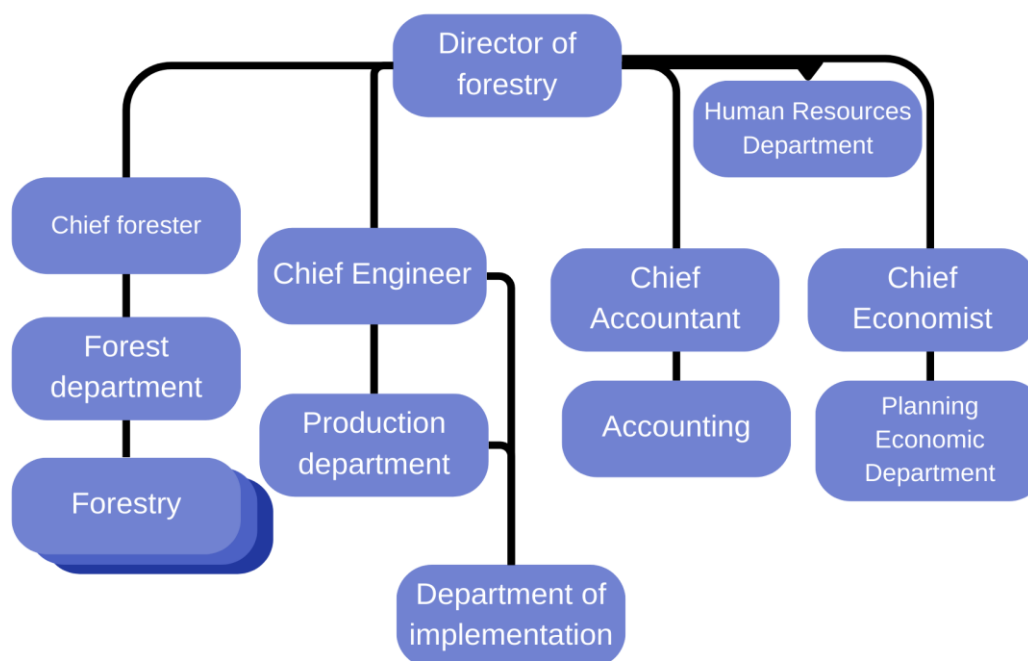


Figure 1 Organizational structure of branch management

Most of the company's divisions are located in the main office, with the exception of foresters and their logger workers, who are located at logging sites.

The character of organizational relations for the enterprise is linear and functional. This means that in addition to vertical connections, the company has horizontal connections that ensure the interaction of the company's employees when performing specific tasks.

The activity of structural divisions is carried out on the basis of the charter and internal administrative documentation.

3.3 Analysis of financial and economic activity

The leading indicators characterizing the financial activity of the enterprise are listed in table 1 (the analysis was carried out on the data of 2020-2022 before the transformation of the organization into a branch).

Table 1 Key indicators characterizing the financial activity of the enterprise

	2020	2021	2022
Net income from product sales	95563	138018	163657
The cost of the realized product	74344	72566	88728
Gross: profit	21219	65452	74929
loss	0	0	0
Other operating income	962	2060	5325
Administrative expenses	13690	53564	37560
Selling expenses	2372	2437	5239
Other operational costs	1760	4697	11489
A financial result from operating activities: profit	4359	6814	25966
loss	0	0	0

Financial results before taxation profit	4536	6991	26112
loss	0	0	0
The net final result profit	3679	5555	21315
loss	0	0	0

The structure of the Enterprise's income for the period covered research consists of:

- income from product sales (main type of activity);
- other operating income.

According to the reporting data of F. No. 2 ("Report on financial results"), the total amount of the Company's expenses is:

- for 2020 – 92,166 thousand UAH, of which: the cost of sold products (goods, works, services) – 74,344 thousand UAH or 80.66%;
- from the total amount of incurred expenses, administrative expenses are UAH 13,690,000 or 14.85%, sales expenses are UAH 2,372,000 or 2.57%, other operating expenses are UAH 1,760,000 or 1.91%;
- for 2021 – UAH 133,264,000, of which: cost of realized production (goods, works, services) - 72,566 thousand UAH or 54.45% of the total amount of expenses, administrative expenses amount to - 53,564 thousand UAH, or 40.19%, sales expenses - 2,437 thousand UAH or 1.83%, other operating expenses - UAH 4,697 thousand or 3.52%;
- for the year 2022 – 143,016 thousand UAH, of which: the cost of sold products (goods, works, services) - 88,728 thousand UAH or 62.04% of the total amount of expenses, administrative expenses amount to - 37,560 thousand UAH, or 26.26 %, sales expenses - UAH 5,239 thousand or 3.66%, other operating expenses - UAH 11,489 thousand or 8.03%.

In the structure of expenses, the largest share is the cost of sold products (services), from 80.66% in 2020 to 62.04% in 2022. At the same time, they were the lowest for the reporting period of 2021 and amounted to 54.45%.

Analysis of the composition, structure and dynamics of assets (table 2).

Table 2 Analysis of the composition, structure and dynamics of assets

Indexes	2020		2021		2022		Growth rate,%	
	thousand hryvnias	%	thousand hryvnias	%	thousand hryvnias	%	2021 - 2020	2022 - 2021
Intangible assets	23560	61.94	26040	48.38	27249	61.2	10,53	4,64
Current assets	14476	38.6	27782	51.62	17279	38.8	91,92	-37,81
Balance	38036	100	53822	100	44528	100	41,5	-17,27

According to the data in Table 2, the total property value in 2021 increased by 41.5%, while in 2022 it decreased by 17.27%. In general, the decrease in the currency of the balance sheet in 2022 is assessed negatively, as the company's capacity to produce products has decreased. Thus, according to the conducted analysis, the decrease in the company's property is caused by a decrease in the value of current assets by 37.81% in 2022.

We will analyze the structure of the enterprise's assets based on the coefficients of permanence and mobility, the ratio of current and noncurrent assets (Table 3).

Table 3 Dynamics of indicators of the structure of assets

Indexes	2020	2021	2022	Absolute increase, thousand UAH	
				2021- 2020	2022 - 2021
Coefficient of constancy	0,62	0,48	0,61	-0,14	0,13
Mobility coefficient	0,39	0,52	0,39	0,13	-0,13
Ratio of current and noncurrent assets	0,63	1,08	0,64	0,45	-0,44

The ratio of current and noncurrent assets has an ambiguous trend of change if in 2021 it increased by 0.45 and was 1.08, then in 2022 it decreased to 0.64. A decrease in the indicator in 2022 is considered negative, as it may indicate a decrease in balance sheet liquidity. The coefficient of permanence tells us the share of non-current assets in the company's property. As we can see, the indicator also changed ambiguously, its growth in 2022 is assessed as positive, as it indicates the growth of the enterprise's production potential. The inverse of the permanence ratio is the mobility ratio, which is quite high throughout the period and indicates that the company's assets can change structure within a short period of time.

Before the introduction of martial law, the company's profits for 2022 were predicted more positively and it was expected that profits would only increase. A significant problem is also the fact that most of the company's territories are located near the border itself so almost all of the territory belonging to the Velykopysarivskyi Forestry is located in a conditional "gray zone" that will not allow felling and any other work to be carried out on this territory.

The hostilities greatly affected the work of the enterprise, they stopped the work for some time and reduced the areas in which it would be possible to carry it out.

3.4 Recommendations on the implementation of organizational control for SE Forests of Ukraine

Currently, the State Enterprise "Forests of Ukraine" is still at the stage of reformation of the enterprise, due to the rather difficult conditions in the country caused by the armed aggression on the part of the Russian Federation. Because of this, it is difficult to assess the quality of control over branches.

Here are some recommendations for the implementation of organizational control for the State Enterprise "Forests of Ukraine":

1. Creation of a complete control system.

The implementation of organizational control involves the creation of a complete system that covers all aspects of the activity of the State Enterprise "Forests of Ukraine". This system should include both internal and external control mechanisms that will help assess work efficiency.

2. Development and implementation of standards and procedures.

For effective control, it is necessary to define the standards and procedures by which the activity and effectiveness of various divisions of the State Enterprise "Forests of Ukraine" will be evaluated. This will help ensure unity of approaches and comparability of results.

3. Determination of key performance indicators (KPI).

The implementation of the control system involves the determination of key performance indicators that will allow for measuring work results. Key indicators may include such aspects as the growth of forest resources, forest coverage of a certain area, implementation of budget plans, etc.

4. Implementation of the reporting and monitoring system.

For effective control, it is necessary to establish a reporting and monitoring system that will allow monitoring the implementation of plans and periodic

analysis of results. This may include drawing up regular reports, conducting audits and internal controls.

5. Ensuring interaction between units.

Effective organizational control involves ensuring interaction between different units of the State Enterprise "Forests of Ukraine". It is important to create mechanisms for the exchange of information and coordination of actions between units to ensure the unity and focus of the entire organization.

6. Employee Involvement and Communication.

Implementation of organizational controls requires active participation and involvement of employees. They must be aware of the standards, criteria and expectations that apply to their work. Communication between different levels of management must be effective for information exchange and feedback.

7. Continuous improvement of the control system: Implementation of organizational control should be a continuous process. It is important to analyze the control results, identify problem situations and take measures to improve work. The introduction of new technologies and assessment methods can contribute to increasing the effectiveness of organizational control.

8. The general goal of implementing organizational control for the State Enterprise "Forests of Ukraine" is to ensure efficiency and achieve the organization's strategic goals in the field of forestry. Compliance with the recommendations on the implementation of organizational control will help to create a system that will allow the timely detection of inconsistencies, improve processes and ensure high-quality management of forest resources.

CONCLUSION

In this thesis, the effectiveness of the functioning of branches in the organizational structure was investigated. Applying the right organizational structure is an important factor in achieving success and efficiency in branch operations.

The results of the study showed that the functional structure is one of the common types of organizational structure, where units are organized by functional areas. It has its advantages, including clear specialization and efficient use of resources. However, such a structure may be limited in flexibility and ability to quickly adapt to changes.

Also, the geographical structure was considered, where subdivisions are located according to geographical principles. This type of structure allows companies to adapt to local markets and ensure proximity to customers. However, it may require more complex management and high communication and coordination costs.

The third type of structure considered in the work was the matrix structure, where divisions are organized according to two or more criteria, such as functionality and project groups. This type of structure allows for flexible interaction and response to change but can lead to difficulties in the coordination and distribution of power.

To evaluate the effectiveness of the branches in the organizational structure, various methods were considered, such as financial analysis, balance sheet evaluation, comparative analysis, customer satisfaction analysis, management balance and key performance indicators (KPI). Each of these methods has its advantages and limitations, and their use depends on the specific needs and goals of the organization.

As a result of the study, it was established that the effectiveness of the functioning of branches in the organizational structure depends on the selection of the appropriate organizational structure, careful evaluation and implementation of

performance evaluation methods, as well as the establishment of effective control and management. Ensuring interoperability between branches, optimization of resources and continuous improvement of processes are key success factors.

Therefore, the study of the effectiveness of the functioning of branches in the organizational structure is an important task for companies with a distributed organization. This allows you to ensure optimal use of resources, increase efficiency and achieve a competitive advantage. The results of the research can be used by companies to improve their organizational structure and branch management processes.

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