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IS OUTSOURCING BETTER THAN IN-HOUSE?

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With time, more and more managers implement outsourcing specialists in order to do some tasks which they do not have resources to do in-house. But what are the benefits of outsourcing and is it really better than having your own employed staff do the work needed.

What exactly is outsourcing? Outsourcing is a management and business practice in which services or job functions are hired out to a third party on a contract or ongoing basis. There are three main types of outsourcing: onshore (within the country the business headquarters are), nearshore (to a neighboring country or one in the same time zone), or offshore (to a more distant country) [1]. Companies that use outsourcing can employ a third-party company to help perform different company operations. It could be an occasional task or a routine part of business operations.

There are quite a few advantages to outsourcing, such as:

1. Lower labor costs.

One way for businesses to reduce labor costs is by outsourcing certain functions to other companies. This can include tasks that require specialized skills or equipment, which the business may not have in-house. By outsourcing, the business can avoid the costs associated with purchasing, maintaining, and upgrading that equipment or hiring and training new employees.

2. Larger talent pool.

By outsourcing from specialized companies, managers can access a wider pool of talent and expertise. These companies often have a network of skilled professionals who are experienced in performing specific tasks or providing specialized services. This means that managers can find the right person or team to meet their specific needs, even if they are located in a different part of the country or the world.

3. Tasks that are outside your company's field of expertise can be done professionally.

Outsourcing also allows managers to tap into the knowledge and experience of companies that specialize in certain areas, such as software development, marketing, or accounting. These companies have a deep understanding of the latest trends, technologies, and best practices in their field, which can help managers to stay ahead of the competition and improve their operations.

For example, if a moving company is looking to rebrand, they probably won't have access to a graphic designer or marketing expert inside. But they can outsource a person or a company to do it for them.

However, there are some disadvantages to outsourcing as well.

1. Higher labor costs.

While outsourcing can be a cost-effective solution for many business functions, it is important to remember that it is not always the cheapest option. Depending on the complexity of the task, the level of expertise required, and the geographic location of the outsourcing provider, the cost can sometimes be higher than what the company would spend to perform the task in-house.

In such cases, managers may need to adjust their budget or consider alternative outsourcing providers to find the best balance of cost and quality for their business needs.

2. Limited control and flexibility

Outsourcing tasks from other companies can also come with some limitations and challenges. When working with an external provider, managers may have less control over the software, procedures, and protocols used to complete the task. It can limit the flexibility of the business to adapt to changing circumstances or requirements. If the outsourcing provider is unable to accommodate changes or needs additional time to complete the task, this can disrupt the company's operations and result in delays or additional expenses.

3. Decreased security

Outsourcing can make data security more complicated. With multiple sites and technologies involved in the exchange and sharing of information, there can be an increased risk of data leaks and breaches.

In conclusion, outsourcing can be a viable solution for many businesses, particularly when it comes to accessing specialized skills and expertise. However, it is essential for managers to carefully evaluate the pros and cons of outsourcing for their specific business needs and to choose outsourcing providers that are reliable, experienced, and have strong security practices in place. By doing so, businesses can enjoy the benefits of outsourcing while minimizing its potential drawbacks and risks.

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GRAIN MARKET OF UKRAINE AS THE BASIS OF GLOBAL FOOD SECURITY

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The grain market of Ukraine is a significant contributor to global food security. Ukraine is one of the world's largest producers and exporters of grains, including wheat, corn, and barley. The country's favorable climate, fertile soil, and skilled workforce make it an ideal location for agriculture.

The scientific works of agrarian economists are mostly devoted to the general issues of the development of agro-industrial complex and agriculture. In particular, N. Kushnir, M. Slavuch [1] study the prospects for increasing the export of agricultural products in the context of implementing the principles of Ukraine's foreign policy. A. Skrypnyk and T. Zinchuk analyze the trends of the world wheat market and the risks of Ukraine's export potential development. I. Burakovskiyi in his work "Ukraine's Foreign Trade Regime: In Search of the Proper Place for the State" highlights the significant place of export of agricultural products in the economy of Ukraine. Other scientists have contributed to the assessment of the efficiency of certain areas of agriculture. Thus, V. Mesel-Veselyak [2] has assessed the potential of grain production in Ukraine thanks to the increase in its yield.

Ukraine's grain production has steadily increased over the years, and the country has become a major player in the global grain market. The government of Ukraine has implemented various policies to support the development of the agricultural sector, including investments in infrastructure and technology, and the promotion of sustainable agricultural practices.

Besides, Ukraine is one of the largest exporters of grain in the world. In 2020/2021 marketing year, Ukraine's grain exports were estimated to be 52.5 MMT, which represents an increase by 7.5% compared to the previous year. [3]