

Organizational and Economic Mechanism of Integration Restructuration of State-Owned Enterprises in Russia

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Received: December 29, 2014 Accepted: February 19, 2015 Online Published: May 22, 2015

doi:10.5539/ass.v11n14p169

URL: <http://dx.doi.org/10.5539/ass.v11n14p169>

Abstract

This article contains the results of the authors' complete research on the development of organizational and economic mechanism of restructuring and integration of state-owned enterprises in Russia. The need for restructuring is caused by a wide range of issues and the country development objectives, but a scientifically proved mechanism is still absent. The organizational and economic mechanism of integration restructuring, developed by the authors, contains a set of tools and methods, financial resources in accordance with their specific features (cost-effectiveness and strategic significance for the country) and their legal status.

Keywords: public sector of the economy, integration, restructuring, classification scheme, method of restructuring, joint stock companies, state-owned unitary enterprises

1. Introduction

1.1 *The Role of State-Owned Enterprises*

In many countries' economies, the public sector plays a significant part. The average figure is about 30%, but now in many European countries it is close to 50% (Peev, 2010). That determines the importance of the public sector and the importance of determining impact which is made by its development on the economic development of the country as a whole. On the one hand, in the current conditions there are some public corporations that are beginning to play an important part not only in the domestic markets (Buge et al., 2013; Christiansen, 2011; Schmitz, 1996). On the other hand, there is the dependence of the economy on their performance, and their low efficiency can result in a slowdown of the economy's development. So, in some countries control of such enterprises' activities is becoming increasingly stringent (Rohan). Thus, it is necessary to find some effective methods of managing such enterprises.

The problem of low efficiency of the state-owned enterprises remains topical in many countries, including Russia (Rondinelli, 2005). Sustainable development of the Russian economy is much determined by the efficiency of state-owned enterprises, as the share of the state's presence in the Russian economy is very large and is not less than 50% of GDP (while according to other estimates, exceeds this figure). That means that the development of the Russian economy as a whole is directly associated with the increase in the efficiency of enterprises with the state share in the authorized capital.

The efficiency of enterprises (EE) of the public sector as a whole can be assessed as not high enough, which is proved by the economic performance of most enterprises. The labor productivity of some of them is 2-4 times lower than in the private sector, the capital productivity of industrial enterprises (different industries) is 15% below the average figure (Artemov et al., 2007).

That proves the need of developing of a tool to enhance the economic benefit of the public sector of the economy and the efficiency of their management system. The restructuring of the management system can become such a tool.

To prove the relevance of the development of mechanisms of restructuring of the Russian state-owned enterprises we should note the following:

- as it has been mentioned before, the analysis demonstrates that many public enterprises in Russia have poor criteria of economic efficiency, which indicates the need of implementing some measures for their rehabilitation and for improving their economic benefits;

- the excessive amount of control objects, which hampers the implementation of management actions is also indicated. All the public enterprises in Russia are assigned to certain executive government bodies, the number of management objects may be more than 100 enterprises, which that creates the excessive amount of the relations controlled;
- the enterprises with the state share in the authorized capital belong to different organizational and legal forms (unitary enterprises, joint stock companies or Ltd). That determines the multiplicity of management modes, because the state as an owner has different rights at the enterprises of different organizational forms. Some researchers suppose that the low efficiency of a state-owned enterprise is determined by its organizational and legal form itself (DailyOjo);
- the necessity of the participation of the state-owned enterprises in the implementation of government programs and the strategic objectives of the whole country.

1.2 Relevance of Research

According to the aforesaid features of the Russian state-owned enterprises, proving the relevance of this research, the restructuring of the management at such enterprises may be carried out in two directions:

- privatization of the inefficient enterprises and enterprises with state share which is less than a blocking one: that will reduce the burden on the budget for the maintenance of inefficient enterprises, as well as for monitoring and managing these enterprises, unable to have any sufficient influence on decision-making because of holding a minority stake;
- the creation of integrated structures, which will reduce the number of objects managed (interaction of the executive authority with the companies can be carried out through the parent organization), and the concentration of capital, as well as the bringing together the labor force, customer base, brands, etc.

The analyses demonstrated that the integration of the enterprises and the creation of state holding-type agencies are being used in Russia often and often. That determines the need for organizational and economic mechanism of restructuring and integration of enterprises.

The creation of state holding-type structures allows reducing the burden on the executive authorities related with managing the enterprises as the state will own only a part of the parent company shares directly, while the parent company will control the affiliated companies through holding their controlling stake. On the other hand in fact it is the state who is able to influence on the affiliated companies performance through the mechanism of the implementation of the owner's rights established for the joint stock companies with the state owned share in the capital. Thus, in spite of the fact that the control over the economic activities of the affiliated companies is being lost (the owner of the parent company is not allowed to interfere), the indirect control will be implemented through managing the parent company. In other words the state, having no rights of an owner of the affiliated companies included into the holdings, still keeps enough resources to ensure the full execution of all the government programs.

At the same time the budget-oriented objectives will be gained. Integration of the enterprises into the holding will allow concentration of capital and financial resources as well which provides an additional precondition for the development: there appears an opportunity of credit resources raising and also greater capitalization of the city-owned enterprises in ensured. As a result the increase of the budget receipts in the form of taxes and dividends will take place.

The main purpose of the research, the results of which are presented in this article was to develop some methodological tools restructuring on the basis of the selection of effective organizational, legal and integration forms.

The enterprises of various organizational and legal forms with the state share in the authorized capital were the object of the research.

2. Methodology

The theoretical basis of the research were to economic theory, the theory of management and organization theory, as well as the concept of sustainable development. The methodological basis were the principles of the system, process and situational approach. On this basis, within the research a conceptual model and the organizational and economic mechanism of integration restructuring, adapted to the field of the research were developed.

Meanwhile, the mechanism of organizational is referred as the set of approaches, methodology and management tools of producing some integrated structures on the basis of the state sector of the economy as well as the set of movements to implement them.

Within this research, the following basic principles of the theory of management are used:

- during the restructuring of priority should be given the task of increasing the economic efficiency of the enterprise (on the basis of the provisions of the Scientific Management School - A. Fayol, F.U. Teylor) (Taylor et al., 1992);
- within the process of restructuring taking into account the principles of rational construction of the management system at the enterprise become particularly significant (according to the principles of the Classical (Administrative) School - P. Druker) (Drucker, 2004);
- the restructuring of enterprises should take into account the so-called "human factor", in order to prevent any resistance to changes and to motivate the staff to participate in the transformation processes (according to the School of human relations - E. Mayo) (Mayo, 1924).

The results of numerous research, related with the problems of managing the state-owned enterprises and their privatization, were also applied (Kennedy & Jones, 2003; Shirley, 1983; Montagu-Pollack, 1990; Balatsky & Konyshhev, 2005).

3. Key Findings

3.1 Purpose of Restructuring State-Owned Enterprises

Taking into account the main problems of the Russian enterprises with the state share in the authorized capital, the priorities and objectives of restructuring, which the executive authorities of cities, the subjects of the Russian Federation and the country as a whole face, were formulated in a systematic manner:

- firstly, the reduction of state involvement, which is associated in particular with the privatization of stakes in joint-stock companies with the state share in the authorized capital, which is less than a blocking stake;
- secondly, the objective of providing the life support in the cities, in the regions of the Russian Federation and in the country as a whole, including the preservation of the state-owned unitary enterprises (SOUE), engaged in the activities authorized by law only for the SOUE, to ensure the implementation of government programs concerning the state-owned enterprises (in noncompetitive areas), as well as keeping the state control over the enterprises which meet the implemented requirements for their economic efficiency;
- thirdly, the objectives associated with the increase in the cost-effectiveness of state-owned enterprises system, while the components of efficiency are referred to as the size of revenues, the increase the capitalization of the joint stock companies, the profitability of enterprises;
- fourthly, the objectives associated with the improving of the effectiveness of management efforts. Achieving this objective can be provided first of all by the reducing the amount of objects managed, that is, through the privatization of enterprises or the creation of some integrated structures (Verstina et al., 2014; Silantieva, 2013).

3.2 The Conceptual Model of Organizational and Economic Mechanism of Integration Restructuration

Moreover the conditions of the functioning of the enterprises with the state share in the authorized capital include the legal framework within which these enterprises operate. All of the identified conditions of the functioning of the public sector enterprises were taken into account during the research process.

Within the research the authors developed the conceptual model of organizational and economic mechanism of integration restructuring, defining the science-based principles according to which the organizational restructuring should be carried out and the integrated structures should be produced in order to ensure the effectiveness of the process.

The aforesaid model includes the following units:

- 1) the investigation of all the possible integration models and the selection of the best one taking into account the features of the state ownership as well as organizational and legal forms of the enterprises;
- 2) the analysis of the enterprise totality, for which the options for restructuring and integration may be offered;
- 3) the classification of the enterprise totality on the basis of the key features to make a decision on their restructuring;
- 4) the methodological tools for the integration restructuring, including the cycle of the suggested movements concerning the selection of enterprises into the integration framework and the guidelines for choosing the effective organizational and legal forms;
- 5) the block of selection of the business model of the integration structure functioning;

6) choosing of the business model of the integration structure is followed by the estimation of the predictive efficiency of the restructuring measures and the immediate practical implementation of organizational restructuring.

Further we should explain each of the selected units as this is the sequence the in which the stages of the research were carried out.

3.2.1 The Choice of Model Integration

Proving of the integration model chosen as a whole can be called a unit of comparative analysis, within which (taking into account the objectives of restructuring, legal characteristics and associated criteria) the selection of the type of the integration structure is carried out. The main models of integration such as: network structure, investment funds, the association with the transfer in trust, association with the transfer of the management company, holding company are to be compared. The given integration models are compared with the model of direct management of enterprises according to the criteria of flexibility of changes in the composition and structure, the production and managerial costs and manageability.

Among the criteria for the selection the most important place is occupied by manageability, which in this research stands for the guaranteed by the subject's ability to ensure the safety management of the totality of public assets and their effective use.

Schematic comparative schedules are shown in Figure 1.

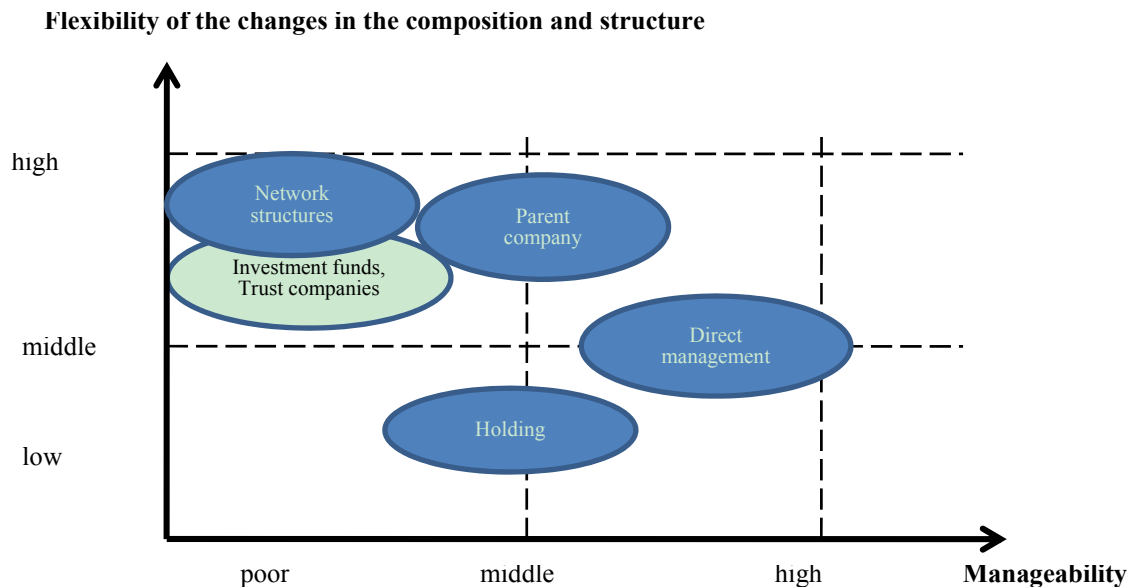


Figure 1. Schematic comparison of the basic models of integration according to the criteria that are important for the research

According to the comparison results the conclusion about the choice of the holding as the most rational form of integration was justified.

As the Russian laws do not define the term "holding" properly, for the sake of this research the following definition of holding was supposed: holding is the form of business association representing the group of organizations (participants), based on the economic dependence and control, the participants of which formally keep the legal independence but conform their activities to one of the group participants - to the parent company. The parent company is the center of the holding association because of owning the prevailing share in the authorized capital (enough for control, that is greater than the number of shares held by any of the other shareholders), which allows influencing on the affiliated companies' decisions. The federal law "On Holdings" has not been adopted in spite of the fact that the attempts to formulate it have been taking place since 1990th. So, we can conclude that a uniform comprehension of this economical and legal phenomenon lacks at the moment.

Further the generalization and systematization of legal information were carried out. As a result, it was concluded that the parent of the holding company can be both SOUE and JSC, while the subsidiary can be JSC only (# 208-FL, 1995; # 178-FL, 2001; # 161-FL, 2002).

3.2.2 The Analysis of the Enterprises

Basing on the analysis of the enterprise, for which options of restructuration and integration can be offered, it is supposed to assess the economic efficiency and the strategic importance of the selected companies.

Economic evaluation is carried out with the help of some key indicators of the effectiveness of financial and economic activities of the enterprises, including:

- return on assets (profit before tax);
- absolute liquidity ratio;
- asset turnover ratio;
- financial independence ratio.

The choice of these indicators due to their highly informative, revealing the actual solvency of the company, the structure of its capital, financial risks and operational efficiency.

3.2.3 The Classification of the Enterprises

One of the most significant scientific problems named and solved within the study was to develop a classification model based on the criterion ratings. Using the classification model becomes possible because of the analysis of represented enterprises totality performed in the previous stage.

The general form of the classification scheme is given in Figure 2.

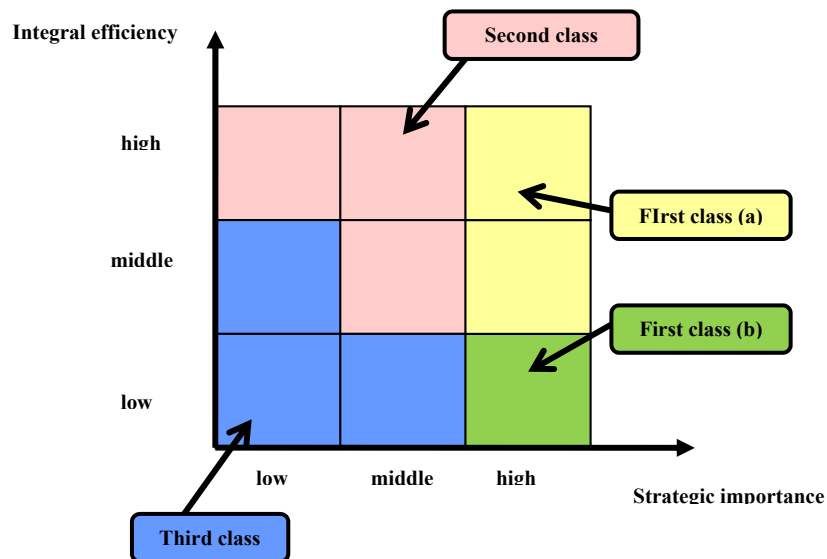


Figure 2. Classification scheme

According to the results of the research the integrated efficiency and strategic importance of the enterprises were suggested as the classification criteria.

The range of values for each of these criteria includes 3 levels (low, medium, high). The combination of these values determines the position of a particular enterprise and allows to divide all the enterprises into 3 classes. First-class enterprises are recommended to be included into the integration structure, as a parent company as well (assuming their medium or high economic efficiency). Second-class companies are recommended to be included into the holding as a subsidiary. Third-class companies are not recommended to be included into any holdings and in general they can be objects of privatization.

The scoring of the integrated efficiency is based on a set of economic indicators, as defined before. Calculations of all proposed coefficients should be made according to the latest annual financial statements. An enterprise can get 1, 2 or 3 points for each of the coefficients, depending on the value of the coefficient - "low", "medium" or "high", respectively.

Then within the classification of enterprises it is necessary to determine the limits between "low", "medium" or "high" values of the coefficients. In general, if there is no universally accepted standard value of the indicator, the definition of limits is carried out according to the expressions:

$$U \text{ lim} = V_{av} + \sigma \quad (1)$$

$$L \text{ lim} = V_{av} - \sigma, \quad (2)$$

where $U \text{ lim}$ - is the upper limit value of the coefficient (above which the company will receive 3 credits);

$L \text{ lim}$ - is the lower limit value of the coefficient (below which an enterprise will receive 1 point);

V_{av} - is the average value of the coefficient (calculated separately for each group of activities);

σ - is the standard deviation of the coefficient values (calculated separately for each group of activities).

To ensure the comparability of enterprises if they are engaged in different activities, it is suggested to divide them into homogeneous groups and to define the limits for each group separately.

The determination of the level of strategic importance enterprises is considered further.

Strategically important enterprise is referred as an enterprise, solving some crucial strategic matters, as well as dealing with specific activities in the non-competitive market. To estimate the strategic importance of the expert maps were developed as well and descriptions how to fill them.

Each expert estimation is translated into points according to the generated translation scheme shown in Figure 3. After that, the points for each enterprise are added to the calculation of the total score.

Estimation: Strategic importance of the enterprise (name)		отсутствует	низкая	средняя	высокая
1	the degree of influence of the enterprise activities on the changes in situation in the city, region, etc.			x	
2	originality of the enterprise activities		x		
3	the demand for the products and the enterprise activities results <i>сподырок</i>		x		
4	the degree of the investment autonomy of the enterprise			x	
5	the level of management		x		
	scoring estimator	0	1	2	3
	Score	7 points			

Score	Importance
10-15	High
5-9	Middle
0-4	Low

Figure 3. Scheme of translation of the expert estimates into points

3.2.4 The Methodological Tools for the Integration Restructuration

The organizational and economic mechanism of integration restructuring of the state-owned enterprises includes a technique of organizational restructuring. In a structured form the stages of the organizational restructuring are presented in Figure 4.

In general, this scheme is a combination of two integrated modules, the first of them can be determined as a preliminary, and the second - as realizable. The preliminary module includes three stages, the content of which represents the step-by-step procedures for the solution of the classification task.

The complete results of the classification task are considered as "input" for activation the realizable module. Its content represents the options for the subject of management, targeted on a particular company. In turn, these options result from the characteristics of the enterprise which belongs to a particular class in the classification scheme and the organizational and legal form.

For each class of enterprises potential options for implementation of the restructuring are identified. The essence of these options is the choice between inclusion or rejection to include some enterprises into the integration structure, and also the definition of the final organizational and legal form of the enterprise as well as recommendations for privatization and termination of property rights.

3.2.5 The Block of Selection of the Business Model of the Integration Structure Functioning

An important issue in the framework of the integration restructuring is the choice of a specific business model of functioning of the integration structure. Taking into account the major problems of enterprises with the state-owned share in the authorized capital, analyzed previously, it is recommended form a horizontal property holding company in which the enterprises would produce diverse products of one segment or to form a vertical holding.

In order to verify the feasibility of the developed organizational and economic mechanism of integration restructuring a practical testing of the suggested methodological tools was carried out at the enterprises of the investment and construction sector. Upon the example of more than 30 enterprises, it was demonstrated that the

mechanism and methods of restructuration are applicable in practice and can be used for the purposes of restructuration as they really take into account the problems of enterprises, the main objectives of the executive authorities governing them, and are based on the legal features of each of the legal form of an enterprise and particularly - the features of the state-owned ones.

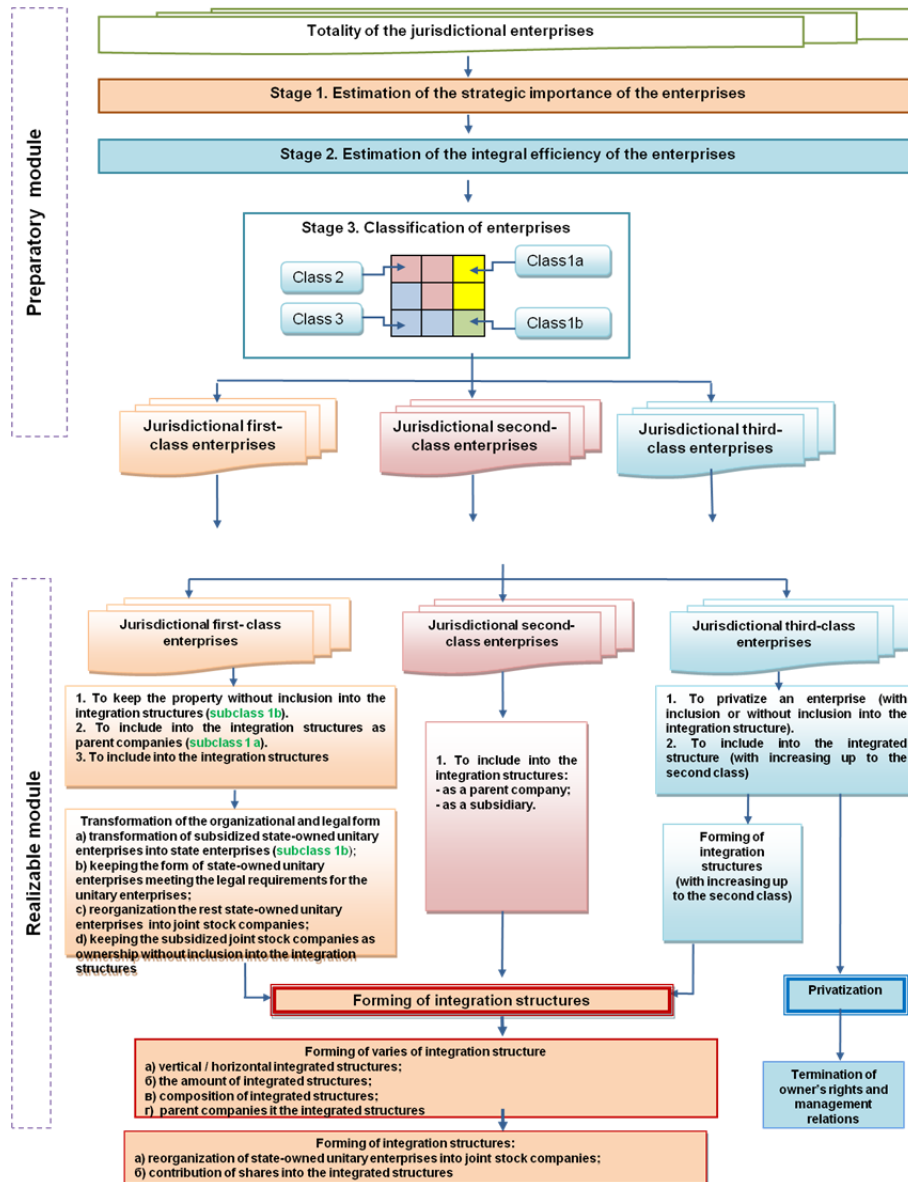


Figure 4. Methods of organizational restructuration of the enterprises with the state-owned share in the authorized capital

Within this research (while studying the enterprises) the in-depth analysis of the social aspect of the alleged organizational changes, related with the overcoming any possible resistance to the organizational changes was carried out (and the tools for such a research were developed).

As the specific tools we have developed and suggested for the practical appliance such common measures as questionnaires and interviewing of the managing stuff of the enterprises studied. Within the questioning and it is expected to find out the opinion of the persons interviewed about the restructuring and integration, their expectations, fears and wishes. So, all those who will take part in such measures, will be able to feel their participation in the changes and also to feel that their opinion is important and can be (in part at list) taken into account while forming the new structure and establishing business processes.

The application of the organizational and managerial tools suggested provides the adequate level of social and psychological adaptation of the managing staff and makes up the conditions for minimization of the negative consequences which are defined as the resistance to the changes.

3.2.6 The Estimation of the Predictive Efficiency of the Restructuring Measures

The estimation of the efficiency traditionally represents the complete stage of the research in the field of economics and management. Thus, it was necessary to solve the task of defining the methodology, the use of which will provide the adequate estimation of the efficiency of the organizational restructuring. The suggested model of the estimation of the economical effect is based on the common concept of cash flows, according to which the resulting indicator is the net present value (NPV).

Then the traditional algorithm of the estimation of the efficiency, based on the comparing the two variants - before (without the project) and after (with the project) is carried out.

The background information for the variant "without the project" at last represents the forecast of cash flows for the enterprises of the studied aggregate as whole under the condition that the project estimated will not be developed.

The information should be enough:

- for the estimation of the efficiency of the variant of the development of each enterprise included into the aggregate without the project;
- for the adequate taking into account the influence of the development of the project estimated on the technical and economical criteria for each enterprise, included in to the aggregate, i.e. for the variant "with the project" and for the estimation of its efficiency.

In particular the background information should include the following data:

- the balance sheet reports and reports on income statement for the latest reporting periods and the reports on generalizing financial criteria for each enterprise included into the aggregate;
- the revenues from sales;
- information on operational expenses, including direct material expenses, wages, commercial and managerial expenses, amortization and also taxes, relegated to cost and incomes;
- information on volumes of real investments, supposed to be developed at the expense of the shareholders' equity (does not matter if the estimated project will be developed or not);
- information on the main conditions of mutual settlements between the counterparts for the products provided, as well as goods and services bought;
- information on debts long-term loans, received earlier and on the conditions of their repayment.

During the transition from the variant "without the project" to the variant "with the project" we should take into account that the project development is able to influence on various technical and economical criteria of the enterprises, which are being included into the integration structure. During the transition from the variant "with the project" to the variant "without the project" it should be taken into account that the project development is able to influence on various technical and economical criteria of the enterprises, which are being included into the integration structure special attention should be paid to the following circumstances:

- no matter what share of the fixed assets of an existing enterprise of the aggregate, is involved in the project, the amount of depreciation and property taxes, does not change according to the project development;
- the variant "without the project" as well the variant "with the project" can provide the alternative use of all the property of the enterprise or a part of it (and possibly quit different, e.g. selling or leasing it). It should be taken into account during the estimation of technical and economic criteria of the enterprises, including profit and taxes.

Besides for the estimation of the forecasted effect the criterion of the integral profitability of the shares portfolio of the joint stock company, owned by the state (by the city), is calculated for the estimation of the dividends, inflowing into the city budget from the joint stock companies and calculated as:

$$CIP = \frac{0,6D_i + 0,3T_i + 0,1\Delta Vna_i}{Vna_i} \quad (3)$$

where D_i – the amount of the dividends actually paid by the company for the i -th portfolio of ordinary shares, owned by the city in the i -th year;

T_i – the amount of i taxes, actually paid by the company to the city budget;

ΔVna_i – the increase in the net asset value of the i -th fiscal year (net of inflation component). If the shares portfolio of the joint stock company was estimated by an independent appraiser in the reporting year as well as in the previous financial year ΔVna_i is an increase in the market value of shares owned by the city, according to estimates;

Vna_i – net asset value or market value of the company shares owned by the city, according to estimates by the end of the i -th of the next financial year.

With respect to this criterion two variants of activities (before and after the organizational restructuring) are also compared. The relevant forecast evaluation of growth of this criterion is about 3%. Taking into account rather large scale of activities in the industry the absolute value of the efficiency can be assessed as quite acceptable.

The common approach suggested for the estimation of the forecast effect of the organizational and managerial restructuring (the part concerning the calculation of NPV) was concretized by the authors in order to develop a detailed factor model. This model has concretized the direction of the effect demonstration. The following directions of the potential effectiveness were distinguished: products, cash flow, financial result, technologies, assets, sources of financing, information and competences. Each of the directions distinguished is corresponding to its specific factor area and a positive change of any factor is representing a component of the total effect. The results of the refinements carried out are presented in Table 1.

Table 1. The components of the effect of the developed integration structure

Object of managing	Results (the components of the effect)
Products (Epr)	<ul style="list-style-type: none"> - the increase in the sales; - the cut down of the operational risks; - the increase in the market share; - the expansion of the production scale effect; - the increase in the marginal income per unit; - the reduction of the stock of finished products
Cash flow (Ecf)	<ul style="list-style-type: none"> - the decrease in the cost of capital; - release of the working capital; - termination of the cash gaps; - the decrease in the work in progress; - the decrease in losses
Financial result (Efr)	<ul style="list-style-type: none"> - the decrease in the commercial expenses; - the decrease in the expenses on the mobilization of stockholders' equity; - the growth of profit and profitability of the enterprise activity; - the promotion of the investment attractiveness of the enterprise
Technologies (Et)	<ul style="list-style-type: none"> - the improvement of the product quality; - the decrease in the production cost per unit - the machine loading increase; - the advance of production flexibility and adaptability;
Assets (EA)	<ul style="list-style-type: none"> - the reduction of nonfunctioning assets; - the growth of the assets profitability; - the preferential use of the assets of a particular enterprise by other enterprises of the holding
Sources of financing (Esf)	<ul style="list-style-type: none"> - the elimination of financial risks; - the decrease in the expenses on the mobilization; - the decrease in the weighted average cost of capital (WACC); - the promotion of the investment attractiveness of the enterprises
Information and competences (Eic)	<ul style="list-style-type: none"> - the improvement of planning and forecast accuracy; - the reduction of the term of the managerial decision making; - the improvement of the decisions quality; - the decrease of the “cost of a mistake”; - the decrease in the managerial expenses

According to the preliminary estimation, forming the holdings will result not only in the economic effect, which appears as the holding itself, but also in the budget effect, providing an additional revenue because of the taxes and dividends coming into the budget.

Taking into account the aforesaid the expression of the resulting effect if the following:

$$E_{total} = f(\Delta NPV, \Delta CIP) \quad (4)$$

Herewith the estimation of the increase of the net present value is carried out with the help of the forecasted estimation of the increase of the discounted revenue ($E_{i(d)}$) for all the detailed directions of expression of the effect during the given horizon of planning with taking into account the expenses, suffered by the enterprises (with taking into account the time factor), because of restructuring measures and joining the integrated structure ($Exp_{(d)}$):

$$\Delta NPV = \sum_{n=1}^n E_{pr(d)} + \sum_{m=1}^m E_{cf(d)} + \sum_{k=1}^k E_{fr(d)} + \sum_{l=1}^l E_{t(d)} + \sum_{h=1}^h E_{a(d)} + \sum_{g=1}^g E_{sf(d)} + \sum_{j=1}^j E_{ic} - Exp_{(d)}, \quad (5)$$

where: E_{total} – the total economic effect of the organizational restructuring;

$\sum_{n=1}^n E_{pr(d)}, \sum_{m=1}^m E_{cf(d)}, \sum_{k=1}^k E_{fr(d)}, \sum_{l=1}^l E_{t(d)}, \sum_{h=1}^h E_{a(d)}, \sum_{g=1}^g E_{sf(d)}, \sum_{j=1}^j E_{ic}$ – the economic effect of the improvement

of the criteria for each of the field of the enterprises' activities, provided with the help of organizational restructuring.

Within the analysis of the economic effect one of the main accents was made on the level of the organizational factors influence, the direct expression of which is the increase in the manageability and as the final result - the quality of the managerial decisions.

4. Discussion

The completed research, targeted at searching for ways of rational restructuring and improvement of the effectiveness of state-owned enterprises, was based on the principal problems of such enterprises and the main objectives of the owner (the state) within such enterprises management. Its relevance is emphasized by the fact that the integration of state-owned enterprises and the creation of public corporations in Russia has been becoming a trend recently. Such public corporations are increasingly becoming important players at the market due to the concentration of capital, assets, experience, research results, client databases, etc. Moreover, they are beginning to demonstrate a sufficient level of economic efficiency, which confirms the correctness of managerial decisions targeted at the integration of enterprises. Meanwhile the share of state in the state corporation enterprises is usually quite high - from 75 to 100%.

Consideration of the main features of the enterprises and the owner's objectives enabled the maximum consideration of the peculiar properties of such enterprises as well as the particularity of the current economic performance. The tools developed within the research can be applied for the enterprises in different spheres and industries. The presented mechanism can be scaled with respect to small enterprises and as well as to the largest ones.

Certainly, the mechanism of restructuring, presented in the article, is based on the peculiarities of Russian legislation, but the authors believe it to be flexible, so they emphasize the possibility of arranging it in conformity with the particular legislation.

The positive feature of this research is the fact that the practical applicability of the developed mechanism of integration restructuring has passed the practical approbation.

5. Conclusion

In conclusion, we shall once again consider the main results of the research, and also point out the prospects for further research in the field of restructuring and integration of enterprises.

Thus, the main research results are the following:

- the developed conceptual model of the integration restructuring of enterprises of the public sector of the economy, which can be used as the common scientific and methodological tools during the restructuring with the creation of integrated structures on the basis of enterprises of different sectors of the economy;

- the developed system of classification of the enterprises of the public sector of the economy according to two main criteria (strategic importance and economic efficiency), which allows sharing all the investigated enterprises into the groups with certain characteristics and also allows making typical management decisions for them;

- the developed organizational and economic mechanism of integration restructuring of enterprises, which presents the step-by-step guide on making decision for the restructuring of each of the investigated enterprises meaning the decisions: to include the enterprise into the holding structure as a parent company or as a subsidiary; not to include it into the integration structure and to keep direct control over the enterprise; to privatize the aforesaid enterprise.

Practical applicability of the results of research is proved by the approbation of the developed mechanism at industrial enterprises engaged in the production of construction materials and owned by the city of Moscow.

As the future research directions the study of resistance to changes, which can significantly reduce the effectiveness of any changes should be noted first of all. Restructuring and integration of enterprises are the processes of organizational change which can greatly affect the interests of employees and managerial staff, so the employees of the companies must be prepared for these changes. The research of the mechanism of the of cutting down the resistance to changes during the restructuring period is promising and can be of great practical importance.

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