

Profitability of divisions of holding structures

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Abstract: At the present stage of economic development, for many companies, the structure, expansion of the scope of activity, and entry into new markets becomes relevant. One of the steps in the structure of restructuring of domestic enterprises is the further development of holding companies. The article examines the features and multifaceted functioning of holding companies in modern conditions, it is proposed to classify holdings according to the proposed features.

Key words: Holding structure, holding center, holding company, production holding, horizontal integration.

INTRODUCTION

A holding company, or holding company, is an organization that owns a controlling interest or share in the capital of other subsidiaries for the purpose of permanent control and management of their activities. Possession of controlling stakes (shares) allows the holding to pursue a unified economic, scientific, technical and investment policy for all divisions (subsidiaries) and monitor the observance of the interests of their owners (owners).

Holding - a corporation or company that controls one or more companies through their shares, which it owns. In economic practice, a holding has in most cases a decisive right to vote, acting through the mechanism of a controlling stake. This form of company organization is often used to pursue a uniform policy and exercise uniform control over the observance of the common interests of large corporations or to accelerate the diversification process.

By implementing the "system of participation" in the holding, it is possible to subordinate the formally independent companies with capital that far exceeds the capital of the holding itself. There are the following types of holding:

- pure holding, when only financial and control functions are performed;
- a mixed holding that, in addition to the aforementioned functions, independently participates in business (trade, production, transport, lending, etc.).

Holding companies developed in the late 19th and early 20th centuries, with participants who had previously functioned as cartels. Subsequently, centralization of management and production system took place in many holdings. The famous American scientist Chandler notes that those holdings that were not centralized and did not integrate, later either disbanded or faced the threat of bankruptcy.

Currently, all domestic holdings can be divided into several conditional groups according to certain criteria, such as the structure of logistics, the scheme of processing and production of products, and others. Let's consider them in more detail:

3. Horizontal holdings - associations of similar businesses (energy, sales, telecommunications companies, etc.). They are, in fact, branch structures, which are managed by the head (parent) company.

4. Vertical holdings - combining enterprises in one production chain (extraction of raw materials, processing, production of consumer products, sales)

5. Diversified holdings - associations of enterprises that are not directly related to either trade or industrial relations, such as Russian banks investing in various investment projects.

There are three reasons for building holding companies:

1. The construction is based on the type of product or service, that is, enterprises differ in the type of goods produced or services provided, and the coordination of their activities from the center is focused on helping participants in selling products on the markets.

1. The construction is based on a group of consumers, which is focused on a particular enterprise (branch) of the group. This modification is used, as a

rule, by investment, insurance, pension and other financial and credit structures, including banks.

2. The construction is based on the geographical factor, that is, a large company opens its branches in different territories. An example is Sberbank of Russia, which has its subdivisions in all units of the territorial division of the economic space of the state.

According to the "Temporary Regulation on Holding Companies Created in the Transformation of State Enterprises into Joint Stock Companies" dated 10.16.1992, there is a restriction: whatever form, including trust and pledge. "

In a holding, a situation may arise when the main (parent) company will fully own the other members of this corporate structure, however, in this case, the association will not be a single company. Holdings do not undergo state registration as an official corporate structure. However, the concept of "holding" exists in modern Russian legislation. For example, there is the "Temporary Regulation on Holding Companies", which regulates some of the features of their activities as a specific form of associated entrepreneurship in the Russian economy.

According to the draft Federal Law "On Holdings", holding relations may arise in the presence of at least one of the following circumstances:

the predominant participation of the parent company, which is a business company or business partnership, in the capital of other legal entities that are also business companies or business partnerships, with registration by making entries in the register of shareholders (entries in the custody account) or in the charter of a holding participant on the ownership of shares (shares), ensuring the predominant participation in the capital of a member of the holding, or making an entry in the charter of a business company - a member of the holding about the right of the parent company to give him mandatory instructions, or the entry into force of an agreement on such a right between a member of the holding and the parent company. Prevailing participation in the capital of a business entity (parent company, holding participant) is understood as the ownership of shares (shares) by the owner, the parent company in an amount that allows, in accordance with the legislation of the Republic of Uzbekistan and the charter of the

company, to predetermine any decisions made by the said business entity;

an agreement on the establishment of a holding company between the parent company and members of the holding or an agreement between the parent company and participants (founders, shareholders, partners) of other legal entities - members of the holding;

- decisions of property owners, if all members of the holding are state unitary enterprises, as well as joint-stock companies with a controlling stake held by the state, and making appropriate entries in the charters of the members of the holding.

One distinguishing feature of the holding is the fact that a member of the holding cannot have a predominant stake in the authorized capital of the parent company. A member of a holding (except for the parent company) cannot have a predominant participation in the authorized capital of another member (except in cases where the holding is formed by virtue of an agreement).

In addition, subsidiaries of the parent company are included in the holding and can leave the holding only together with the parent company.

The holding form is convenient from the point of view of managing a group of companies, since this form allows:

- firstly, to form, adjust and solve the goals and objectives of the company in a coordinated manner. Develop effective management solutions in crisis situations. Carry out unified management of the company's strategic development.

- secondly, to unify and standardize record keeping, document circulation, etc.

- third, to control prices directly or indirectly, while protecting the interests of the entire group.

With the help of the holding form of uniting a group of economic entities, it is possible to achieve stable and high economic performance indicators of entities.

The following basic principles of building a holding can be distinguished.

General principles

Endowing the enterprises of the holding with the necessary funds - the parent company (the owner of the enterprises) invests in enterprises - endows these

enterprises with the necessary fixed and circulating assets for their effective functioning.

Appointment of the heads of the Enterprises - for the management of the enterprises of the holding, the Management Company appoints the directors of these enterprises, who are responsible for the performance of these enterprises.

The principle of narrow specialization - the establishment and operation of the holding's enterprises is carried out according to the principle of narrow specialization. Any unprofitable enterprise, based on an unfavorable market situation, is subject to liquidation or a change in specialization.

Development of operating rules and control over their observance - The management company develops operating rules for all enterprises of the holding and monitors compliance with these rules.

Principles of limited independence of the holding's enterprises - due to the fact that the holding's enterprises are obliged to operate within the prescribed rules of the Management Company, they all have limited independence, but may have one or another degree of freedom when working on the market.

The principle of maximum independence of the enterprises of the holding - within the framework of the rules established by the Management Company, the enterprises of the holding are independent structures and are self-supporting, self-financing and self-sufficient. Each individual enterprise of the holding is not responsible for obligations of any other enterprises of the holding, including obligations of the Management Company.

The principle of minimum independence of the holding's enterprises (processing) - The holding's management company can take over part of the management functions of one or another subsidiary of the Holding. Typically, this is a commercial function. In this case, the Management Company assumes responsibility for the supply of the enterprise and the sale of its products. At the same time, the enterprise operates in a processing mode, receiving raw materials and materials from the Management Company, and transferring finished products to it. For the production function, the Management Company pays the enterprise for its current expenses and a part of the profit agreed with the owner of this enterprise from the sale of manufactured products (services).

Financial organization principles of the holding

An important condition for the organizational and structural development of the holding is the priority in protecting the interests of owners of authorized capital, shareholders and business partners. To fulfill this condition, it is proposed to use the fundamental principles when creating enterprises of the holding:

The principle of capital diversification is the distribution of the holding's share capital in such a way that even if a third party acquires a blocking stake in any of the holding's enterprises, control of the business as a whole remains with the initiators of the project.

The principle of unconditional financial subordination is based on the separation of financial flows and points of formation of profit (working with clients). This is achieved by concentrating the functions of financial services for all enterprises of the holding in one of its enterprises, which, in turn, according to the charter cannot work with clients.

Sufficiency principle - the number of enterprises is necessary and sufficient to solve the commercial and political tasks of the holding at the current moment.

The principle of recoupment is that all enterprises of the holding must generate income. The creation of a new enterprise of the holding must be economically justified. Unprofitable enterprises must be liquidated. Planned unprofitable (charitable) activities should be presented as structural subdivisions of the enterprises of the holding and exist at the expense of their profits, or at the expense of targeted financing on a budgetary basis by other enterprises of the holding.

The principle of eliminating duplication - from the organizational structure of each enterprise of the holding, if possible, any divisions, the function of which can be performed by another enterprise of the holding, on contractual terms.

Based on the analysis of the current situation in the Russian and world economies, it is possible to identify practical ways in which commercial organizations can unite into holding companies.

All the above procedures for the formation of holding companies can be carried out as follows:

- by buying up shares on the secondary market, which is carried out by a broker;

- by exchange of shares specially issued for this by each enterprise. This is exactly what the general director of Uralmash Plants, Kakha Bendukidze, did to gain control over the Izhora Plants (each group was a holding). To this end, he carried out an additional issue and exchanged the entire package of the additional issue for the already existing package of Izhora Plants. Due to the difference in the value of the blocks, he obtained control over the plant for a small percentage of his shares.

- by creating a special management company, where the founders transfer their stakes in enterprises that they want to include in the holding. At the same time, the transferred shares of enterprises were exchanged for the issued shares of this company.

- by transferring key patents for this business, copyrights, know-how (for example, the McDonald's company).

It should be noted that there is one more way to form holdings (both "from above" and "from below") - the unification of producers and financial structures. For example, the purchase by a bank of blocks of shares in enterprises led to the fact that banks began to own blocks of enterprises of different sizes from different industries. After some time, banks were forced to create management companies, to which they transferred stakes in enterprises from one type of business, and the "extra" enterprises were forced to "dump". This is what Bank Menatep, Onexim-Bank and others did.

Formation "from below" took place when industrial enterprises, together with an investor (often with a group of investors that form a syndicate), created a management company to attract investment and increase attractiveness (Fig. 3). The shares were determined based on the assessment of the value of enterprises and the shares of investors.

To implement this procedure, an issue prospectus is prepared and its placement: private (as in this case) or open.

In contrast to the case with a separate enterprise, private placement is almost always used to create a holding structure.

Often in already established and successfully operating holdings, mergers, divisions and acquisitions are carried out.

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