

## POSSIBILITIES OF MANAGERIAL ORGANIZATION OF SWINE FARMS AND MEAT PROCESSING UNITS

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***Abstract:** In professional swine farms and the meat obtaining and processing units, special attention must be paid to the aspects related to the implementation of the best production management and the improvement of the marketing management in the distribution and capitalization of the processed products. The change of the external environment leads on the entire flow of production, processing, distribution of pork to strategic changes, involving the change of organizational characteristics on the production sectors and processing sequences produced from meat. The modification of the pork production strategy, imposed by the external environment determines the modification of the organizational structure in essence the strategy-structure model, for professional industrial units will include the following stages, entrepreneurial when production units are specialized for a single basic activity, functional when the obtained products are differentiated and divisional when the units diversify their activities and sell directly the processed products and monitoring the structure at the level of production sequences. The remodeling of the new organizational systems on the entire flow of pork production, processing and distribution must be based on the redesign of the organizational structure, a process that includes presenting the methodology, establishing the components of the organizational structure, substantiating the strategy, inter dependence between organizational variables, analysis of solutions, models and implementation techniques and elaboration of the organizational structure.*

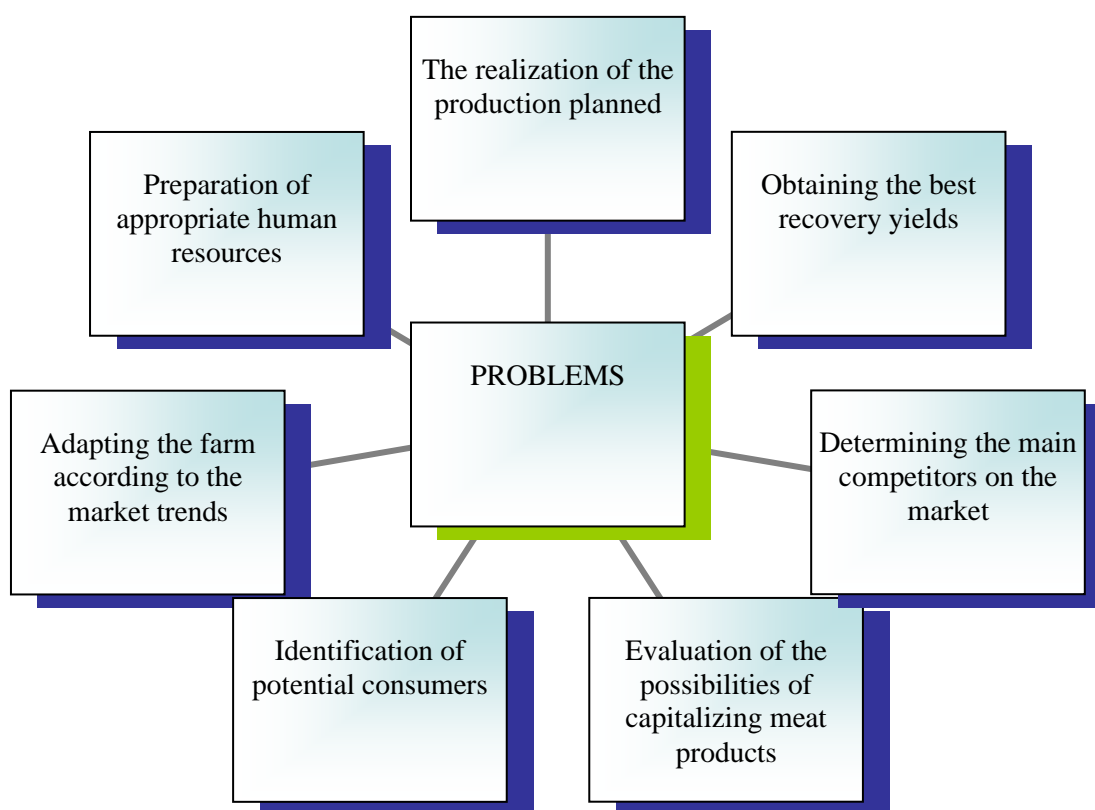
**Key words:** swine, farms, processing units, management, marketing

### INTRODUCTION

Managers of professional swine farms and meat processing units must take into account the problems facing the market in order to adapt to consumer needs and find solutions to improve production management and marketing management. The main problems they face are [4, 8, 9, 11, 15] (Figure 1).

The most important functions of a professional swine farm or processing unit which highlight the degree of performance, the economy of exploitation, the market positioning can be grouped as follows:

- coordinating the activity of the unit, which must be competent, timely and efficient;
- rapid decision-making, which will be carried out in a determined and responsible manner, with convincing and lasting effects;
- of the best technological management - ensuring the operation with minimum expenses of the production/processing systems and obtaining quality products at the optimal quantitative level [5, 6, 10];
- the organization of productive processes, in all production links by phases and sequences [1, 7, 15];
- of economic forecast, depending on the evolution of the market, the business plan and the commercial opportunities;
- to achieve a maximum production, with minimum expenses per unit of product.



**Figure 1. Problems faced by farm managers and swine meat processing units**

The commercial, control, human resources, production and financial-accounting functions are exercised through a computerized information system, in which the organizers of the activities know the facts of the units. In order to effectively measure the results of the production and processing activity, the activity coordinator may[2,3]:

- comparing the achievements with the objectives set to be achieved in a certain period;
- to determine the causes generating deviations from the established objectives;

Theories regarding swine farms and processing units are intended to answer correctly the following types of questions about breeding, exploitation, efficient processing:

- why it is necessary to operate in professional units;
- how production and biosecurity are designed and monitored in these farms;
- how it works and how the management of production, processing, distribution can change depending on the management of marketing;
- why managers act in solving problems in different ways.

Starting from these considerations, we conclude that there are two ways of approaching the design and formation of the organizational structures of swine holdings and meat processing units [12,14]:

- when the emphasis is on internal construction, functional division and rationalization of management that we consider static and no longer corresponds to the new guidelines in meat production because it does not take into account the need to change structures according to demand, does not improve management by implementing modern technologies and does not take into account the change of external factors that have made many farms possible in the market;

- when special attention is paid to the dynamic analysis of the connections of the holding and the processing unit with the environment and with the sources of resources.

We consider that the structural approach of the professional swine farm and meat processing units is a necessary one, because the neglect of this can lead to the non-use of resources and production and processing capacities at economic value. Understanding this phenomenon in the organizational context and the variety of possibilities to diversify production, can contribute substantially to the creation of functional structures that serve the purposes of the organization and consumers of products obtained on the professional farm.

### MATERIALS AND METHODS

Taking in consideration that, only a dynamic approach in the design of new holdings and the operation of these swine holdings, processing units, can contribute to the formation of close dependencies between the behaviors of the holding, the processing unit and the ever-changing external environment and its own top management implemented on the other hand. The change of external conditions leads to the need to immediately change the strategy, which determines the change of organizational characteristics but ultimately will contribute to transforming the organizational structure, production specialization, new processing methods, direct distribution of production or through intermediaries, production strategies, processing, and capitalization.

In this scientific approach, we believe that it is necessary, to address the organizational structures that contribute to improving economic activity and according to the following criteria:

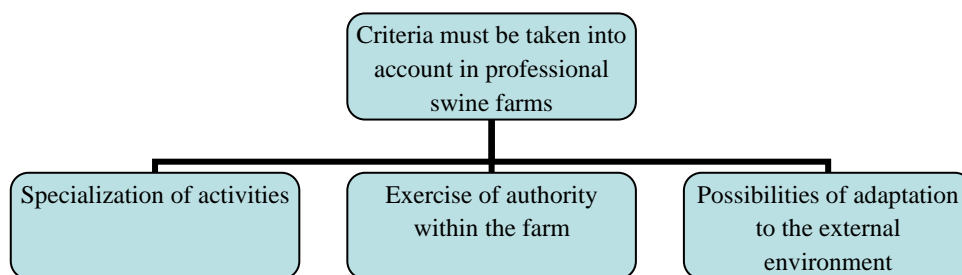
- specialization of production activities;
- exercising authority;
- ability to adapt to the external environment;
- the structure of activities on the entire swine meat chain;
- structure of activities in case of specific diseases;
- concentration of authority.

### RESULTS AND DISCUSSIONS

In the field of management in general and professional farms, swine processing units in particular, we identify after analyzing the components of the organizational structure, functional or management and operational or production, processing, distribution, the three types of structures:

- a. linear or hierarchical;
- b. functional;
- c. hierarchical-functional.

Within the professional swine farms and the units for obtaining and processing meat and pork products, we consider that other criteria must be taken into account:

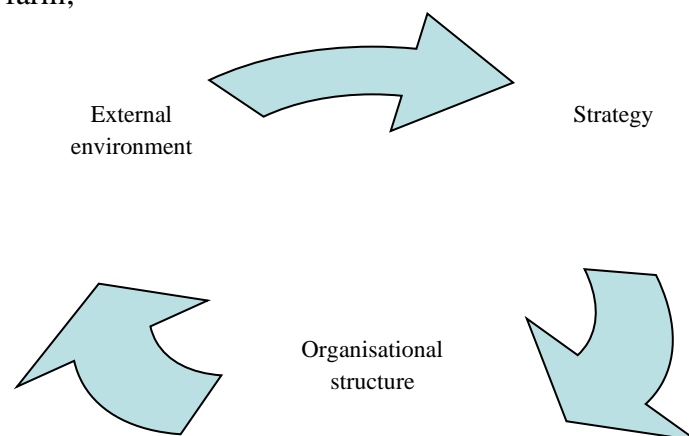


**Figure 2. Criteria to be taken into account in the structural organization of professional farms and swine meat processing units**

- specialization of activities: division into sectors: production, processing, distribution. According to this criterion, we distinguish on the entire pork chain:
  - a. entrepreneurial structure;
  - b. functional structure;
  - c. matrix structure, contains two forms of organization by product and function.
- depending on the exercise of authority within the farm we distinguish:
  - a. charismatic structure;
  - b. traditional structure.
- depending on the possibilities of adaptation to the external environment we distinguish:
  - a. mechanistic structure, specific to a stable environment;
  - b. organic structure, has a high degree of external environment, approaches the farm as a dynamic system in continuous change depending on the external environment.

The change of the external environment leads to strategic changes at the level of professional swine farm, this involving the change of organizational characteristics on production sectors: intensification of reproduction, obtaining 36-38 piglets/sow per year, increasing feed conversion rates, obtaining meat lean for consumption, meat products. The change of the meat production strategy imposed by the external environment determines the change of the organizational structure on the activity sectors. In essence, the strategy-structure model (Figure 3), for the industrial units, adapted by us for the professional swine farms and the pork processing units, will include the following stages:

- entrepreneurial, when the unit is specialized for a single basic activity: reproduction, raising young, fattening for meat consumption, fattening for bacon, reconditioning sows to obtain dried raw salami;
- functional, when the obtained products are differentiated but the professional farm remains specialized on meat production, the organization is centralized, group of farms and hierarchical sector, complex, holding;
- divisional - the farm develops and diversifies its activities, sells piglets for fattening the population and buys them as fat pigs, sells directly the products through its own agritourism farm;



**Figure 3. Relationship strategy organizational structure**

The steps to be followed in the design, elaboration and rationalization of the organization of professional swine farms and processing units are:

- quantitative and qualitative analysis of all correlations between each organizational variable and the elements of organization of production structures;

- designing the organization elements on sequences and flows;
- recording the new organizational structures of production;
- evaluation and monitoring of the structure at the level of production sequences.

The remodeling of the new organizational systems on the entire swine meat production, processing and distribution must be based on the redesign of the organizational structure, a process that includes the following phases:

- presentation of the working methodology:
  - theoretical foundation;
  - methods used for new solutions;
  - designing systems specific to each production sequence;

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- presentation of the working methodology:
  - theoretical foundation;
  - methods used for new solutions;
  - designing systems specific to each production sequence;
    - establishing the components of the organizational structure:
      - the content of the processes;
      - rational distribution of objectives;
      - distribution of competencies;
      - managerial responsibilities.
        - substantiation on the established strategy;
        - interdependence between organizational variables;
        - establishing the organizational structure;
        - analysis of organizational solutions;
        - analysis of implementation methods and techniques;
        - elaboration of the organizational structure.

We find from the analysis performed that the strategy implemented for increasing or diversifying meat production determines structural changes in the organization of technological flows but there are also cases in which the meaning of determination is reversed:

- in some professional farms the same strategy model does not lead to the same type of organizational structure of a sector or even farm;
- the implemented structure can influence the strategy of obtaining the final product;
- often the size of the unit, the organizational culture, the external environment, the human resource, and the complexity of the production in case of a type of strategy can have:
  - a. a major influence on the organizational structure;
  - b. a minor influence on the organizational structure.

In this case we consider that the relationship is no longer of the form strategy-structure, or structure-strategy but is of the type of mutual relationship in both directions according to the figure below:



**Figure 4. The reciprocal strategy-organizational structure relationship**

In the case of professional swine farms and swine processing units, we believe that the existence of a structural configuration determines the elaboration of a strategy but its implementation involves within the farm:

- changing the organizational structure;
- merging some sectors;
- cutting meat and processing meat products;
- direct sale;
- adapting the organizational structure to the new strategy for obtaining meat;
- the use of new exploitation technologies for obtaining meat.

To adapt to the external environment, the following aspects must be followed:

- to increase the flexibility of the organizational structure;
- simplification of the organizational structure;
- reducing the number of hierarchical levels;
- reducing the costs of the organizational structure;
- mergers of sectors;
- development of an electronic communication system between sectors for traceability.

In the case of epizootic diseases, strategies for their prevention and management must be implemented, which are meant to:

- ◆ prevent the appearance of epizootics;
- ◆ disease management;
- ◆ develop policies for prevention and information of human communities;
- ◆ supervised the immunological situation of the farm herds;

The operation of processing units involves the initiation of managers, in making decisions on scheduling production/processing according to their size, the decision area being less wide or wider, but to maintain continuity of production due to the complexity of activity in slaughterhouses and processing plants consider the aspects:

- techniques, technological flows, meat processing;
- economic, continuity in the capitalization of production;
- social, to develop decision-making capacities in organizations that allow stakeholders to achieve their interests;
- relational with the components of the external environment in continuous change.

## CONCLUSIONS

The structural approach of swine farms is a necessary one in the current conditions of pork shortage because the neglect of this fact, leads to the non-use of resources and production capacities at economic value.

In the organizational context of swine farms, processing units and the variety of possibilities to diversify production according to market, quality, food safety, this can contribute substantially to the creation of functional structures that serve the purposes of the organization and consumers of meat and meat products.

After analyzing the components of the organizational structure, functional and operational in addition to the three types of structures, hierarchical, functional and hierarchical-functional must also take into account a number of criteria such as production specialization, type of processing, exercise of authority and possibilities of adapting the units to the external environment.

The change of the external environment determines strategic changes at farm and processing unit level, involving the modification of the organizational characteristics on the production, processing and distribution sectors and the remodeling of the new organizational production systems, must be based on the redesign of the organizational structure.

Although the strategy implemented for growth, diversification of meat production causes structural changes in the organization of technological flows, there are cases where

the meaning of determination is reversed. So in this cases it must be taken into account to increasing the flexibility of the organizational structure, simplifying the structures and reducing their costs by merging production, processing or distribution sectors.

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