

CONCEPTUAL BASES OF STRATEGIC MANAGEMENT OF INTEGRATED ECONOMIC SUSTAINABILITY OF ENTREPRENEURIAL STRUCTURES IN CRISIS CONDITIONS

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Abstract. Within the framework of the study of the parameters of the internal environment in relation to the level of economic sustainability, the article presents the main strategies aimed at increasing the level of integrated economic sustainability of an enterprise structure in the face of crisis situations and phenomena. These strategies include: the strategy of preserving the existing level of economic sustainability by ensuring the stability of business processes, the strategy of accelerated growth of the level of economic sustainability due to increased demand for the goods and services sold, the strategy of growth by using the "advantages" of the consequences of crisis phenomena, and a number of others. The article proves that the formation of integrated economic sustainability occurs through active interaction and mutual influence of management strategies and professional competences of economic behaviour of an entrepreneurial entity. Increasing the efficiency of this complementary organisational process contributes to increasing the level of sustainability and the ability to ensure stable and balanced functioning of the business structure in the face of crisis phenomena of a completely different nature and impact. *Objective.* A comprehensive study and further systematic development of the theory and methodology of strategic management of economic sustainability of business structures in the context of developing corporate strategies is timely and relevant. *Methodology.* The methodological basis of the study was formed by the provisions of the systemic approach and analysis, a synergistic approach to assessing the essence of sustainability as a separate scientific category, and a process approach in the context of developing methodological provisions for ensuring the integrated economic sustainability of business structures. *Practical implications.* The competencies of economic behaviour of business entities described and analysed above can be correlated both with the peculiarities of doing business in a stable market system and with the impact of crisis phenomena (by analogy with the first methodological approach to assessing the integrated economic sustainability of an enterprise structure). *Value/Originality.* The article identifies and characterises key directions of the state policy aimed at ensuring economic sustainability of entrepreneurial structures, including in the context of the current crisis.

Keywords: integration, economic sustainability, strategy, management, business structure, development.

JEL Classification: F15, O18, L10, O32, M20, O10

1. Introduction

Ensuring and maintaining the required level of integral economic sustainability of business structures is a very complex process in terms of both the adoption of certain management actions by the entrepreneur and the specifics of the main business processes and the state of the internal environment, which are most likely determined by the direct

or indirect influence of a large number of environmental factors.

In the national scientific literature there are a lot of scientific works on the analysis of the impact of various factors and determinants of the external environment on the level of sustainability of business structures, most likely their financial component, in different economic conditions, since the very emergence of

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a crisis is associated with an imbalance in the external environment. In this regard, taking into account the impact of environmental factors is very important from the point of view of any business structure and should be subject to a certain organisational algorithm for its implementation and possible correction.

According to the authors, it is necessary to identify and group environmental factors in terms of the main objectives of a particular economic study. In some cases, a detailed assessment of each factor of influence is required (e.g., consideration of the impact of the growth of unemployment in the context of modernising approaches to the reform of the system of training in blue-collar occupations and management training, assessment of the consequences of changes in the regulatory and legal framework in the context of the monopolisation of certain sectoral markets, characterisation of the factor of changes in the NBU discount rate as a condition for the activity of investment projects), which allows to draw specific conclusions and rational proposals.

However, in terms of assessing and further ensuring the required level of integral economic sustainability, a high degree of detail in assessing the impact of environmental factors is not possible, since in this case it is a question of all business structures represented in the economic system of Ukraine, and the methodology of the dissertation research does not provide for their division into specific models, types or kinds that would reflect the specifics of their economic activity.

2. Influence of External Environmental Factors on the Strategic Management of Economic Sustainability of Business Structures in Crisis Conditions

State policy determines the resource constraints that exist in business structures through the use of tools such as standardisation, technical regulation, mandatory certification, requirements for export-import operations under customs regulation, and many other aspects that either create additional opportunities for sustainable growth of business structures in national and global markets or reduce the potential of a particular business structure due to restrictions imposed by law.

The ability to choose the type of economic activity, in accordance with the state policy and the state of market conditions in a certain period of time, actively influences the main key indicators of business activity, in particular: efficiency of business processes, efficiency of investment activity, possibility of obtaining additional income from other activities, profitability of sales, profitability of fixed assets and other economic indicators (Andronova, 2007).

In the context of ensuring integrated economic sustainability, government policy towards business structures can be divided into three key areas (Figure 1). Consider these in the context of the current crisis.

The first of the possible options for state policy on the issues of practically ensuring the economic sustainability of business structures should be recognised as regulation, which covers all business processes and all economic activities of any business entity in a market economy (Bazhal, 1996).

According to the authors, regulation is in fact the fundamental basis that determines the sustainability of business structures and potential ways to achieve it both in a stable market environment (general legislation, government targeted programmes, state standards and technical regulation) and in crisis situations (specialised anti-crisis regulation measures, legislation governing the procedure for doing business under the new system of administrative and economic restrictions).

As mentioned above, the basis of regulation is the regulatory and legal support for the functioning of the business structure, namely the main legislative acts regulating the actions of entrepreneurs in our country and aimed at ensuring the required level of economic stability (Kolodyazhna, Borblik, 2017).

The problems of regulatory and legal regulation are closely related to the basic principles of ensuring the economic sustainability of business structures in the current environment, including:

1. The problem of implementing long-term strategic planning and management at the state level due to drastic changes in the external environment and the emergence of new threats to economic security (for example, the development of long-term sectoral strategies does not reflect the real state of market conditions in the medium term).

A possible solution to this problem is to move to medium-term indicative planning, to plan development strategies for a maximum of three years, to review strategic documents annually and make necessary adjustments, and to increase the level of public participation, including professional industry organisations and associations, in the discussion of these regulations.

2. The problem of using a system of probabilistic forecasts for the development of both individual regions and industries based on classical mechanisms and tools of economic and statistical evaluation (statistical results obtained on the basis of time series processing and data correlation methods in practice contradict the impact of crisis phenomena on individual elements of the socio-economic system).

A possible solution to this problem is the complete and comprehensive digitalisation of the organisation of economic activity accounting not

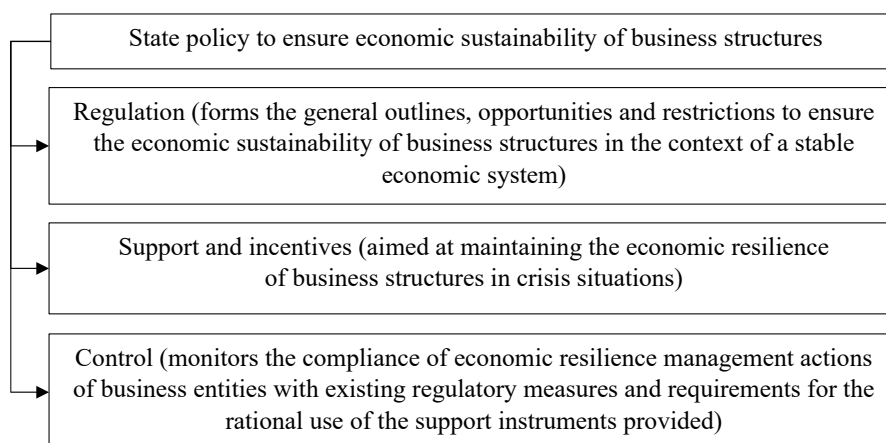


Figure 1. Characteristics of key areas of state policy to ensure the economic sustainability of business structures

Source: developed by the authors

only for business entities, but also for households and public administration bodies, the use of unified information and analytical systems based on the use of digital technologies not only in the process of data processing, but also in the process of identifying, collecting, verifying and selecting data for the needs of such designed digital accounting systems. And, of course, complete unification of methodological approaches to assessing the functioning and development of socio-economic systems, including business structures as their components.

3. The problem of inefficient and irrational allocation of funding for certain large-scale projects, including those implemented in the framework of public-private partnerships, due to the lack of requirements for the necessary justification of the level of economic sustainability of these projects not only in a stable economy, but also in the context of the emergence and development of crisis situations. Among such controversial issues are certain investments in infrastructure related to such activities as event tourism, exhibition activities, and the creation of new infrastructure facilities in the cultural sector.

As practice shows, large international projects aimed at attracting large numbers of both local residents and tourists are always economically sustainable, especially in the early stages of the economic crisis. In this regard, it is necessary to revise the methods of project financing by the state in favour of more efficient ones (transition from focusing on economic efficiency and effectiveness in the long term to setting goals related to achieving the maximum level of integrated economic sustainability of project activities of business structures in the medium term). In addition, an important point of practical justification of public financing of project activities should be the

calculation of the potential for further possible use of infrastructure facilities for various purposes, initially unrelated to the functional nature of the facility itself (Rudra, 2023).

Thus, regulation creates a functional basis for ensuring the economic sustainability of business structures. However, along with regulatory measures alone, the state, realising the importance of business structures for its own viability and national security, pursues a targeted policy to stimulate entrepreneurial activity and develop entrepreneurial initiatives, which can indirectly have a positive impact on the level of economic sustainability of business entities.

At the same time, the authors believe that incentives alone do not necessarily guarantee the resilience of an entrepreneurial structure to crises. In this case, much depends on:

- The level of entrepreneurial skills of the organiser of commercial activity (business owner, company management, individual managers or project managers);
- professional competences of economic behaviour in the market (level of innovation activity, level of adaptability, level of information support);
- the ability to adapt to crisis conditions by optimising internal business processes.

Only when these conditions are combined can one speak of the effectiveness of government incentives and support measures to ensure the required level of economic sustainability of business structures. In addition, incentive methods are short-term in nature and allow an entrepreneurs to maintain a marginal level of resilience in a crisis when they are interested in finding new tools and sources of support for their business. Long-term support often reduces the efficiency of business organisation and leads to negative consequences of the level of sustainability in terms of strategic management. It should also be borne in mind that, due to low levels of

entrepreneurial capacity and related factors, not all entrepreneurs are able to use the available set of benefits and support measures in a crisis equally effectively.

3. Influence of Internal Environment Factors on the Strategic Management of Economic Sustainability of Business Structures in Crisis Conditions

As mentioned earlier, the assessment of the level of integrated economic sustainability can be carried out using alternative approaches to the aspects of business activity. In the classical sense, the point is more about the economic component and the identification of those structural elements that determine the production and economic nature of the integral sustainability of a business structure, including the characterisation of the level of financial sustainability, the economic assessment of operational sustainability in terms of designing optimal production and logistics links, and the assessment of the level of sustainability of investment activity in terms of the efficiency of implementing certain projects.

However, in the authors' opinion, in addition to purely economic approaches to defining integrated sustainability, it is very important to consider the managerial aspect, i.e., the link between the economic sustainability of the business structure and the possibility of realising entrepreneurial capacity as a key factor of production in the modern innovation economy, together with information through collection and processing, which ensures the completeness of the conditions for making certain managerial decisions.

In this regard, it is necessary to introduce the concept of professional competences of economic behaviour of a business entity (business structure), which should be understood as a comprehensive set of knowledge, skills and abilities capable of ensuring a high level of integral economic sustainability in a stable functioning economy and contributing to its maintenance at the required (marginal) level in crisis situations of a traditional nature related to economic processes and economic cycles.

Such professional competences, in terms of the sequence of their formation, include the following:

1. Adaptability to changes in the parameters and functional and managerial characteristics of the internal and external environment in the context of the development of crisis phenomena in the innovation economy. In authors' opinion, this competence is a key competence that reflects the level of development of the entrepreneurial capacity of a market participant in terms of its compliance with the principles of the innovation economy and the organizational and economic conditions of digitalization in the context of crisis phenomena, and also determines the internal

content and mechanism of influence on the process of formation of other professional competences of economic behaviour.

2. The speed of making balanced and effective management decisions in the face of a widespread crisis situation through the use of innovative technologies and digitalisation tools, as well as the preventive development of the level of intellectual capital of the business structure in the pre-crisis period. In today's crisis and rather rapid changes in the social situation (for example, the publication of new regulations and guidelines on restrictive actions for business entities in times of crisis), an entrepreneur must be able to make urgent management decisions focused on adapting to the current situation, i.e., to fulfil the first professional competence of economic behaviour. The ability to synchronise the speed of management decision-making and its effectiveness or appropriateness, including in terms of integrated economic sustainability, should be based not only on classical decision-making methods (intuitive or using a collective discussion mechanism – third-party expert assessment or brainstorming within the business structure), but also take into account the growing role of information technology and digital support for the management process.

3. The ability to process a significant amount of information to ensure the effectiveness of previous professional competence through a rational approach to the management process within the business structure and the introduction of modern information technologies and digital innovations in data analytics for further use in making alternative management decisions. It should be borne in mind that the information collected in the process of preparing management decisions may include not only information about specific enterprises or organisations, but also intra-industry and national data of various kinds. The reliability of these information arrays will, in particular, be related to the use of modern digital technologies.

4. The level of awareness as a derivative of the two previous competences of the professional plan, which allows to achieve the required level of integrated economic sustainability both in conditions of macroeconomic stability and in the face of growing crisis situations in the innovative economy, where information is a strategic resource and a basic factor of production of any modern business structure. This professional competence is based on maximising the alternative choice of information sources and ensuring the comprehensiveness of information arrays required for making management decisions.

5. Stable implementation of managerial actions and organisational and economic measures aimed at increasing the innovation activity of business structures in any economic environment, regardless

of the state policy of stimulation in this area or other environmental factors. Innovation activity is a key factor and quality of entrepreneurial opportunity aimed at ensuring comprehensive economic sustainability. However, the situation in the domestic economy is quite different, based on both the sectoral structure and the imbalances between business entities.

4. The Impact of Implementation of Professional Competences of Economic Behaviour of Entrepreneurial Structures on Ensuring Their Economic Sustainability

An important methodological issue in terms of implementing professional competences of economic behaviour of business structures should be recognised as their assessment and compliance with the crisis or stable market situation, as well as the choice of management methods that would allow achieving the required (marginal) level of sustainability. From the point of view of modern management theory, possible management methods should be closely related to the key functions of management activities and not contradict the corporate policy being pursued.

For example, the use of such an important functional area of management as strategic planning may involve the development and implementation of a long-term plan for the introduction of digital innovations not only of an exclusively production nature to improve the efficiency of core activities, but also in terms of new management technologies that will increase the level of all professional competencies of economic behaviour in the medium term.

The results of strategic planning, compliance of the planned indicators with the actual data and its impact on sustainability should be taken into account when developing a system for monitoring integrated economic sustainability, which is also an element of the overall system for managing the sustainability of an enterprise structure in different business conditions. Monitoring can be carried out on the basis of data analysis both on the structural elements of integrated economic sustainability (within the first methodological approach to its assessment) and in terms of analysing the achieved thresholds of the level of professional competences of economic business behaviour of structures (within the second methodological approach to its assessment).

Based on the annual monitoring of the level of integrated economic sustainability, the entrepreneur has the right to adjust its policy in many important areas of commercial activity (e.g., investment procedure and sequence of projects, logistics issues, inventory levels and the amount of construction in progress).

On the basis of the above data, the authors propose an algorithm for the formation and development of professional competences of economic behaviour of

an enterprise in the process of ensuring integrated economic sustainability, the main stages of which are presented in Figure 2.

Within the framework of the management mechanism of the process under consideration, an important role will be given to staff motivation, which should be focused on the implementation and participation in the realisation of one of the general goals of entrepreneurial activity. structure – ensuring the required (marginal – in a crisis, planned – in a stable economy) level of integral economic sustainability by improving the existing system of non-material and material incentives.

Effective implementation of the stated algorithm is possible only through the use of a rational approach to managing the key resources of the business structure, among which are:

- Financial support for entrepreneurial activities (in this context, it refers not only to the classic ratio of equity and debt, but also to the rationality of financing commercial projects of various levels, investing in non-core assets, including the acquisition of assets in the securities market, primarily derivatives, as well as investments in cryptocurrencies, and financial costs for maintaining the existing organisational and management structure);
- infrastructure support of business activities (maximum diversification of the use of infrastructure facilities on the organisation's balance sheet, use of long-term lease and leasing instruments, as well as collective use of certain infrastructure facilities as an alternative to the costs of their acquisition and further operation, and so forth);
- staffing of business activities (review of positions in the context of ensuring the growth of the level of human and intellectual capital of the enterprise as opposed to standard approaches to personnel management, retention and retention of personnel in the context of growing crisis phenomena, and the like).

In this context, special attention should be paid to modern management approaches to the formation and development of the enterprise's intangible asset portfolio and its role in ensuring the comprehensive economic sustainability of business structures in the current crisis conditions.

5. Conclusions

Summing up the above, it can be stated that the level of socio-economic development of a region (territory) is of great importance as a factor determining the economic sustainability of business structures located or operating within its borders. A full comprehensive assessment of the level of regional development should be the basis for justifying the decision to create a business structure or expand an existing business.

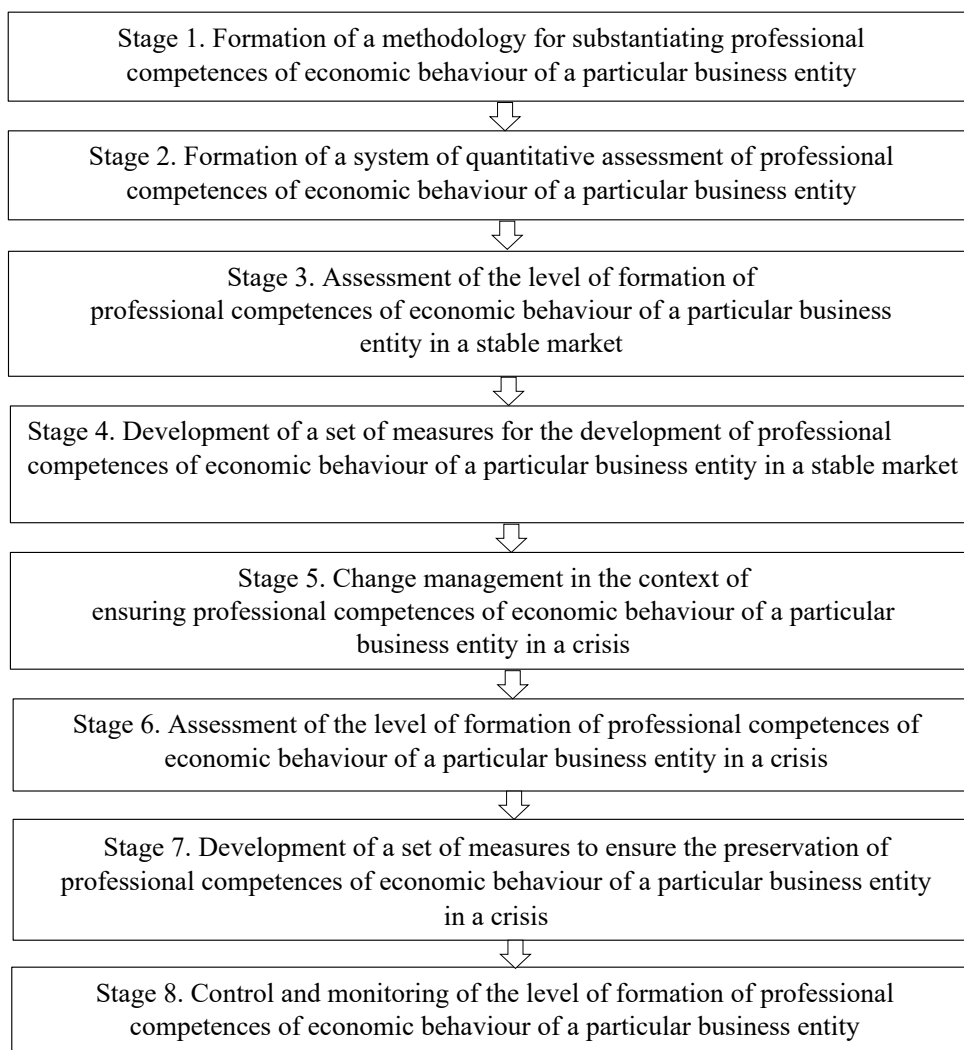


Figure 2. Algorithm of formation and development of professional competences of economic behaviour of an economic entity in the process of ensuring integrated economic sustainability

Source: developed by the authors

Key impact assessment indicators should include such categories as investment activity in the region (level of investment attractiveness, level of investment potential, magnitude and nature of investment risks, etc.), image and branding of the region (mentions of the region in the electronic media, assessment of the region in corporate and open social networks in terms of the possibility of organising business activities, estimated value of the region's brand, and so on). Also, the level of development of public infrastructure (level of transport development, level of development of information and communication networks and

means of communication, level of development of housing and communal services and commercial real estate management, including through the use of self-regulation principles).

At the same time, despite the potential capabilities of the region and its infrastructure for doing business in the current environment, the preservation and growth of economic sustainability of a particular business entity lies in the effectiveness of its management decisions on strategies for economic behaviour not only in stable conditions but also in the event of a crisis.

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