CRISIS MANAGEMENT OF THE ENTERPRISE: CURRENT CHALLENGES

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In recent years, Ukrainian businesses have faced many crises, including the coronavirus pandemic and the full-scale russian aggression, which have taught entrepreneurs to be flexible. Nonetheless, each new challenge requires a new approach to decision-making and the use of crisis management techniques, which is an effective tool for solving complex and non-standard situations.

Given the challenges of today, the effective implementation of crisis management programs at enterprises is largely hampered by the lack of an effective systematic approach to the organization of crisis management at enterprises under martial law. On the one hand, these are negative environmental factors, and on the other hand, ineffective managerial decisions made by top management.

Crisis management of an enterprise under martial law is different from the traditional management of an enterprise and has its own specifics associated with significant changes in the situation at the enterprise, as well as unpredictability of the situation and new management problems. The analysis of the current state, financial stability, and dynamics of enterprise development under martial law are performed using crisis diagnostics.

Given the current challenges, the main purpose of the mechanisms of crisis management of an enterprise is to minimize the negative economic and social consequences of the war for the enterprise. As wartime crises are characterized by acute untimely response and limited conditions for overcoming the crisis, the main task of crisis management in such circumstances is to make decisions quickly and with minimal risk to achieve the desired results with minimal additional effort and minimal negative consequences [1].

Top managers in a crisis should act in a planned and organized manner, arrange more frequent meetings with employees, and develop crisis prevention strategies for the management of the company. These crisis prevention plans are transformed into disciplined implementation through regular follow-up.
When a full-scale russian aggression started, the desired outcome was and still is to ensure the uninterrupted operation and survival of enterprises during the war. This means adapting and coordinating the activities of enterprises under martial law. An important principle of crisis management, especially under martial law, is the principle of emergency response. However, as operations increase, businesses lose flexibility and decision-making becomes slower due to bureaucratic processes such as the complexity of approvals, rules, and policies. Therefore, during a war, especially in the initial shock phase, all decisions need to be made rapidly as the situation changes daily. At the same time, a delayed response can result in significant losses for the enterprise [2].

To ensure the long-term survival of an enterprise, it is necessary to predict crisis trends in the development of opportunities and threats in the external environment. Nevertheless, for a company to be competitive and survive in a war, it is necessary to ensure the effectiveness of the entire management system of its crisis prevention strategy. It is also necessary to conduct a quick, timely and objective analysis of the negative factors affecting the business, as they arise because of the strategy chosen by the management.

For an enterprise to adapt to the parameters of the external business environment in a full-scale war, it must form a crisis prevention team with clearly defined roles to quickly collect and analyze information for quick decision-making. Thus, the timely implementation of crisis management of an enterprise's activities in war conditions allows the enterprise to adapt to war conditions, predict the emergence of development threats, develop measures to neutralize these threats, prepare special anti-crisis measures in advance and increase their effectiveness. As a result, the company will adapt faster and increase the economic security of its activities both in the domestic and foreign markets.

References: