

CRISIS MANAGEMENT OF AN ENTERPRISE IN TURBULENT CONDITIONS: THEORETICAL CONCEPTUALIZATION

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Abstract: *The article investigates the peculiarities of crisis management of an enterprise in the context of modern economic turbulence and suggests ways to ensure sustainable development of the national economy.*

Keywords: financial stability, risk management, competitiveness, restructuring, innovation, strategic management

In today's economic turbulence, the efficiency of enterprises is largely successfully adapting to the unstable macro- and micro-environment. Low consumer purchasing power, currency fluctuations, and internal dysfunctions, including insufficient management, inefficient business processes, and impaired marketing flexibility and innovation, have a significant impact on the financial and economic activities of business entities.

Escalation of crisis phenomena to systemic imbalances covering key elements of business activity, which creates a threat of financial insolvency and negative bankruptcy due to uncontrolled debt growth. In such circumstances, it is critical to promptly implement crisis management, which involves the development and implementation of a comprehensive financial stabilization strategy, mobilization of internal reserves and the use of effective crisis scenarios (Crash program).

Crisis management as an integrated management concept involves the systematic integration of production, technical, financial, economic, organizational and managerial measures aimed at restoring solvency and ensuring the financial balance of the enterprise. An important component is the mechanism of financial recovery, which includes strategic planning, cost optimization, restructuring of assets and liabilities, and attraction of investment resources. The individualization of anti-crisis approaches does not exclude the existence of universal methodological principles of crisis management based on the analysis of best practices for overcoming financial imbalances in the international economy. Comprehensive diagnostics of the enterprise's condition, assessment of the efficiency of financial and economic processes and formation of an adaptive anti-crisis mechanism are key determinants of survival and further development of business entities in the context of economic turbulence.

The system of anti-crisis management of entrepreneurial activity is a complex adaptive model that integrates interrelated structural elements aimed at timely identification of crisis threats, minimization of their negative consequences and restoration of stability of economic activity of an enterprise [1]. The functioning of this system is based on continuous monitoring of macro- and microeconomic factors, diagnostics of financial imbalances, as well as the development and implementation of preventive and corrective measures that increase the adaptability of the enterprise to the destructive effects of economic development. The key components of crisis management include the subject and object of management, strategic goals, operational goals and objectives, methodological principles, management functions, implementation mechanisms, and criteria for the effectiveness of anti-crisis measures. The complexity of this system necessitates its dynamic development and adaptation to changes in the external and internal environment, which requires a high level of managerial flexibility and strategic thinking.

The main purpose of crisis management is to ensure the sustainable functioning of an enterprise in the face of economic turbulence by developing effective scenarios for overcoming crisis phenomena, forecasting threats and risks, and formulating strategic development alternatives. An important aspect is the effectiveness of financial imbalances, the introduction of innovative transformations in business processes and the development of an adaptive resource management policy that minimizes costs and creates the preconditions for further stabilization of operations.

The scientific literature emphasizes that enterprise management at any stage of its functioning plays an anti-crisis component, which should be capable of timely forecasting of crisis phenomena, their neutralization and minimization of negative consequences. At the same time, crisis management requires the use of atypical, non-standard, and sometimes even radical approaches which may seem unacceptable in the context of stable development. The choice of specific management decisions is conditioned:

- specifics of the crisis factors that caused the financial destabilization of the enterprise;
- the level of adaptability of the business model to changes in the internal and external environment;
- the company's ability to use crisis management tools.

Thus, effective crisis management cannot be limited to traditional measures, such as:

- increasing labor productivity;
- cost optimization;
- expanding sales markets;
- adjusting the assortment policy;
- improving product quality and management;
- restructuring of the company's assets and liabilities.

It should be based on a systematic approach that includes constant scanning of the dynamics of the external market environment and the internal financial and economic state of the enterprise. For this purpose, it is necessary to use:

- methods of economic analysis;
- strategic controlling;
- market research;
- predictive modeling.

The use of modern information and analytical technologies allows not only to promptly diagnose the financial condition of an enterprise, but also to predict market development, apply sound management decisions and prevent crises.

The analysis of crisis situations in different economic systems shows that crises can occur even at enterprises with a high level of managerial efficiency. At the same time, they can have both negative and positive effects. In some cases, the crisis stimulates:

- structural reforms;
- optimization of business processes;
- Increasing competitiveness.

However, it becomes a serious threat when the stability of the enterprise decreases, affects its economic sustainability and complicates the achievement of strategic goals, so the key task of crisis management is not only to overcome crisis phenomena but also to develop preventive response mechanisms that ensure the enterprise's ability to quickly adapt in an unstable environment.

A high-quality diagnostics of the enterprise forms the analytical basis for developing an anti-crisis program, determining a set of effective measures adapted to the specifics of the crisis situation, and creates the preconditions for successful detection, prevention and overcoming of crisis phenomena [2].

In order to identify the factors that cause the insolvency of an enterprise, as well as to prevent long-term unprofitability, it is advisable to implement a crisis management policy that ensures:

- monitoring the financial condition of the enterprise to issue crisis signals at the early stages;
- searching for and implementing effective internal mechanisms for regulating financial stability;
- development and implementation of anti-crisis solutions aimed at improving the efficiency of enterprise resource management based on innovative methods;
- intensification of innovation policy in all areas of activity.

A key element in ensuring the stability of an enterprise in an unstable macro- and micro-environment is a clearly defined innovation strategy that serves as a tool for implementing an anti-crisis program. The main characteristics of the innovation strategy as an organizational component of crisis management include:

- development and implementation of new products and services with improved consumer characteristics;
- creation of new production processes based on the results of research and development work;
- application of alternative production technologies and rational use of limited resources;
- high adaptability to changes in the market environment;
- commercialization of innovative solutions and entry of new ones into the markets;
- expansion of innovative capabilities of the enterprise;
- increasing competitiveness through the implementation of innovation policy [3].

Innovation is a fundamental factor in crisis management and can be a more effective tool for overcoming a crisis situation than traditional measures such as cost cutting or cost reduction. It is the innovative approach that is crucial in ensuring the break-even operation of an enterprise.

The following innovative technologies can be used in crisis management:

–process innovations that transform all functional parts of the enterprise and include modernization of logistics, financial flow management, structural reorganization and implementation of innovative methods in production processes;

–product innovations aimed at creating competitive products by improving technological processes that ensure their quality and uniqueness;

–allocative (reorganizational) innovations, which involve enterprise restructuring, redistribution of resources and integration innovations in all business processes, including production, quality control, supply, marketing and internal interaction between structural units [4].

These innovative processes are not just a reaction to the crisis, but are also an integral part of the strategic development of the enterprise. Implementation of anti-crisis management based on innovative activities allows not only to minimize risks but also to create conditions for sustainable development of the enterprise and increase its competitive position in the market.

Crisis management in the face of economic turbulence is critical to ensuring the sustainable development of an enterprise. Innovative activities play a key role in this process, allowing not only to minimize risks and overcome crisis phenomena, but also to create new opportunities for growth and competitiveness. An effective combination of anti-crisis measures and an innovative strategy ensures that a company can adapt to changes in the external environment and succeed even in an unstable environment.

An in-depth analysis of current economic trends shows that crisis management should be based on a comprehensive approach that takes into account not only the internal reserves of the enterprise, but also the impact of external factors such as globalization, technological progress and changes in consumer preferences. Successful crisis management involves not only the development and implementation of effective financial stabilization strategies, but also the active introduction of innovations in all areas of the company's activities, including production, marketing, logistics and human resources. An important aspect of crisis management is also the timely diagnosis of crisis phenomena and forecasting of possible threats. For this purpose, companies should use modern methods of data analysis, strategic controlling and market research. In addition, effective crisis management involves the formation of a flexible organizational structure that can quickly adapt to changes in the external environment, as well as the creation of a staff motivation system aimed at achieving the strategic goals of the enterprise.

Thus, crisis management in the context of economic turbulence is a complex and multifaceted process that requires companies not only to respond quickly to crisis situations, but also to have a strategic vision and the ability to predict future challenges. Innovations, in turn, are an integral part of this process, as they allow companies not only to survive the crisis but also to find new points of growth and development. Only an effective combination of anti-crisis measures and an innovative strategy will ensure that an enterprise is able to adapt to changes in the external environment and succeed even in an unstable environment.

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