

economy. For example, in 2016 forest fires in Ukraine caused damage in the amount of 1.6 billion hryvnias.

Diseases which often take the form of epidemics and even pandemics, are also a global problem. In 2020 the global economy was affected by the COVID-19 pandemic. Many enterprises have stopped, so already on March 23, 2020; IMF Executive Director K. Georgieva said that the world economy is in recession [4].

The issue of maintaining peace is also very important. Economists justify large-scale wars as follows: the economic cooperation and material benefits that powerful states enjoy in peacetime far exceed any benefits that war can bring. Therefore, powerful states have a good reason to maintain peace among themselves. It is in their interests to join forces to contain any conflict between less powerful states, which is fraught with economic status. So, in 2022 the expenses of the Ukrainian budget since the beginning of the full-scale invasion of Russia amount to about 1 trillion hryvnias, of which more than 420 billion were spent on defense and security (as of August 23, 2022) [1].

The modern global world presupposes ever-closer integration and unification of all spheres of life, including the economic one. Therefore, only through urgent and decisive action, as well as collective and coordinated efforts of the world community, can a solution to global problems be found.

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## **INNOVATIVE TRENDS IN ORGANIZATIONAL MANAGEMENT IN TERMS OF GLOBALIZATION**

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In conditions of globalization, the problems of regulation of economic processes within the country are inextricably linked with the problems of regulation of the global economy. The aggravation of crisis situations in the course of deepening economic globalization in wartime, as well as the current financial

crisis draws special attention to the problem of management and regulation of natural processes both in the economic field and in other spheres of society's life to the purpose of its adaptation to new conditions.

At the intercompany level, the bases of new organizational forms are the network structures that ensure close cooperation of economic entities within the general information, scientific, technological, financial, and marketing network. Competition as the main principle of market relations is complemented by cooperative ties that make it possible to concentrate the intellectual potential, production, financial and marketing resources of network participants, to bring them to the forefront of technological progress and, in the case of using modern information technologies, to the world market. Such cooperation does not exclude competition within the network. Competition takes place between enterprises producing the same type of products and services. In addition, there is another kind of competition that exists between networks on the world market and is fomented by the above-mentioned cooperation. Thus, network structures are based on a combination of competition and cooperation. Cooperation and network structures are the bases of innovative development, in particular, modern small entrepreneurship, which, according to a significant number of foreign and domestic scientists and specialists, is an important structural element of the market economy and an integral element of the competitive market mechanism [1].

The complex nature of the relations in the structures of business and society leads to the necessity of changes in management systems. The traditional dichotomy of managerial approaches is no longer in vigour: the free market mechanism of price competition in its nature is focused on self-regulation and sets limits on any managerial activity; while the command-hierarchical vertical is associated with non-democratic management and makes impossible self-regulation and self-development. As a result, a new managerial model known under the title of network structures comes into play. Network structures are based on horizontal mutual connections and create the effect of synergy, stimulating the creative interaction of links included in the network. The main advantages of the network form are creativity, flexibility, and multiplicative effect. Before the age of modern information technologies, this kind of interaction could have been achieved mainly through personal communication, which limited the size of network structures. The information revolution made it possible to dramatically expand the scope of network interaction, to give it a transnational and even global character. Networks have become a framework for globalization. They function at different levels covering all the most important spheres of social activity: informational, industrial, financial, ideological, and political [2:364]. At the company level, the "vertical" style of authoritarian leadership has been replaced by a "horizontal" system of communication and interaction between firm structures. According to the estimates of the World Economic Forum, this practice is most common in the countries, which are leaders in innovative development: the Scandinavian countries, the USA, Canada, Australia, Germany, and Great Britain. This management system is

less developed in India, Brazil, China, and Ukraine [2: 370]. The leading role in the formation of global network structures belongs to transnational corporations (TNCs), which form global production and marketing networks to establish their dominance in the world market. They use their numerous branches in different countries of the world to exploit human, production, and natural resources and conquer markets, bypassing customs barriers. At the same time, the management systems of TNCs are changing significantly [3: 157]. Scientists identify four main principles of functioning of TNCs: a centralized management system; combination of technological control of the centre with decentralization of decision-making in branches; unification of autonomous firms into a holding on a federal basis; an integrated network structure that acts as a single innovation system [2: 369]. Evolution is moving towards the network type. At the same time, the network principle of management is usually not implemented in its pure form but is combined with command and market principles. Flexible forms of organization and management have turned TNCs into dominant entities in the oligopolistic market. TNCs have become one of the decisive factors in the formation of the network society, demonstrating all its advantages and disadvantages.

Summing up, it is possible to highlight the following trends in the transformation of economic management and regulation in the context of globalization. The following types of management and regulation operate in the global economy: the market mechanism of price competition; command-hierarchical vertical, horizontal connections that form network structures. Globalization exacerbates market failures. In complex systems, the command-hierarchical type of management and regulation is ineffective. Network structures create a synergistic effect, stimulating the creative interaction of the links included in the network. The main advantages of the network form of management and regulation are creativity, flexibility, and a multiplier effect. The network principle of management and regulation, in the majority of cases, is not implemented straightforwardly and alone, but along with command and market principles. In the conditions of globalization, state functions are being modernized, economic policy is changing, and there is a transition to indirect methods of regulation.

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