

SECTION 3

MODERN DEVELOPMENTS OF ECONOMICS AND FINANCIAL SECURITY

THE IMPACT OF CRISIS SITUATIONS IN THE COUNTRY'S ECONOMY ON THE DEVELOPMENT OF CORPORATE CULTURE OF BUSINESS ENTITIES

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Problem statement. The economic crisis is an integral part of the modern world, and it can have a significant impact on the functioning of business entities and their corporate culture. Crisis situations such as financial recessions, political contradictions, global pandemics, and war can become a powerful factor that forces business entities to reconsider their strategies, strengthen internal communications, and adapt corporate values to new realities. At the same time, in the context of the crisis, the issue of corporate culture development is of particular importance, since proper culture management allows business entities to quickly adapt to changes and ensure their resilience in different periods of economic instability.

Objectives. The article is aimed at analyzing the main factors that determine the development of corporate culture, as well as forming recommendations for adapting corporate values and strategies to ensure effective work of business entities in the crisis period.

Methods. To achieve this goal in the study, the authors should use the following scientific methods: analysis and synthesis – to study theoretical approaches to corporate culture and its development in the context of economic crises; case study – to study examples of real business entities who have survived crisis situations; comparative analysis – to compare different approaches to corporate culture management; functional and structural analysis – to study the relationships between the elements of corporate culture and other internal processes of the business entities, which allows you to assess their impact on the overall effectiveness of the organization in a crisis.

Results. The development of corporate culture of business entities is influenced by many factors. Analyzing the research of modern scientists [1-3], they can be divided into environmental factors, internal organizational factors, social and cultural factors, and the history of the organization itself.

Environmental factors include: environmental and man-made threats, market dynamics, regulatory and industry characteristics, and technological advancements.

These factors force organizations to adapt their culture towards innovation and adaptability in order to remain competitive.

Internal organizational factors encompass leadership and management practices, vision, mission and values, human resources policies, organizational structure, influencing communication patterns, decision-making processes, and the overall cultural environment.

Social and cultural factors, such as national and regional cultures, that influence internal culture, influencing values, communication styles, and workplace behaviors. The diversity of employees by age, gender, ethnicity, and education contributes to the richness and complexity of corporate culture.

The history of the organization and the founders also plays a great influence. The beliefs and values of an organization's founders often leave a lasting imprint on its culture, shaping norms and practices long after the founders have left.

During the crisis, external factors and support for the internal ecosystem of the team become more influential. Support and motivation, adaptation to changes in the external environment become a challenge for maintaining a corporate culture [4].

Conclusion. Crises can challenge an organization's corporate culture. To maintain a strong, cohesive culture during such times, organizations should consider the following strategies:

1. Strengthen leadership and communication. Leaders should model the organization's core values by building trust and stability. Ensuring employees are regularly informed about management's crisis management strategies will help maintain clarity and employee confidence. Two-way communication (forums, surveys) will illustrate management's interest in their well-being and the importance of everyone's contributions.

2. Reinforcing core values and organizational identity by demonstrating how corporate values guide decision-making during a crisis and aligning the crisis response strategy with the organization's long-term vision.

3. Support employees and workplace morale. Emotional and financial support (e.g., mental health programs, flexibility, assistance funds), encouraging a culture of empathy, and acknowledging employees' personal and professional challenges support prioritizing employee well-being. Strengthening team spirit through mentoring and joint initiatives will facilitate informal interactions to maintain relationships at work.

4. Adapting while preserving key cultural elements. Balancing stability and flexibility by adapting policies and work processes to new realities (e.g., remote work, restructuring) and preserving cultural symbols (language, dress code, branding) will create a sense of normalcy.

References:

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IMPACT OF CORPORATE STRATEGY ON SUSTAINABLE BUSINESS DEVELOPMENT

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The modern business environment is undergoing profound transformations driven by increasing societal expectations for responsible and sustainable development. Corporations are becoming increasingly aware of the importance of environmental responsibility and social integration for long-term growth. Amid tightening regulations and the growing significance of environmental and social sustainability, sustainable development has evolved into a core component of corporate strategy rather than merely a tool for improving public image. Companies that integrate sustainability principles can better respond to external risks, enhance stakeholder engagement, and achieve competitive advantages, particularly through innovation in production and management. This is especially relevant given the critical importance of global environmental challenges such as climate change and resource scarcity [4].

Corporate strategy defines long-term objectives and pathways for achieving them, encompassing all management levels, from corporate to operational. This approach not only facilitates the coordination of internal resources but also enables businesses to effectively adapt to external changes, particularly environmental and social challenges that increasingly impact competitiveness [8].

According to researchers such as Lysenko L.G. and Zhuravel D.M., a sustainability-oriented strategy enhances corporate flexibility, which is a crucial advantage in an unstable business environment [6].

Sustainable development is based on three key pillars: economic, social, and environmental. Each of these components significantly influences the formation and implementation of corporate strategy, laying the foundation for sustainable business operations [5].

The economic aspect of sustainable development focuses on long-term stability and profitability. Companies must maintain competitiveness, maximize profits, and minimize costs while preserving resources for future generations. This involves investing in innovations that enhance production efficiency and reduce