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## ОСОБЛИВОСТІ МЕНЕДЖМЕНТУ В КРИЗОВИХ УМОВАХ

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## PECULARITIES OF MANAGEMENT IMPLEMENTATION IN CRISIS CONDITIONS

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Governments are facing increasing number of crises, which are often fraught with new threats. They can extend beyond national borders and can have significant economic impacts. The Report on Future Global Shocks and Risks [1,2] highlights the vulnerabilities of an interconnected global economy. In the wake of financial and socio-political crises, global leaders are keenly aware that further systemic shocks can seriously undermine economic recovery, social development and even political stability. Recent crises have challenged political leadership and crisis management in many countries, often due to unexpected or unforeseen circumstances, as well as weak links and disruptions in the flow of information. Crises include the events of September 11, 2001, the SARS and H1N1 pandemic outbreaks in 2003 and 2009, the Indian Ocean tsunami of 2004, Hurricane Katrina in 2005, the volcanic erpution in Iceland and the ash cloud over Europe in 2010 or the 2011 Tohoku Japan earthquake which resulted in a tsunami and damage to the Fukushima Daiichi nuclear power plant. All this led to cascading consequences. In these cases, risk managers, manufacturing processes and management structures were not ready to cope.

These crises have certain peculiarities: they are unexpectedly large in scale, new and unknown before, and are of a transboundary nature. This point also takes into account the other pattern of new crises - cascading risks - becoming active threats when they extend to global systems, regardless of whether they arise in health, climate, social or financial systems. The traditional crisis can become transboundary and even develop into a global shock at a later stage.

The analysis of the literature has showen that there are different approaches to the implementation of crisis management in the activity of enterprises under such conditions. Scientists say that there is always a risk in management, because the socio-economic system evolves cyclically, dynamically changes under influence of the external environment, the ratio of managed and unmanaged processes exists, and identifies certain external and internal factors that determine the need for crisis management. Tulenkov N.V. [3] states that any management of the organization should be anti-crisis. The basic function of management is to align not only people, but also the institution itself including technology, processes, and structure. It attempts to reduce uncertainty at the same time searching for flexibility. Management faces situations, which are dynamic, inherently uncertain, and frequently ambiguous. Management is placed in a network of mutually dependent relationships.

## III Міжнародна студентська науково - технічна конференція "ПРИРОДНИЧІ ТА ГУМАНІТАРНІ НАУКИ. АКТУАЛЬНІ ПИТАННЯ"

A major contribution of the strategic planning process to management is the need to monitor the nature and changing character of external forces and how they impact the operations of an organization.

Disasters reveal not only the structural strengths and limitations of the physical environment of a community but also how local, state and national response organizations function effectively and ineffectively. Hurricane Andrew also reminded managers that organizational change is often the result of external forces for change. Other external forces for change such as new technologies, laws and regulations as well as community and business needs were major factors pushing for changes in management response and recovery programs, planning tools and approaches to mitigation.

Effective response and recovery is dependent on cooperation between local public agencies, business enterprises, and sometimes community groups. Traffic control and security is a collaborative effort between numerous local law enforcement jurisdictions. Coordination is critical in linking multiple organizational efforts in a seamless response and recovery effort.

For management and everyday (practical) management alike, the successful application of any theory or concept is greatly influenced by the situation. For example, a functional organization structure with many layers of management functions best in stable environmental conditions and routine operations. For practical management, the operating environment is ever changing and must be flexible to accommodate many different hazards that a community or business faces. Managers must build an organizational culture and structure that improvises and acknowledges that each disaster is unique. As a result, a more dynamic organizational structure could be structured based on the nature of the problem (hazard) and who needs to be involved and the actions taken. Utilizing an organizational design that is rigidly structured regardless of the situation might not provide the appropriate basis for quick and comprehensive decision making in a crisis.

Preventive measures should be aimed at increasing flexibility within the enterprise, developing preparatory plans for avoiding crisis situations and preventive measures to implement these plans. The enhancement of the financial condition of activity of enterprises is possible using such anti-crisis measures:

- reduction or optimization of the costs;
- optimization of taxation: the reduction of tax payments, the maximum allowable increase in tax payments per unit of increase in financial result;
- provision of the positive net cash flow: the reduction of the volume of consumption of financial resources, the formation of optimal measures aimed at improving the financial situation, which depends on the sphere of activity, management system, market conditions, etc.
- strategic controlling, formation of insurance funds, strategic reserves of funds, technical means, etc.

The field of management has stressed the need for the development of positive organizational culture and organizational learning. The management environment today and in the future will provide new challenges and organizational responses.

## Literature:

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