

STRATEGIES FOR THE DEVELOPMENT OF SMALL AND MEDIUM-SIZED BUSINESSES IN THE CONTEXT OF DIGITAL TRANSFORMATION

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Abstract. Small and medium-sized businesses are the foundation of Ukraine's socio-economic development. It accounts for more than 99% of the country's enterprises and about 70% of jobs in the private sector, which provides a significant share of employment. However, the full-scale war has caused profound structural changes: the relocation of enterprises, the destruction of infrastructure, changes in logistics chains, and a drop-in consumer demand. In these conditions, digital transformation has become not just a tool for modernization, but a determining factor in business sustainability. It contributes to the formation of flexible management models, increasing operational efficiency, expanding sales markets through online channels and strengthening the ability of enterprises to adapt to uncertainty.

The problems of forming business development strategies in the context of digitalization are considered by Ukrainian and foreign scientists. They emphasize that digitalization is primarily a managerial transformation that requires updating decision-making models, the structure of organizations, and staff competencies. Thus, V. G. Alkema and O. M. Sumets interpret digitalization as a transition from traditional operational approaches to integrated management platforms and analytical systems. Porter M. identifies technology as the basis of competitive advantage, and Drucker P. emphasizes that knowledge and information are a key resource of an organization.

At the same time, the issue of forming adaptive strategies for SMEs in the conditions of war and post-war reconstruction has not yet been sufficiently studied, which determines the relevance of

this study.

The purpose of the study is to determine the strategic directions of adaptive development of SMEs in the context of digital transformation and substantiate recommendations for improving the efficiency of management and competitiveness of enterprises. The goal is revealed by the following tasks:

- to analyze adaptive strategies for the development of small and medium-sized businesses (SMEs) in the context of digital transformation and military instability;
- identify key areas of digitalization of business processes, management automation, innovative development, improving the digital competencies of personnel and the formation of flexible business models;
- to justify the need to integrate state support, partnerships and data analytics tools into the strategic management process;
- to offer recommendations for improving the practices of digital development of SMEs in the post-war recovery period.

The subject of the study is adaptive strategies for the development of small and medium-sized businesses in the context of digital transformation of the economy.

The object of the study is the process of functioning and management of small and medium-sized businesses in the context of the introduction of digital technologies.

The practical significance of the results obtained lies in the development of recommendations for improving the management of the digital transformation of SMEs, increasing their competitiveness, efficiency in the use of resources and resilience to external challenges in the war

and post-war periods.

According to the results of the study, it was found that digital transformation is a key tool for business adaptation to instability. Its implementation provides an opportunity to quickly restructure business processes, increase management efficiency, expand market presence through online channels, form flexible organizational structures and use data analytics tools for strategic decision-making. It has been established that the development of digital competencies of personnel is a determining factor in the success of digitalization and the formation of sustainable models for the development of SMEs in the post-war period.

Based on the analysis, we found that digital transformation involves the introduction of the following tools: CRM systems for customer relationship management; ERP systems for resource planning; BPM platforms for modeling and optimization of business processes; cloud services to ensure remote access and mobility. These technologies allow optimizing financial, logistics, and customer processes. During the war period, it was cloud solutions that provided enterprises with the ability to maintain operational continuity.

The modern model of consumer behavior is based on online interaction. Corporate websites, social networks, marketplaces (Rozetka, Etsy, Prom.ua) and messenger commerce (Telegram, Viber) are important for SMEs. Kyrychenko O. emphasizes that digital channels not only replace physical points of sale, but also form communities, increase trust and allow personalized communication with customers.

Data analytics becomes the basis of strategic management. The data-driven management approach ensures planning accuracy, responsiveness, and risk minimization. Power BI, Tableau, Google Analytics, and CRM dashboards allow you to turn data into management decisions. T. Davenport proves that analytical culture is the key to competitive advantage in conditions of uncertainty.

Innovations are a factor of sustainable development, allowing enterprises to optimize costs, automate operational processes and create new products and services. Partnerships with technology parks, business incubators, and government support programs ("eRobota", "Diia.Business") which provide access to resources, technologies, and mentoring support, play an important role.

In the digital economy, human capital is key. Drucker P. points out that the economy of the future is based on the knowledge of workers. For SMEs, competencies in the field of digital communication, cybersecurity, data analytics and working with AI are critical. Advanced training can be carried out through the platforms Diia.Education, Coursera, Prometheus, GIZ Skills Alliance.

Therefore, adaptive strategies for the development of SMEs in the context of digital transformation should be based on a combination of technological innovations, modernization of the management system, development of human capital and integration of enterprises into global digital markets. In the post-war period, such strategies will become the basis for economic recovery, strengthening the competitive position of enterprises and ensuring the socio-economic stability of the country.

Keywords: small and medium-sized businesses; digital transformation; innovations; adaptive strategy; competitiveness; human capital.

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