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Chapter 1. Crisis management frameworks for export-oriented enterprises: challenges and solutions

The activities of any business entity are influenced by a multitude of determinants that can potentially cause a crisis situation that can worsen its performance. Therefore, the high probability of a crisis occurring at an export-oriented enterprise necessitates the implementation of specialized crisis management.

For effective crisis management in practice, analysis methods are used that allow for the assessment of risks, financial condition, and forecasting of future development trends with minimal costs, and a number of crisis management methods are applied.

The problem of crisis management is the subject of research by many scientists, and a number of works by domestic and foreign economists are devoted to this issue, primarily V.R. Sidenko, Yu.G. Kozak, N.M. Tiurina, N.S. Karvatskaia, T.V. Nazarchuk, K.O. Batsura, T.O. Pogorelova, B.S. Vatchenko, R.S. Sharanova, O.V. Yurinec, and others [1-21].

The relevance of anti-crisis management issues for domestic enterprises, especially export-oriented ones, is extremely high, since its approaches can be used to determine which methods from the anti-crisis management arsenal will be needed by a particular enterprise.

Any enterprise engaged in international trade outside its country is considered an exporter. In general, exporting enterprises are enterprises that specialize in exporting goods or services to international markets [1]. They cooperate with manufacturers, suppliers, distributors, and other enterprises to sell their products or services abroad.

Exporting companies can be involved in all aspects of the export process, including production, packaging, delivery, and customs clearance. They must be highly skilled in researching foreign markets, translation, and legal support, and be able to quickly navigate complex situations and crises in international trade.

Export activity, as a type of foreign economic activity, is an indisputable factor in the success of industrial enterprises. Export operations are an important prerequisite for expanding sales markets, increasing production volumes, and improving product quality, which also creates a favorable basis for strengthening the competitive position of an enterprise in the domestic market [2].

The size of exporting companies can vary from small enterprises focused on market niches to large transnational corporations with a global presence. Some exporting enterprises may specialize in specific industries, such as technology or agriculture, while others may offer a wide range of products and services.

The success of exporting companies depends on their ability to identify and exploit opportunities in foreign markets, respond quickly to crises, and manage the logistical and regulatory challenges of international trade. Effective communication and cultural sensitivity are also important skills that export companies must possess, as they must overcome mental and language barriers, be flexible, and take into account the peculiarities of doing business in different countries.

Companies planning to start operating in a foreign market must meet a number of criteria, depending on the market they are considering, as the markets of the European Union and, for example, the Asian region are completely different, with varying degrees of complexity of penetration and the demands of potential customers. Before starting the process of entering a particular international market, it is recommended to research the criteria for the goods to be sold, the market niche, and have answers to a number of questions that are likely to be of interest to potential partners. These include

1. Is the product already successful in the domestic market or in other countries?

2. Does the company have sufficient human, time, financial, and legal resources?

3. Does the company have a comprehensive financial/marketing/business plan with clearly defined goals for supporting exports to foreign markets?

4. Does the company have a specific strategy for exporting the product to the selected market?

5. Does the company have the potential and experience to adapt its product to cultural preferences or different technical standards? [3]

Exporting companies can also participate in international trade through various means, such as exporting, licensing, franchising, joint ventures, and foreign direct investment. Each method has its advantages and disadvantages, and the choice of mode depends on the company's resources, objectives, and risk appetite.

Exporting companies must comply with various rules and standards established by both exporting and importing countries. When entering the international market, customs barriers, tariffs, and other trade restrictions established by countries participating in international trade can often be a risk factor. Product safety standards, labeling requirements, and intellectual property laws are also important factors. Exporting companies must ensure that their products or services comply with these regulations and standards to avoid fines and legal disputes. Effective market research and localization strategies are important for exporting companies to successfully enter and compete in foreign markets.

However, exporting companies enjoy significant benefits, such as:

– Increased demand for goods many potential consumers are located outside the exporter's country, and entering international markets provides access to these consumers, thereby expanding the business;

– International markets are becoming more accessible to both producers and consumers the internet, improved logistics channels, free trade agreements, e-commerce, and other factors are making exports more accessible and open, and this applies not only to giant companies but also to small ones that are just starting their activities;

– Profitability increases exporting can be profitable for businesses of all sizes. On average, sales grow faster, more jobs are created, and employees earn more than in companies that only operate in the domestic market.

– Increased competitive advantage companies that export their products occupy new market niches, thereby not only creating competition for companies in the importing country, but also increasing their own penetration of the niche and offering consumers even higher quality products or services.

– Reduced risks most exporting companies find it easier to overcome internal fluctuations in the economy of their country of origin and are more likely to remain in business even after significant crises [4].

Exporting companies play an important role in promoting economic growth and development in both exporting and importing countries. By creating new markets and expanding trade relations, exporting companies can create employment opportunities, stimulate innovation, and increase the flow of goods and services across borders.

Overall, exporting can be a great way for companies to grow their business and increase profits, but it requires careful planning, preparation, and execution.

A crisis in the work of enterprises or entire states and economies is not a coincidence, but a consequence of the work of the management apparatus of the above-mentioned entities. However, not all factors that influence the emergence of crisis situations can be controlled. To prevent the spread of crisis phenomena to enterprises and stop them, specialists use anti-crisis management strategies.

Crisis management is a process- and strategy-based approach to identifying and responding to threats, unforeseen events, or any negative disruptions that could potentially harm people, property, or business processes. To be prepared for the possibility that a random event could become a crisis, a crisis management plan is needed [5].

Crises can arise at any time, with or without warning, and can take many forms. In addition to any immediate threat to people, property, and processes, crises and critical emergencies often have unpredictable and cascading effects on employee morale, brand reputation, customer satisfaction, and even the supply chain. A crisis at one individual company can trigger a crisis process across the entire market, and vice versa.

The most well-known approach to categorizing the factors that cause a crisis is to divide them into two groups external factors and internal factors.

Internal factors that cause a crisis include:

– negative trends in the development of the industry;

– monopolization of the market for the goods produced by the enterprise;

– costs exceeding the selling price of products;

– unfavorable attitude of stakeholders;

– development of the enterprise according to traditional but ineffective strategies;

– changes in the surrounding environment.

Internal factors that cause a crisis include factors caused by internal problems of the enterprise

– changes in industry trends that the enterprise has not kept track of;

– loss of competitive advantages;

– ineffective development strategy;

– differences in approaches to business development between owners and management;

– internal conflicts;

– delayed response to competitors' actions;

– unjustified risk of bringing new products to market;

– ineffective implementation of investment and/or innovation projects, etc. [6].

In addition, crisis situations in the export market and exporting companies can arise due to a number of factors, including economic, political, social, or environmental factors. Some examples of such crisis situations include:

1. Economic downturns. Economic downturns or slowdowns can lead to a decline in demand for exports, as consumers and businesses may cut back on their spending.

2. Trade barriers. The introduction of tariffs, quotas, or other trade barriers may restrict exports and make them less competitive in foreign markets.

3. Trade wars. A set of actions (economic, fiscal, administrative) to achieve the desired status and balance in trade relations with other countries or countries/trade blocs [7].

4. Competition from other exporters in the same market may affect export demand and make it difficult to sell goods at competitive prices.

5. Political instability changes in government, civil unrest, or conflicts can disrupt supply chains and damage relationships with trading partners.

6. Natural disasters such as earthquakes, hurricanes, or floods, can damage infrastructure and disrupt supply chains, leading to delays and losses for exporters.

7. Public health crises. Global pandemics can lead to trade disruptions, travel restrictions, and reduced demand for exports.

8. Currency fluctuations. Changes in exchange rates can affect the competitiveness of exports and the profitability of exporters.

9. Environmental issues. Environmental regulations or disasters such as oil spills or industrial accidents can affect the reputation and sales of exporters in foreign markets.

10. Global economic conditions: recessions, exchange rate fluctuations, and changes in commodity prices can affect demand for imported goods and adjust exporters' profitability.

11. War and escalating military conflicts any war causes incredible economic and social damage to international market niches, economies, businesses, their staff, beneficiaries, and consumers. In addition, it causes serious changes in the level of supply and demand for certain goods.

To mitigate these crisis situations, exporters can take measures such as diversifying their markets, building strong relationships with trading partners, investing in risk management strategies, and staying abreast of global economic and political developments.

There are several well-known examples of the impact of such factors on export markets, which are discussed in Table 1.

Table 1. Examples of the impact of crisis factors on global exports

Crisis factor	Explanation of the phenomenon	Example
Economic downturns	Economic downturns or slowdowns in foreign markets can lead to a decline in demand for exports, as consumers and businesses may cut back on their spending.	For example, during the global financial crisis of 2008-2009, many countries experienced a decline in demand for exports.
Trade barriers	The introduction of tariffs, quotas, or other trade barriers can restrict exports and make them less competitive in foreign markets.	For example, in 2018, the United States imposed tariffs on steel and aluminum imports from various countries, including China, which led to retaliatory tariffs and disruptions in global trade.
Political instability	Changes in government, civil unrest, or conflicts can disrupt supply chains and damage relationships with trading partners.	For example, the ongoing conflict in Syria has led to disruptions in trade with neighboring countries, affecting the export market.
Natural disasters	Such as earthquakes, hurricanes, or floods can damage infrastructure and disrupt supply chains, leading to delays and losses for exporters.	For example, the 2011 earthquake and tsunami in Japan disrupted the country's exports, particularly in the automotive and electronics industries.
Public health crises	Global pandemics, such as the COVID-19 pandemic, can lead to trade disruptions, travel restrictions, and reduced demand for exports.	For example, the pandemic has disrupted global supply chains, affecting the export market for many industries.

Continuation of Table 1.

Currency fluctuations	Changes in exchange rates can affect the competitiveness of exports as well as the profitability of exporters.	For example, when the value of the Japanese yen rose sharply in 2011, it made Japanese exports more expensive and less competitive in foreign markets.
Wars	A war-induced crisis is global in nature, affecting not only companies in the country where the fighting is taking place, but also all of its other external partners.	For example, the full-scale war between Russia and Ukraine has led to the destruction of many key export flows, the destruction of enterprises, and the restructuring of international trade relations.

Source compiled by the author based on sources [1-8]

The consequences of the crisis on the export market can be significant for exporting companies. Potential consequences include:

– Loss of income. If demand for exports declines due to the crisis, exporting companies may experience a significant loss of income. This can affect the entire company, impacting its ability to invest in research and development, hire new employees, or pay dividends to shareholders.

– Disruption of supply chains. A crisis in the export market can also lead to disruptions in supply chains, making it difficult for exporting companies to obtain the raw materials or finished products they need for production. This can lead to delays, increased costs, and reduced quality, which can affect the company's competitiveness in the market.

– Decreased profitability. In addition to lost profits, a crisis in the export market can also lead to a decline in the profitability of exporting companies. For example, if the crisis leads to higher tariffs or other trade barriers, exporting companies may need to lower their prices to remain competitive, which can affect their profits.

– Reputational damage. A crisis in the export market can also damage a company's reputation, especially if it is perceived as responsible for the crisis. This can affect its ability to attract customers, partners, and investors, and can be difficult to repair.

– Legal and regulatory consequences. In some cases, a crisis in the export market may lead to legal or regulatory consequences for exporting companies. For example, if a company is found to be in violation of trade agreements or regulations, it may be subject to fines or other penalties, which could further impact its financial performance.

To mitigate these consequences, exporting companies should have contingency plans in place to manage potential crises, including diversifying their markets, building strong relationships with trading partners, and investing in risk management strategies. They should also stay informed about economic, political, and environmental factors that could affect the export market and be prepared to adjust their strategies accordingly.

In general, it is important for exporters to be aware of these factors and have contingency plans in place to deal with crises when they arise. This may include diversifying their markets, building strong relationships with trading partners, investing in risk management strategies, and staying informed about global economic and political developments.

Companies engaged in international trade are very sensitive to external factors and market changes. Although exporting is a risky and crisis-prone activity, little is known about the behavior of exporting companies in crisis planning.

There are countless reasons why every business should have a crisis management plan. Let's look at some of the most important ones:

– A crisis management plan helps save the company's reputation among customers, competing brands and companies, as well as other industry leaders.

– A developed action algorithm ensures the mental and physical well-being of all employees of the company.

– Having a reliable crisis management plan can help you run your business more calmly, focusing on successful work in this particular niche, because you will know that the company is ready for any situation.

– It is also important to have a crisis management plan, as it delegates responsibility, because in the event of a real crisis, everyone will understand their role in the situation.

Among the basic principles on which any crisis management system should be based are:

1) early diagnosis of crisis phenomena;
2) timely response to crisis phenomena;
3) adequacy of the enterprise's response to the degree of real threat to its activities;
4) mobilization of internal potential to overcome the crisis;
5) ensuring control over the results of the actions taken.

Figure 1 shows that management experts generally divide crisis management into four stages analysis, preparation, response, and recovery.

Figure 1. Key stages of crisis management

Source compiled by the author based on [9]

At the analysis stage, the company reviews its approach to risk management, level of preparedness, and approach to incident management. This provides an opportunity to understand what is considered a crisis and how they will deal with it.

This process also determines whether local crisis planning is needed due to operational activities or global impact [10].

Crisis preparedness is the most labor-intensive stage, as it brings together all the information gathered in the first stage and determines the planning and management structure that the company will use during a crisis. Plans should be based on the risks the company is considering and should clearly define the organizational definition of a “crisis”, a clearly defined escalation process, roles and responsibilities, crisis response actions, and post-incident actions.

The response to a crisis situation may be short-term (depending on the crisis event) or may be long-term, so it is important to consider the mental and physical condition of the company's employees. The personnel directly involved in incident management may change and, in general, will be reduced when the situation normalizes or diminishes, but flexibility is required and, if necessary, additional resources may be needed even if the situation improves. The response phase ends when normal activities resume.

The recovery phase should never be rushed, except in cases involving safety and operational capabilities. Companies must recognize that emotional recovery can be a long process, and some will never fully recover from the trauma they experienced during the crisis, and this must be taken into account.

The main components of any crisis management system are:

– Risk management. The first step in crisis management is to identify potential risks and take measures to minimize their impact. Risk management involves analyzing the organization's environment, identifying potential risks, and developing risk mitigation strategies.

– Crisis communication. Crisis communication involves effective communication with stakeholders during a crisis. The main goal of crisis communication is to provide accurate and timely information to stakeholders, including employees, customers, suppliers, and the public.

– Financial management. During a crisis, financial management becomes critical to the survival of the organization. Effective financial management involves analyzing the organization's financial situation, developing a cash flow management plan, and identifying potential sources of funding.

– Restructuring. Restructuring involves making significant changes to the organization's structure, processes, and operations to overcome the crisis. This may include downsizing, reorganizing departments, and changing the organization's strategy.

– Innovation. This involves developing new products, services, or business models to adapt to a changing environment. Innovation can help organizations find new ways of operating and generating revenue during a crisis.

– Stakeholder management. Effective stakeholder management is crucial during a crisis. This involves identifying the organization's stakeholders, understanding their needs and concerns, and developing strategies to manage their expectations.

In general, crisis management at all levels, including exporting companies, requires a multidisciplinary approach that covers all aspects of the organization, including financial, operational, and strategic management. Successful crisis management requires a clear understanding of the organization's environment, risks, and stakeholders, as well as the ability to adapt quickly to changing circumstances.

Therefore, companies engaged in export activities must have a crisis management plan, as they are very sensitive to market changes and external factors, and exporting is a risky and crisis-prone activity. A crisis management plan can help a company save its reputation among customers, ensure the mental and physical well-being of all employees, and focus on successful work in a specific niche, as the company will be prepared for any situation.

After conducting a complete diagnosis, identifying the causes, available resources, and the scale of the crisis, the exporting company should create strategic long-term and short-term plans to overcome the crisis and mitigate its consequences. The literature reviewed contains a number of different methodological provisions and recommendations for choosing an anti-crisis management strategy. There are three possible methods of managing a company that has fallen into a crisis situation active anti-crisis management, reactive anti-crisis management, and interactive anti-crisis management.

First, it is appropriate to consider active crisis management as a method of crisis management that involves taking proactive measures to prevent a crisis from occurring or to mitigate its consequences if it does occur. This approach focuses on identifying potential risks and implementing strategies to minimize their impact before a crisis occurs, rather than simply responding to a crisis after it has occurred.

Active crisis management involves a number of steps, including:

– Risk assessment this involves identifying potential risks, their likelihood, and their impact on the organization;

– Risk management this involves implementing strategies to minimize the impact of identified risks;

– Crisis planning involves developing a plan for dealing with crisis situations.

– Training and simulation exercises this includes training employees and conducting simulation exercises to prepare for potential crises;

– Continuous monitoring and review this involves continuously monitoring the organization's environment for potential risks and reviewing and updating the crisis management plan as necessary.

In general, active crisis management is a proactive approach to crisis management aimed at minimizing the impact of a crisis on an organization. By identifying potential risks and implementing strategies to mitigate their impact, organizations can be better prepared to respond to crises and protect their reputation, operations, and stakeholders.

The next methodological approach is reactive crisis management in a company - a crisis management method that involves responding to a crisis after it has occurred. This approach aims to manage the immediate impact of the crisis and minimize the damage it causes.

The stages of reactive crisis management in an enterprise include:

– Immediate response: the first step in reactive crisis management is to take immediate action to resolve the crisis;

– Assessment after the immediate response, the next step is to assess the scale of the crisis and its impact on the organization. This includes identifying the cause of the crisis and assessing the damage it has caused;

– Communication: effective communication is crucial during a crisis. This involves communicating with employees, customers, suppliers, and other stakeholders to provide information and updates about the crisis;

– Recovery: once the crisis has stabilized, the next step is to take steps to recover from the crisis.

– Learning and improvement: once the crisis has been resolved, it is important to conduct a post-crisis analysis to identify areas for improvement and develop strategies to prevent similar crises from occurring in the future.

Although reactive crisis management is often considered a less effective approach to crisis management than proactive crisis management, it can still be an important part of a comprehensive crisis management plan. In situations where a crisis is unpredictable or inevitable, reactive crisis management can help minimize the impact of the crisis on the organization's operations, reputation, and stakeholders.

Leading companies that operate successfully in today's market are increasingly adopting an interactive type of management. According to this type of management, forecasts of future performance indicators are used, which are constantly supplemented by studying the external environment in order to identify possible changes. Typically, this type of management uses both strategic and tactical plans based on indicators from a preliminary analysis of the enterprise's activities.

Without a clear formulation of the problems that caused the crisis in the organization, without their awareness, it is impossible to begin developing anti-crisis measures for the organization. The next stages are related to the implementation of the anti-crisis strategy, evaluation, and control of results. Tactical (operational) measures to overcome the economic crisis may include the following cost reduction, closure of divisions, staff reduction, reduction of production and sales volumes, active marketing research, increase in product prices, identification and use of internal reserves, modernization, attraction of specialists, obtaining loans, strengthening discipline, etc. Tactical planning should be carried out within the framework of the chosen strategy. If operational measures to overcome the economic crisis are implemented in isolation from strategic goals, this may lead to a short-term improvement in the financial situation, but will not eliminate the root causes of the crisis.

The reality for many organizations is that they can achieve the optimal combination of structure, culture, and skills necessary for successful operation. The structure of an organization largely determines its ability to respond to changes in the environment. During the implementation of the anti-crisis strategy, senior management may revise the plan for implementing the new strategy if circumstances require it. The final stage of anti-crisis strategic management is the evaluation and control of strategy implementation. It aims to determine the extent to which the implementation of the strategy leads to the achievement of the organization's goals. If the organization monitors the emergence of external threats in a timely manner and has sufficient time to develop an effective response, it can consistently eliminate all problems. The implementation of an anti-crisis strategy is most effective when it is combined with an already adapted structure and is subject to a balanced system of goals. Bringing in outside experts can be a big help in implementing a crisis management strategy. These experts can be outside consultants, new managers who have previously worked in other organizations, and others. Thus, overcoming a crisis involves eliminating the causes that caused it, and the process of planning this recovery can be called strategy and tactics in crisis management. Therefore, for an organization of any form of ownership and any scale of economic activity, it is essential to manage economic activity, define a strategy, and plan. The main components of managing the development of an organization are forming a vision, identifying goals and objectives, defining a strategy, developing development plans, and establishing appropriate leadership.

The practical aspect of crisis management in a state of war deserves special attention. After all, military action is one of the most unexpected and severe factors that can trigger a crisis. Ukrainian exporting companies specialize in several key industries that have been severely affected by the consequences of the war, namely agriculture (mining of fields, illegal export of crops and equipment from occupied territories, logistics crisis), metallurgy and chemical industry (energy shortages, danger in frontline regions, and logistics problems). These industries account for a significant share of Ukrainian exports and are important drivers of the economy.

In addition to the consequences shown in Figure 2, Ukrainian exporting companies faced a number of challenges due to the war, which caused significant damage and losses. One of the most significant problems in organizing foreign trade operations during the war is the instability of the security situation in the country. Other negative factors, such as outdated infrastructure that has suffered even greater destruction, poor road networks, unreliable power supply, and the constant threat of shelling, have a negative impact on businesses and the economy as a whole. All of this increases the cost and complexity of exports, thereby reducing the competitiveness of Ukrainian producers in international markets.

Figure. 2. Consequences of a full-scale invasion in 2022 for Ukrainian exporting companies

Source: summarized by the author on the basis [12-21]

According to official data provided by the Ministry of Economy of Ukraine, the outbreak of the full-scale invasion by the russian federation produced an immediate and dramatic disruption of the country’s foreign trade flows. In March 2022, exports of Ukrainian goods declined by approximately 50 percent compared with pre-invasion levels, while imports experienced an even more severe contraction, falling to less than one-third of their previous volume [12] (Table 2).

Table 2. Indicators of Ukraine's international activity in 2013-2024

Year	*Exports*		*Imports*	
	thousand US dollars	as % of previous year	thousand US dollars	as a % of previous year
2013	62305927.3	91.9	75,834,614.1	91.2
2014	53901689.1	86.5	54,428,716.9	71.8
2015	38,127,149.7	70.7	37,516,443.0	68.9
2016	36,361,711.2	95.4	39,249,779.2	104.6
2017	43,264,736.0	119.0	49607173.9	126.4
2018	47,334,987.0	109.4	57,187,578.0	115.3
2019	50054605.8	105.7	60800173.1	106.3
2020	49191824.5	98.3	54336136.7	89.4
2021	68072328.8	138.4	72843126.6	134.1
2022	44148774.6	64.9	55273492.5	75.9
2023	36186200	82	63562400	114,9
2024	41733100	115,3	70751200	111,3

Source created by the author based on data [13]

This unprecedented collapse reflected not only the direct consequences of active hostilities - such as the destruction of transport infrastructure, the blockade of seaports, and the temporary loss of access to critical industrial regions—but also the broader shock imposed on logistics networks, financial markets, and business operations across the entire economy. The abrupt reduction in trade volumes in this period marked the beginning of a profound structural transformation of Ukraine's external economic relations, the effects of which continue to shape both export capacity and import dependency in the subsequent years of the war.

Exports in 2022 decreased by 35.1% compared to 2021 and amounted to $44.1 billion. The main factor was a 62.6% decline in exports of ferrous and non-ferrous metals. Exports of food products also fell by 15.5%, mainly due to a 26.2% decline in grain exports. However, exports of oil and oilseeds increased by 2.5%. Imports fell by 24.1% to $55.3 billion. The deficit in trade in services amounted to $9.1 billion. Exports of services fell by 12.1%, while imports increased 1.8 times [14].

The consequences of such a crisis are profound, multidimensional, and often irreversible, generating long-term - and in many cases "chronic" - disruptions in national economic systems and business operations. Unlike cyclical or market-driven downturns, a war-induced crisis produces structural damage that extends far beyond financial indicators, affecting the institutional capacity of the state, the strategic resilience of enterprises, and the socio-economic well-being of the population. Moreover, a crisis triggered by military aggression not only results in severe economic decline, loss of production capacities, destruction of infrastructure, and sharp contraction of trade flows, but also poses an immediate threat to the safety, health, and lives of workers, complicating labour relations and operational continuity.

In addition, the physical destruction of assets - industrial facilities, logistics hubs, transport networks, and energy infrastructure - significantly undermines the ability of companies to maintain stable supply chains and fulfil international obligations. Such conditions fundamentally distinguish a wartime crisis from traditional economic crises, which typically emerge from internal imbalances or global market fluctuations and do not involve existential risks to human life or the physical annihilation of productive potential.

Table 3 presents the key differences between a conventional economic crisis and a crisis caused by war, emphasizing the scale, depth, and systemic nature of wartime disruptions.

Table 3. Comparison of a traditional crisis and a crisis caused by war

Characteristics	Traditional crisis	Crisis caused by war
Scope	Local	Systemic
Rate of spread	localized after identifying the causes of the occurrence	global chain reaction
Duration	Short-term	Long-term
Danger	Absent	Present
External coordination	in peacetime only when necessary	coordinating actions with representatives of state bodies and military administration
Infrastructure availability	availability of basic infrastructure (electricity, communications, transport)	limited access, especially in frontline regions
Impact on civilians	Civilians are vulnerable to displacement, injury, and emotional distress, but the threat is often a byproduct of the event, such as a damaged building.	Civilians are often direct targets of violence and intimidation, experiencing immense trauma, high mortality rates, and forced displacement. The systematic destruction creates a crisis of “human security”.
Economic consequences	Leads to significant but often reparable economic damage, such as a financial market crash or damage to private property.	Causes catastrophic, long-term economic collapse by destroying vital infrastructure, disrupting supply chains, and seizing or eliminating productive capacity.

Continuation of Table 3.

Displacement of people	May cause internal or external displacement, but generally on a smaller and more manageable scale than war.	Causes massive, widespread, and often long-term forced migration of populations both within and beyond a country's borders, creating a humanitarian crisis.

Source created by the author based on data from [15]

This significant difference can be explained by differences related to the impact of war, its duration, and its consequences, both physical and moral. These circumstances force enterprises to look for new ways out of the crisis period and use non-traditional methods of crisis management. The latest crisis management systems and mechanisms must take these circumstances into account and find new ways to adjust the work and normal functioning of the enterprise during the war [16].

The main goal of the crisis management mechanism for a company during wartime is to minimize and suppress the negative socio-economic consequences of the war in the company's operations.

The main task of crisis management in wartime is to make operational, effective, and least risky decisions, which makes it possible to achieve the desired result, brings the moment of overcoming the crisis closer, and reduces all negative consequences. The uninterrupted operation of the enterprise is the desired result of crisis management at the beginning of the war. In the following period, the question arises of adapting and establishing a system of uninterrupted operation, even in wartime [17].

One of the main principles of crisis management in an enterprise during wartime is the principle of urgency of response. However, it should be noted that the larger the enterprise, the less flexible and slower its decision-making in such situations.

An important step at the beginning of any crisis is to analyze the current state and financial stability of the enterprise. This is done using anti-crisis diagnostic tools.

The main goal and task of this diagnostics is to assess the current situation at the enterprise, identify the causes of deviations, and prevent the emergence of new, additional crisis situations in its activities. In such a situation, for micro-enterprises, it is recommended to analyze the growth rate of revenue, sales profitability, and the availability of own working capital in goods. In small businesses, it is advisable to use the same indicators as for micro-enterprises, as well as the current liquidity ratio and the share of accounts receivable in current assets. For medium-sized enterprises, it is worth applying a comprehensive analysis of the financial and economic condition, using indicators of property condition, liquidity, solvency, business activity, and profitability. Large enterprises use a comprehensive analysis of their financial and economic condition, supplemented by models for assessing the probability of bankruptcy and an analysis of value-oriented indicators.

It is appropriate to introduce a system of continuous monitoring of the enterprise's activities, given that the situation may change rapidly under the influence of the war. This increases the chances of timely detection and localization or complete elimination of problems that could lead to serious consequences.

Therefore, organizing the work of exporting enterprises in Ukraine during the war is a complex and responsible task. Ukrainian exporting enterprises have felt the effects of the war in many key industries, such as agriculture, metallurgy, and the chemical industry. Official data show a significant decline in exports and imports in Ukraine. One of the basic principles of anti-crisis management of an enterprise in wartime is the principle of urgent response, and an important step in such a situation is the analysis of the current state and financial stability of the enterprise, which is carried out using anti-crisis diagnostics tools.

An anti-crisis strategy should be built based on the results of the above-mentioned diagnosis. This is a difficult task in conditions of war and high uncertainty, therefore, in the so-called "shock period" at the beginning of the war, the enterprise should apply urgent anti-crisis management, which literally means "immediate."

After completing the adaptation and adjustment phase, the company can apply various anti-crisis management strategies.

One of the common anti-crisis methods, especially in wartime, is downsizing — a strategy used by companies to reduce size and operating costs by eliminating jobs, departments, or entire business units. This process may include layoffs, early retirement, or natural attrition. From a crisis management perspective, downsizing can be a crucial tool for companies facing financial difficulties or other crises, particularly those caused by war. However, downsizing can also have a negative impact on the affected employees and their families, as well as on society at large. It is therefore important for companies to approach downsizing with care and caution. Downsizing is an important crisis management tool that can help companies reduce costs and restructure their operations to remain competitive even in wartime. This strategy has been forced upon many Ukrainian exporting companies. This saved many and helped them stay afloat, but as a result, we faced an increase in unemployment, as many enterprises had already been destroyed and people were forced to move to other regions, thereby increasing competition for jobs.

According to the NBU, the unemployment rate is estimated at 30%. This means that 4.7 million Ukrainians are looking for work and cannot find it. These figures include 2.7 million people outside Ukraine who want to return now and start working, and 2 million within the country [18]. Table 4 shows that this unemployment rate is almost three times higher than in 2021 and significantly exceeds all previous years.

Table 4. Unemployment rate in Ukraine from 2013 to 2024

Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Unemployment rate	7.7	9.70	9.50	9.70	9.90	9.10	8.60	9.90	10.30	30	26.1	23

Since 2014 – excluding occupied territories (Crimea, Sevastopol, part of Donbas)

Source compiled by the author based on sources [18; 19] and NBU data

Another important strategy that can be applied in a crisis of martial law is outsourcing — a business strategy whereby a company hires another company to perform certain tasks, services, or processes that were previously performed within the company.

Outsourcing can be used in various areas of a company's activities, including IT services, customer service, manufacturing, and logistics. This allows companies to focus on their core competencies and strategic goals while delegating routine or non-core functions to external partners. From a crisis management perspective, outsourcing can be an effective tool for companies facing financial difficulties caused by the war. By outsourcing certain functions or processes, companies can reduce their operating costs and increase efficiency, allowing them to focus on more important areas of their business. However, outsourcing can also have potential drawbacks, including reduced control over operations and an increased risk of data leaks or intellectual property theft. It is therefore important for companies to carefully assess their outsourcing needs and partners, and to establish clear communication and oversight mechanisms to ensure the effective and efficient execution of their operations even during wartime.

An anti-crisis strategy of not prioritizing a single trading partner can be a very effective crisis management tool for businesses, especially in times of economic instability or war-induced crisis. The main idea behind this strategy is to spread risks across several trading partners instead of concentrating them in one. This means that businesses should consider working with several suppliers or customers instead of relying on one main partner. One of the advantages of this strategy is that it reduces the vulnerability of the business to risks associated with changes in market conditions, such as a drop in demand for products, changes in market prices, or the unavailability of goods from suppliers. If a business works with several partners, it can be more flexible in responding to changes in market conditions, increasing its chances of survival and success in difficult economic conditions. In addition, not prioritizing a single trading partner can help a business improve the quality of its products and services, as it will be able to use a variety of materials and resources provided by different partners.

On April 9, 2022, after the start of the full-scale invasion, the Cabinet of Ministers of Ukraine approved a complete trade embargo on trade with the Russian Federation, and most civilized countries of the world are on the path to achieving complete energy independence from the Russian Federation [21].

Geographic diversification is an anti-crisis business strategy that involves expanding the geography of your operations, in particular, beyond your country or region, or changing your main region. This can help a company reduce risks and increase resilience to crises such as political instability, economic crisis, war, or negative market changes. One of the main advantages of geographic diversification is an increase in the potential customer base, which allows the company to earn more and expand its activities. In addition, it enables the company to find new markets that may have less competition and more demand for its products. However, geographic diversification can also create new challenges and risks. For example, a company may face difficulties in adapting to new cultural, legal, and market conditions. In addition, increasing distances between production and distribution centers can lead to higher transportation costs and delivery delays. Therefore, if a company considers geographic diversification as an anti-crisis strategy, it should conduct a detailed analysis of the markets and countries it is considering, taking into account factors such as cultural characteristics, economic indicators, political stability, competition, and other factors. Six million Ukrainian migrants in Europe created both demand and supply in the beauty industry. 75% of employees in the new salons are also from Ukraine. EU countries simplified the rules for hiring Ukrainians, which was a compelling argument for entrepreneurs.

The anti-crisis strategy of expanding/optimizing the export basket involves increasing the company's export volume by including new goods in the export basket or optimizing the range of export goods in order to increase competitiveness in the foreign market. In times of war, such a strategy can give the company advantages not only in the foreign market but also in the domestic market, as it is often worthwhile for them to focus their efforts on producing products that are different from those that were in demand in peacetime. One of the main components of the strategy is the analysis of the market and its needs, research, and the identification of the company's competitive advantage. For example, one can consider the market's needs for new products that complement the company's existing range. Next, an analysis of existing production technologies and resources should be carried out to determine the company's ability to produce new products using existing resources or based on new technologies.

Relocation (movement) can be an effective anti-crisis management strategy for companies located in unstable regions or countries with high risks, such as economic crises, political changes, natural disasters, and military actions. Unfortunately, many Ukrainian companies have had to resort to this strategy, but there is also a positive side to it, as it has, to some extent, saved their production. A striking example is the Kakhovka-based company Chumak, recently one of the largest players in the market for tomato pastes, sauces, and ketchups in Ukraine. The company exported its products not only to post-Soviet countries, but also to the US, Canada, Scandinavia, Germany, the Baltic states, Israel, West Africa, Korea, Bangladesh, and others. Currently, all of the company's production facilities in Kakhovka have been suspended, and production has been relocated to Lutsk, where tomato paste is now produced. Its mayonnaise is produced at the Zaporizhzhia-based Delta Food facility, which has been moved to Ternopil. Sauces are produced at the Olkom Group's factory in the capital. Pasta and some tomato paste are produced at factories in Turkey and Italy, respectively [28].

The usual advantages of relocation include lower labor costs, increased market accessibility, reduced exposure to negative factors affecting the business, a more stable environment for business development, and increased international presence for the company.

The transition to online work can be an effective anti-crisis management strategy, not only in the context of a pandemic and war, but also if the company needs to reduce office rental costs, reduce communication costs, increase accessibility for employees, increase productivity, reduce the impact of negative factors on the business, and ensure a more stable environment for business development.

Regularization involves the implementation of the latest approaches to enterprise management. In wartime, regularization speeds up and improves enterprise management, allowing resources to be directed towards further stable development.

Benchmarking, or the method of comparative analysis, is the process of comparing a company's performance, products, or services with those of its competitors or industry peers to identify areas for improvement and best practices. In the context of crisis management, benchmarking can be an important tool for companies facing financial difficulties or other crises. By comparing their performance with that of their competitors or industry peers, companies can identify areas where they may be lagging behind or where they have room for improvement.

In the context of crisis management, modernization can be an important tool for companies facing financial difficulties or other crises. By modernizing their operations, systems, and technologies, companies can increase their competitiveness, reduce costs, and increase revenue. Modernization can also help companies adapt to changing market conditions and customer needs, which can be crucial for companies seeking to remain relevant and sustainable in the long term. However, in the current war conditions, modernization can be complicated by the need for investment and other financial resources.

Increasing sales and profits, which is a pressing issue during wartime, can be achieved through diversification. This refers to the process of expanding a company's activities, products, or services into new markets or industries. Diversification can be achieved through various strategies, such as expanding into new geographic regions, introducing new product lines, or acquiring or merging with other companies. In wartime, companies can expand their product range by producing relevant and scarce goods. However, this method also requires significant financial resources, which can be a problem during wartime.

The desire to preserve one's business or expand its scope can be achieved through business reorganization. Reorganization is the process of restructuring a company's operations, structure, or management in order to increase efficiency, reduce costs, and adapt to changing market conditions. Reorganization can involve various aspects of a company's activities, such as its workforce, products, services, systems, or strategies. Reorganization is an important crisis management tool that can help companies improve efficiency, reduce costs, increase flexibility and adaptability, and enhance competitiveness.

Reengineering focuses on radically redesigning and rethinking business processes to improve the quality of the system's functioning. In general, it is the process of redesigning and optimizing a company's core business processes to achieve significant improvements in productivity, efficiency, and competitiveness. Reengineering can help companies achieve sustainable productivity gains, which can be critical for companies seeking to remain competitive and viable in the long term and in times of war.

Thus, crisis management uses a number of strategies to stabilize the operation of an enterprise during wartime. Downsizing is an effective strategy for reducing the size and operating costs of enterprises, while outsourcing allows companies to focus on their core competencies and delegate non-core functions to external partners. Regularization and benchmarking can also help enterprises improve their operations and remain competitive in wartime. Abandoning the prioritization of a single trading partner, geographical diversification, expansion/optimization of the export basket, relocation, and transition to online work often have related applications, and their choice depends on the specific enterprise and the conditions in which it finds itself. However, it is important to approach the application of these strategies with caution in order to minimize negative impacts and accelerate the gradual recovery of the enterprise.

Thus, when analyzing the theoretical aspects of crisis management at an exporting company in the first chapter, we came to the following conclusions. Companies engaged in foreign trade are known as exporting companies, and they can be involved in all aspects of the export process, including production, packaging, delivery, and customs clearance. The size of such enterprises can vary from small businesses to large multinational corporations. The success of exporting enterprises depends on their ability to identify and exploit opportunities in foreign markets, respond quickly to crises, and manage the logistical and regulatory challenges of international trade. Exporting companies can participate in international trade through various means, such as exporting, licensing, franchising, joint ventures, and foreign direct investment. Exporting companies must comply with various rules and standards established by both exporting and importing countries and ensure that their products comply with product safety standards, labeling requirements, and intellectual property laws.

Crises in the activities of enterprises, states, or economies are not accidental but are the result of the management apparatus of these entities. However, not all factors contributing to the emergence of crisis situations can be controlled. To prevent the spread of crises and stop them, experts use crisis management strategies. Crisis management is an approach based on the processes and strategies that organizations use to identify and respond to potential threats, unforeseen events, or any negative disruptions that could potentially harm people, property, or business processes. The most well-known approach is to divide the factors that cause crises into two groups external factors and internal factors. In addition, crisis situations in export markets and exporting companies can arise due to a number of factors, including economic, political, social, or environmental factors. Some examples of such crisis situations include economic downturns, trade barriers, trade wars, competition, political instability, natural disasters, health crises, currency fluctuations, environmental problems, the global economic situation, and wars. The impact of a crisis on export markets can be significant for exporting companies. Potential consequences include loss of revenue, supply chain disruptions, reduced profitability, reputational damage, and legal and regulatory implications. To mitigate these effects, exporting companies should have contingency plans in place to manage potential crises, including market diversification, risk management strategies, and maintaining good relationships with trading partners.

To sum up the second section, it can be noted that companies engaged in international trade must have a well-developed crisis management system, as this activity is very sensitive to external factors and market changes. Successful crisis management requires a multidisciplinary approach that covers all aspects of the organization, including financial, operational, and strategic management. The main components of any crisis management system are risk management, crisis communication, financial management, restructuring, innovation, and stakeholder management. Effective crisis management requires a clear understanding of the organization's environment, risks, and stakeholders, as well as the ability to adapt quickly to change.

As mentioned in the third chapter, the literature reviewed contains a number of different methodological provisions and recommendations regarding the choice of crisis management strategy. There are three possible methods of managing a company that has fallen into a crisis situation proactive crisis management, reactive crisis management, and interactive crisis management. Active crisis management is a crisis management method that involves taking proactive measures to prevent a crisis from occurring or to mitigate its consequences if it does occur. Reactive crisis management in an enterprise is a crisis management method that involves responding to a crisis after it has occurred. Leading enterprises that operate successfully in the modern market are increasingly adopting interactive management. According to this type of management, forecasts of future performance indicators are used, which are constantly supplemented by studying the external environment in order to identify possible changes.

War is an unexpected and harsh factor that can trigger a crisis, one can agree. Ukrainian exporting enterprises specializing in industries affected by the war have suffered significant losses and a decline in competitiveness. According to the Ministry of Economy, exports of Ukrainian goods fell by 30% and imports by 4%, while exports of goods fell by 35.1% over the past year. The consequences of such a crisis are long-term and can have a serious impact on the safety of employees and the preservation of physical assets. Therefore, it is important to understand that war can have serious consequences not only for the country's economy, but also for the lives of people and the security of the state as a whole.

The main goal of the anti-crisis management mechanism during wartime is to minimize and suppress the negative socio-economic consequences of war in the operational work of the enterprise. The main task of crisis management in wartime is to make operational, effective, and least risky decisions, which makes it possible to achieve the desired result, brings the moment of overcoming the crisis closer, and reduces all negative consequences. The uninterrupted operation of the enterprise, and, in fact, its "survival," is such a desirable result at the beginning of the war. An important step in such a situation is to analyze the current state and financial stability of the enterprise. This is done using anti-crisis diagnostic tools. It is appropriate to introduce a system of continuous monitoring of the enterprise's activities, given that the situation may change rapidly under the influence of the war. This increases the chances of timely detection and localization or complete overcoming of problems that, due to the crisis caused by the war, can lead to serious consequences. The anti-crisis strategy should be built based on the results of the above-mentioned diagnostics.

After the adaptation and adjustment phase is complete, various anti-crisis management strategies can be applied.

Crisis management uses a number of strategies to stabilize the enterprise's operations during wartime. Downsizing is an effective strategy for reducing the size and operating costs of enterprises, while outsourcing allows companies to focus on their core competencies and delegate non-core functions to external partners. Regularization and benchmarking can also help enterprises improve their operations and remain competitive in wartime. However, when choosing crisis management strategies, it is important to focus on preventing or minimizing negative impacts and ensuring the long-term stability of the exporting enterprise.

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