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CLARIFYING THE ESSENCE OF THE DEFINITION OF “SUSTAINABLE DEVELOPMENT”

Summary. The purpose of the article is to clarify the essence of the definition of “sustainable development”. Research methods: comparative analysis, generalisation. The article notes that a significant difference between sustainable development and other types of enterprise development is active interaction and increased responsibility to partners, consumers, stakeholders and society as a whole. The comparative and decomposition analysis of the definition of “sustainable development” allowed to clarify the concept of “sustainable development of enterprise”, which is proposed to be understood as a harmonious long-term socio-ecological and economic development of production and sales, information and communication activities of enterprise, characterized by increased responsibility to society, partners, stakeholders and customers and ensuring a holistic balance and positive dynamics of functioning in the context of highly turbulent transformations of the globalised environment. In contrast to the existing ones, such an understanding of the essence of sustainable development allows to take into account in management, in addition to the economic, social and environmental needs of society, the latest development trends and global transformations and threats in the world economy, which form new conditions for the functioning and development of enterprises. The article summarises the quantitative and qualitative features of sustainable development, the understanding of which allows an enterprise to increase its sustainability and form a competitive position in the market.

Keywords: sustainable development, enterprise, changes, system.

Statement of the problem. Globalisation and economic integration, scientific and technological development and political instability, social transformations and climate change have a significant impact on the global socio-economic development and the development of individual economic entities, respectively. Therefore, the conceptual foundations that define the main vectors of development are extremely important, and clarifying the essence of the concept of “sustainable development” in the current economic environment is important from both theoretical and practical perspectives.

Analysis of the latest research and publications. The essence of the concept of “sustainable development” has been analysed by such scholars as: Herasymova O.L., Kashyrynikova I.O. i Spiridonova K.O. [1], Hrosul V.A. i Mamaieva H.S. [2], Demydenko L.M. [3], Demydova I.A. [4], Dunda S. [5], Kasych A.O. i Burkivska V.A. [6], Kucha D.O. [7, p. 75], Lazorenko T. and Sholom I. [8], Markina I.A., Taran-Lala O.M., Yakhnytska V.P. [9], Murashko I.S. [10], Oliinyk I.V. [11], Sekirozh Ya.V. [12], Skopenko N.S. i Kohut O.O. [13], Shamrin R.V. [14], Kudrina O. [16, 17] and others.

The purpose of the article is to clarify the essence of the definition of “sustainable development”.

Summary of the main research material. Many scientists equate the concepts of “sustainable

development” and “steady development”. This was due to the casual translation of “sustainable” as “sustainable” or “steady”. Let us specify the essence of the definition of “sustainable development”. According to the essential characteristics, scholars have not reached a consensus on the interpretation of this concept.

In particular, based on the results of the analysis of scientific works, Murashko I. S. identified the following aspects of the definition of sustainable development of enterprises [10]:

- as economic growth (Maslak O.I., Syrotyuk H.V., Sokurenko P.I., Yakovenko Ya.Yu);
 - as a mechanism of adaptation (Kviatkovska L.A., Komleva A.Yu., Tereshchenko S.I.);
 - as a socio-ecological and economic system (Verehun A.M., Tarasenko I.O., Teleshevska S.M.);
 - financial approach (Hutsul M.O., Tarasova O.V.).
- Lazorenko T. and Sholom I., summarising the conceptual approaches to the interpretation of enterprise development sustainability, identified the following [8]:
- balance of system sustainability and efficiency of its potential;
 - taking into account the conditions of dynamic equilibrium of the economic system;
 - dynamic equilibrium and its effective development;
 - from the point of view of financial stability;
 - in keeping with the concept of sustainable development

As we can see, these systematisations are similar, despite the fact that the first is based on the positions of domestic scholars, and the second is based on the analysis of foreign experience

S. P. Dunda summarised the following main characteristics of this concept [5]:

- a continuous process in time;
- changes in phenomena are influenced by internal contradictions;
- the ability to self-move in the process of movement and change;
- the movement is spiralling;
- external factors do not cause movement, but only modify it;
- is carried out mainly through conscious, purposeful transformations of the object.

The definition of “sustainable development” includes two important concepts: “sustainable” – that which retains its properties and “development”, i.e. “change of state”. Let's find out their essence.

Oliinyk I.V. considers sustainability as the ability of a system to maintain its functional state for a long time in relation to the planned indicators and methods of their achievement in the presence of various influences that lead to functional deviations of the system, as well as qualitative and quantitative parameters of the system itself [11].

Demydova I. A. understands the stability of an object functioning in the form of a system as the ability to withstand various disturbing effects (external and internal) and maintain the necessary parameters of functioning for a certain period of time [4].

Markina I.A., Taran-Lala O.M. and Yakhnytska V.P. define economic sustainability as the state of an entity characterised by the optimal distribution of equity capital, calendar distribution of incoming and outgoing financial flows, risk management methods that ensure liquidity and solvency of an enterprise in the current and long-term perspective [9].

Scientists believe that the sustainability of enterprises is based on the ability to maintain balance and competitiveness, to respond appropriately and promptly to destabilising environmental factors and to

adapt to the changes caused by them, using effective methods and approaches that meet the conditions of world development and globalisation [15].

Kasych A.O. and Burkivska V.A. note that sustainability is the ability of enterprises to return to an equilibrium state as a result of deviations due to the action of external and internal factors, which is manifested in the destabilisation of the functioning processes [6].

So, sustainable (development) means saving a certain equilibrium functional state of the subject.

Sekirozh Y.V. considers the sustainable development of enterprises in the context of the value-oriented aspect and notes that it is the main task of management activity of the management [12].

Murashko I.S. notes that sustainable development of the enterprise provides [10]:

- the process of extended playback,
- adaptation to disturbances,
- coordinated use of resources to improve performance and achieve strategic goals,
- balanced development of economic, environmental and social components in the interests of society and the enterprise.

Hrosul V.A. and Mamaieva H.S. also believe that an important aspect of sustainable development is balance, as it is a long-term reproduction of certain quantitative and qualitative changes that ensure the management system maintains a stable state and improves the financial condition by ensuring optimal equilibrium [2]. This definition is more focused on the economic and qualitative aspects of development.

Herasymova O.L., Kashyrmnikova I.O. and Spiridonova K.O. note that sustainable development of an enterprise is impossible without introducing innovations to create the necessary conditions for the production of competitive products [1]. This position expands the understanding and range of sustainability components.

Let us analyse and systematise the definitions of the concept of “sustainable development” provided by domestic scholars. The information base of the study is presented in the Table 1.

Table 1

Definition of “sustainable development”

Author, source	Definition	Main features
1	2	3
Hrosul V.A., Mamaieva H.S. [2]	Balanced, harmonious long-term development, the main goal of which is to ensure a constant integral equilibrium of the system, taking into account the constantly changing external conditions of the enterprise's functioning and achieving sustainable high performance results	Balanced, harmonious and sustainable development
Lazorenko T. and Sholom I. [8]	An anti-crisis, relentless, stable and controlled process characterised by an increase in the economic efficiency of enterprises, parallel strengthening of responsibility to partners and customers and environmental protection measures	Anti-crisis, relentless, stable and controlled process
Herasymova O.L., Kashyrmnikova I.O., Spiridonova K.O. [1]	Balanced economic growth of the enterprise while calculating and minimising the negative and maximising the positive impact on the social sphere and the environment	Balanced economic growth

1	2	3
Kasych A.O., Burkivska V.A. [6]	An integrated management system of strategic importance, the purpose of which is to meet the needs of society, maintain economic efficiency of production and ensure environmental protection	Integrated management system
Kucha D.O. [7, c.75]	An integrated system of management that has a specific character, the purpose of which is to meet the needs of society for a long-term period, maintain economic efficiency of production, improve the quality of life of the population, and ensure environmental protection	
Skopenko N.S., Kohut O.O. [13]	Changes in the qualitative state of the enterprise in the chosen direction in order to increase sustainability in today's unstable conditions, when the enterprise, as a result of economic activity, does not approach the limit of loss of sustainability or quickly returns to the equilibrium state	Changes in the enterprise's quality status
Demydenko L.M. [3]	Balanced quantitative, structural and qualitative changes that are consistent with the company's goals and take into account the limitations imposed by the external environment and the company's potential	Quantitative and qualitative changes
Demydova I.A. [4]	Irreversible and natural quantitative and qualitative changes that have a focus and value orientation on preserving the enterprise's ability to continuously improve itself, to constantly move from the old to the new qualitative state on the basis of comprehensive information support, which allows it to continue its effective life activity in the face of changes in the environmental and internal environment parameters	
Shamrin R.V. [14]	A fundamental term that refers to the unity of the global environment, social and economic spheres and denotes sustainable development that needs to be supported	Reasonable development
Sekirozh Ya.V. [12]	It is not only a determining factor for ensuring economic security, but also one that is the basis for economic growth, i.e. the realisation of the main goal of economic activity – increasing the level of sustainability and profitability	The basis or economic growth

Source: compiled by the author

So, the main qualitative features of sustainable development are:

- balance;
- equability;
- harmony;
- anti-crisis;
- relentlessness;
- stability;
- accountability;
- innovation;
- integration;
- variability.

Sustainable development is also characterised by quantitative changes:

- increased economic efficiency of activities;
- positive growth in production and sales performance;
- increasing the positive impact of the enterprise on the socio-ecological and economic sphere;
- reducing the negative impact of the company's activities on the environment;
- increased responsibility to society, consumers, partners and other stakeholders.

The main characteristics of sustainable development are shown schematically in Fig. 1.

So, sustainable development is primarily aimed at overcoming globalisation challenges and achieving the goals of socially responsible business, which is constantly growing. In our opinion, the essential difference between sustainable development and other types of enterprise development (evolutionary, sustainable, etc.) is, on the one hand, active interaction, and, on the other hand, increased responsibility to partners, consumers, stakeholders and society as a whole.

The comparative and decomposition analysis of the definition of “sustainable development” allowed to clarify the concept of “sustainable development of enterprise”, which is proposed to be understood as a harmonious long-term socio-ecological and economic development of production and sales, information and communication activities of enterprise, characterized by increased responsibility to society, partners, stakeholders and customers and ensuring a holistic balance and positive dynamics of functioning in the context of highly turbulent transformations of the globalised environment. However, unlike the existing ones, this understanding of the essence of sustainable development allows to take into account in management, in addition to economic, social and environmental needs of society, the latest development trends and global transformations

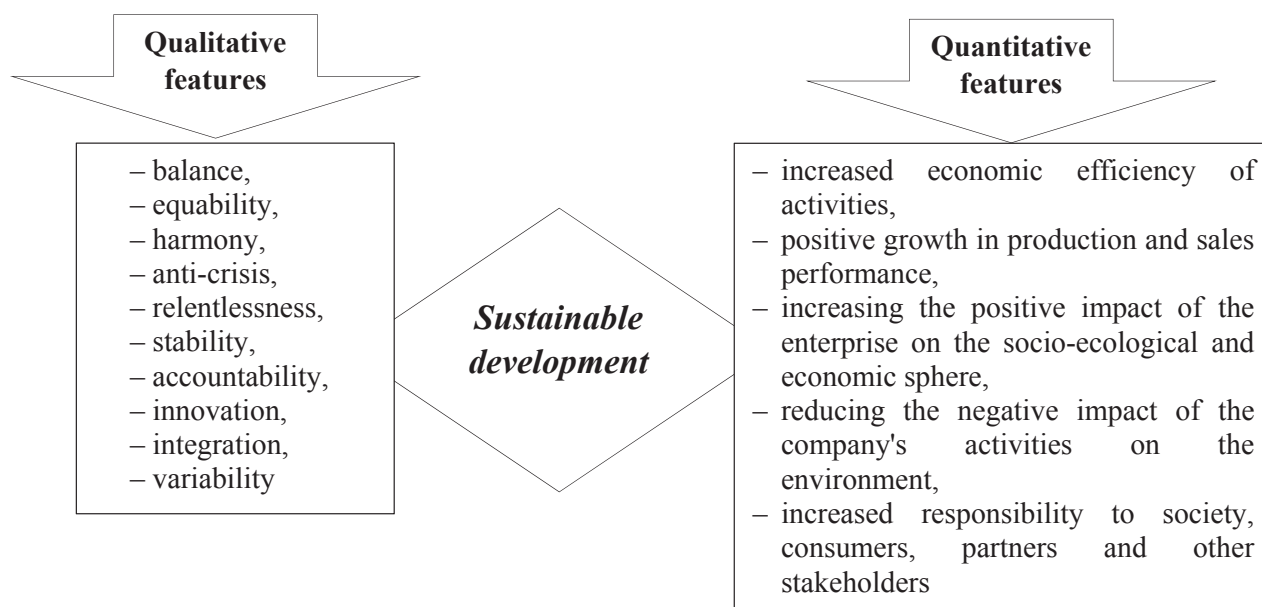


Fig. 1. Main characteristics of the concept of “sustainable development”

Source: compiled by the author

and threats in the world economy, which form new conditions for the functioning and development of enterprises.

Conclusions and perspectives for further research in this area. Based on the results of the study, it should be noted that clarification of the essence of the definition of “sustainable development of enterprise” contributes

to the improvement of the category and conceptual instrument and determines the need to clarify the concept, methodology, strategy and mechanism for managing sustainable development of enterprise in the context of globalisation. In general, such clarifications are aimed at increasing the sustainability of the enterprise and ensuring certain competitive positions in the market.

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УТОЧНЕННЯ СУТНОСТІ ДЕФІНІЦІЇ «СТІЙКИЙ РОЗВИТОК»

Анотація. Метою статті є уточнення сутності дефініції «стійкий розвиток». Методи дослідження: порівняльний аналіз, узагальнення. У статті відзначено, що суттєвою відмінністю стійкого розвитку від інших видів розвитку підприємств є активна взаємодія та підвищена відповідальність перед партнерами, споживачами, стейкхолдерами і суспільством в цілому. Компаративно-декомпозиційний аналіз дефініції «стійкий розвиток» дозволив уточнити поняття «стійкий розвиток підприємства», під яким запропоновано розуміти такий гармонійний довготривалий соціо-еколого-економічний розвиток виробничо-збутової, інформаційно-комунікаційної діяльності підприємства, що характеризується посиленням відповідальності перед суспільством, партнерами, стейкхолдерами і клієнтами та забезпечує цілісну рівновагу та позитивну динаміку функціонування в умовах високотурбулентних трансформацій глобалізованого навколишнього середовища. На відміну від існуючих, таке розуміння сутності стійкого розвитку дозволяє враховувати в управлінні, крім економічних, соціальних і екологічних потреб суспільства, ще й новітні тренди розвитку та глобальні перетворення і загрози в світовій економіці, що формують нові умови функціонування і розвитку підприємств. Узагальнено кількісні і якісні ознаки стійкого розвитку, розуміння яких дозволяє підприємству підвищувати стійкість та формувати конкурентні позиції на ринку.

Ключові слова: стійкий розвиток, підприємство, зміни, система.