

Modern approaches to the management of export-import operations of transnational corporations in the context of geopolitical upheavals

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Abstract. Within the context of the rapid expansion of globalization processes throughout the global economy, the most significant trend of this process is the emergence of transnational corporations. The main research methods used in this study were theoretical (analysis, synthesis, induction), empirical, and interpretation of expert opinions on this issue. The management of export-import operations of transnational corporations remains relevant and important for businesses. However, the process of managing export-import operations can be quite complex and requires significant efforts from companies to properly execute all necessary procedures. Specifically, companies need to ensure proper documentation, accurate assessment of goods and services, as well as timely delivery. Additionally, companies need to plan and manage cash flows correctly to ensure the safety and efficiency of operations. All these processes require a professional approach and specific knowledge and skills. Currently, differences in political and economic stability of states, legal and regulatory systems, and established "rules of the game" in organizing and conducting business become particularly acute. Therefore, the goal of this article is to form or continually improve combined approaches to the development of corporate activities, which will cover not only the advantages of the global economy but also the peculiarities of local markets.

Keywords: transnational corporations, TNCs, globalization, global value chains, trade policy, geo-economic confrontation, geo-economics.

1 Introduction

Transnational corporations (TNCs) regularly face geopolitical disruptions that can impact their operations in the regions where they operate. Such disruptions may include changes in government policies, political instability, military conflicts, terrorist threats, and economic crises, particularly in light of recent economic and military sanctions imposed on Russia

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[1].

To ensure the successful functioning of TNCs under such conditions, they must be able to adapt to changing circumstances and rapidly respond to environmental changes. This may involve engaging experts capable of assessing risks and opportunities, establishing flexible and adaptive business models, and seeking new markets and partners.

However, despite these efforts, TNCs may also encounter challenges, including reputational damage resulting from their involvement in controversial operations in certain regions and the threat of sanctions from certain states. Additionally, transnational corporations may face difficulties in developing new products and services that cater to the specific needs of certain markets [2].

In general, the successful functioning of TNCs in conditions of geopolitical disruptions may depend on their ability to quickly adapt to environmental changes and adopt a strategy that ensures the long-term sustainability of their business (such as reorienting domestic resource corporations toward Eastern markets).

A strategy is a system and can be defined by the following components (approaches) to its implementation:

1. Integrated approach: This approach focuses on developing company growth strategies based on identifying growth opportunities in international markets, analyzing the competitive situation in regions and countries, and selecting optimal mechanisms for sales and customer service.

2. Outsourcing approach: This approach involves entrusting the management of export-import operations to professional outsourcing firms that can handle a full range of tasks from partner search to logistics organization.

3. Hybrid approach: This approach combines the integrated and outsourcing approaches, allowing for active use of international marketing methods while entrusting logistics and customs matters to professionals [3].

4. Joint venture agreements: This is a special type of approach that involves creating a partner company that will engage in production, distribution, and promotion of products in international markets.

5. Internal approach: This approach involves organizing export activities for in-house production, wherein the company establishes its own dealer network and exports products through it.

Krylova E.M. identifies the following approaches in managing the export-import operations of transnational corporations [4]:

1. Centralized approach: In this case, all export-import operations are managed by the company's central office. This allows for a unified approach to export and import management, as well as streamlining the coordination process between different branches and divisions of the company.

2. Decentralized approach: In this case, each branch or division of the company independently manages its own export-import operations. This allows for more flexibility in responding to local conditions and market requirements, but it may lead to duplicated efforts and inefficient use of resources.

3. Matrix approach: In this case, the management of export-import operations is jointly carried out by the central office and the company's branches. This approach combines the advantages of centralized and decentralized approaches, providing a unified management approach while considering local conditions and market requirements.

4. Strategic approach: In this case, the management of export-import operations is carried out with consideration of the company's strategic objectives. This may involve the development of new markets, establishing long-term partnerships, and so on. This approach allows the company to use export and import as tools to achieve its strategic goals [5].

2 Materials and Methods

This article employs an interdisciplinary approach, drawing upon methods from various related fields, including economics, political science, geography, international relations, and others.

Hence, the topic of the article is relevant to the study of geoeconomics. As demonstrated in the article, this is reflected in the formation of a global geoeconomic space and the transgression of reproductive processes beyond national borders. Furthermore, it argues that contemporary international economic relations constitute a complex network of interactions among international actors, particularly between states and multinational corporations (MNCs).

3 Results

In the context of constant unpredictable globalization trends, the procedures for ensuring the continuity of export-import supply chains are gaining increasing importance. Primarily, such agreements are crucial for manufacturers who have established a steady industrial cycle and require uninterrupted supply of raw materials, technological products, and other resources.

Adhering to a continuous pace ensures consistent export shipments and, consequently, monetary returns for corporations. Similarly, it applies to imported goods, which may hold critical significance for the production processes of corporations as well as for the overall economy of a country [6].

Despite the establishment of contractual export-import relations, the transportation aspect of physical product delivery holds significant importance. Achieving the necessary level of efficiency in this regard may depend more on external factors than on organizational provisions themselves. This refers to the development of market infrastructure, the implementation of legislative norms in accordance with international standards, the effectiveness of the institutional system for organizing and controlling export-import supplies. Of particular importance are systems of customs regulation, tariff payments, technical quality control, and other institutional requirements that must be formulated and improved, taking into account global experience and standards set by international organizations. In this case, enterprises become evidently dependent on the formation of a normative-legal system.

Kuritsyn emphasizes that the regulation of foreign economic activity should simultaneously consider provisions to ensure economic security [7]. Such a list of instruments is capable of effectively facilitating export-import operations, ensuring an adequate level of economic security, and forming competitive potential. Together, these factors enable enterprises to prepare for countering risks and threats in both domestic and international markets.

It is important to note that the provided recommendations address both systemic (ongoing) challenges, regardless of the type of economic activity, and a significant set of tasks for establishing and improving the efficiency of export-import operations, with a clear list of methods for their resolution [8].

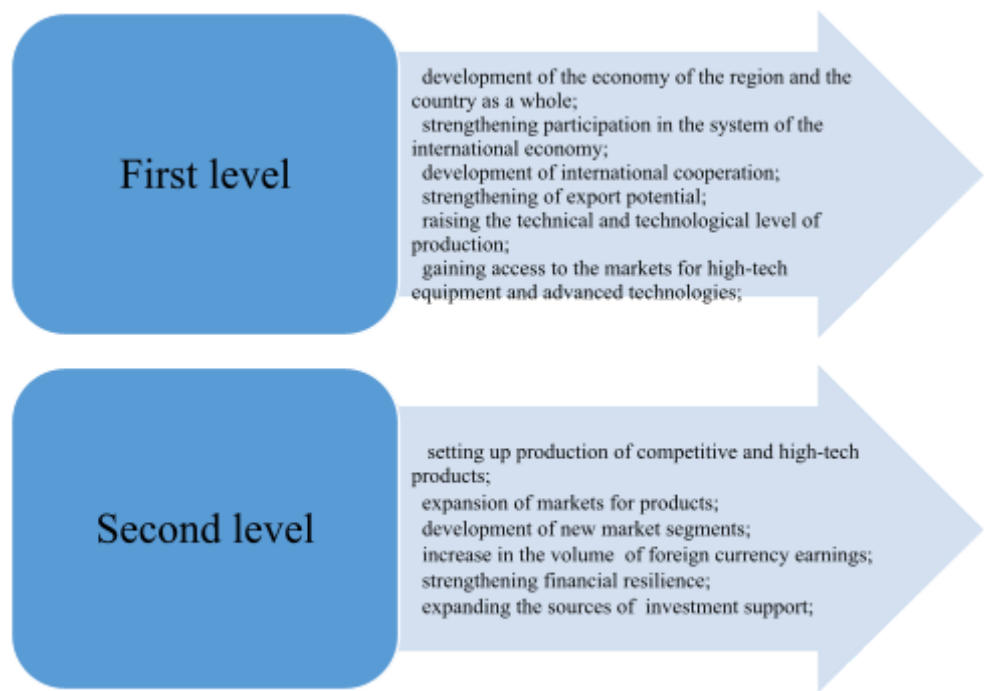


Fig. 1. Strategic guidelines for export-import activities. «Compiled by the authors».

Global experience confirms that establishing strategic goals for enhancing the efficiency of export-import operations should be done based on specific criteria (factors, indicators, benchmarks). Thus, it is proposed to adopt a deterministic approach, which involves categorizing strategic tasks into the first, second, and other levels (Figure 1).

It is evident that the list of strategic tasks and goals for enterprises should constantly adapt and align with short-term market changes, the country's economy, and the global environment. Here, it is crucial to adhere to a resource-functional approach, where the main criteria for strategic policy are resource availability and the enhancement of their utilization efficiency. All of these factors should be taken into account when designing export-import operations, the success of which greatly depends on the level of innovation, technological advancement, progressiveness, and production necessity [9].

In the midst of geopolitical upheavals, transnational corporations have the opportunity to leverage their global resources to adapt to new conditions. They can employ various strategies to adjust to changes and utilize them as advantages. For instance, companies may relocate their operations to other countries offering more favorable economic conditions. They can also leverage their global connections to access new markets and consumers. Transnational corporations can further utilize their scale and resources to attract investments and innovations, enabling them to adapt to changes and seize additional growth opportunities.

4 Discussion

Enhancing the efficiency of export-import operations requires transnational corporations to employ a wide range of tools that take into account their competitive potential and

opportunities for improvement, as well as the state and pace of development in the external environment (competition level, stability of domestic and international markets), and the influence of globalization trends. Thus, it is possible to establish a management system that successfully combines assessments of the internal and external environment of the enterprise. Based on this, it can ensure an adequate level of efficiency in utilizing strengths, identify ways to enhance capabilities, and prepare for overcoming increasingly hybrid and unpredictable risks and threats. This design process involves determining strategic goals that guide the search for appropriate tools, their implementation, and subsequent stages of refinement (expansion, grouping, reduction) [10].

Further research will need to present ways to enhance the efficiency of export-import operations for transnational corporations, enabling them to address the challenges of adapting to the influence of hybrid risks and threats in the form of external aggression and internal instability. Consequently, the issue of ensuring the economic security of transnational corporations and, as a result, the country, will only become more crucial.

5 Conclusion

Modern approaches to managing export-import operations of transnational corporations in the conditions of geopolitical turmoil encompass the following measures [11]:

1. Market and supplier diversification: Corporations strive to reduce their dependence on a single market or supplier to mitigate risks associated with economic and political disruptions.
2. Adaptation to local conditions: Corporations tailor their products and services to local needs and cultural specificities to enhance demand for their offerings.
3. Development of local manufacturing capabilities: Corporations establish production facilities in locations with favorable conditions to minimize transportation costs and mitigate risks linked to economic and political disturbances [12].
4. Utilization of new technologies: Corporations integrate novel technologies into production and logistics processes to enhance efficiency and reduce costs.
5. Development of international partnerships: Corporations forge partnerships with local companies and governments to access new markets and resources while mitigating risks associated with economic and political disruptions.
6. Risk management: Corporations devise risk management strategies to minimize losses in the event of economic and political shocks [13].
7. Social responsibility: Corporations prioritize social responsibility to bolster their reputation and mitigate risks related to social upheavals.

Modern approaches to managing export-import operations of transnational corporations encompass the following methods:

1. Supply chain optimization: Optimizing supply chains enables transnational corporations to enhance the efficiency and productivity of their export-import operations. This is achieved by utilizing more efficient delivery routes, optimizing orders, and employing advanced supply planning methods.
2. Process automation: Automating processes enables transnational corporations to improve the efficiency and productivity of their export-import operations. Process automation enables companies to expedite and streamline order processing, as well as ensure more accurate and transparent inventory management [14].
3. Utilization of information technology: Leveraging information technology enables transnational corporations to enhance the management of their export-import operations. Information technology facilitates faster and more efficient order processing and manufacturing, as well as enables more precise and transparent inventory management.

In the context of geopolitical upheavals, transnational corporations must employ

modern approaches to managing export-import operations. Specifically, it is essential to maintain constant monitoring of the political and economic situation in countries where export-import operations are conducted. This allows for timely measures to prevent potential risks and issues.

Furthermore, applying digital transformation tools is necessary to ensure transparency and automation of export and import processes. Such tools optimize time and resources while enhancing efficiency and security.

Moreover, utilizing international cooperation instruments, such as treaties and agreements between states and international organizations, is crucial. This enables corporations to access a broader range of information and receive support for conducting export-import operations [15].

In conclusion, it is worth noting that successful management of export-import operations in the face of geopolitical turmoil necessitates the adoption of modern approaches and tools. This allows corporations to ensure the safety and efficiency of export and import processes, as well as gain access to a wider range of information and support.

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