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ESG STRATEGIES, DIGITALIZATION, AND INNOVATION IN THE CONTEXT OF GLOBALIZATION: NEW BENCHMARKS FOR STRATEGIC MANAGEMENT

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Abstract. *The article examines the problem of transforming strategic management of enterprises in the context of globalization through the integration of ESG strategies, digitalization, and innovative development. It is substantiated that intensified global competition, the harmonization of international sustainable development standards, and the growing demands of investors and regulators necessitate a shift from traditional financially oriented management models toward an integrated ESG-oriented paradigm.*

The purpose of the article is to provide a scientific justification of the role of ESG strategies, digitalization, and innovation in shaping new benchmarks of strategic management under globalization, as well as to identify the directions of their integration to ensure sustainable development and long-term competitiveness of business entities.

The methodological framework of the study is based on systemic, institutional, and strategic approaches, the concept of sustainable development, and theories of globalization and innovation. The research employs methods of analysis and synthesis, logical generalization, comparative analysis, the structural–functional approach, and conceptual modeling.

The study analyzes contemporary theoretical and applied approaches to the implementation of ESG strategies in strategic management practice, summarizes international experience in integrating digital technologies into the realization of ESG priorities, and systematizes the interrelationships between innovation activity, digitalization, and environmental sustainability within the global economic environment. A classification of innovations by areas of impact and their strategic significance for sustainable enterprise development is also provided.

It is demonstrated that digitalization serves as a key instrument for operationalizing ESG strategies by ensuring the measurability, transparency, and controllability of environmental, social, and governance processes. It is proven that innovative development and the use of digital technologies (Big Data, artificial intelligence, IoT, and digital reporting platforms) enhance enterprises' capacity to integrate ESG factors into strategic planning, risk management, and performance evaluation systems. A close relationship between the level of national innovative development and environmental sustainability is identified.

The main scientific contribution of the article lies in substantiating the conceptual foundations for transforming strategic management in the context of globalization based on the synergy of ESG strategies, digitalization, and innovation. It is shown that the integration of these components forms a new logic of managerial decision-making oriented toward long-term sustainability, risk reduction, and enhanced business competitiveness.

The proposed model of strategic management transformation envisages a transition from fragmented consideration of ESG factors to an integrated ESG-oriented digital strategy that

combines globalization challenges, innovative opportunities, and digital management tools. The model ensures the alignment of economic, environmental, and social priorities of enterprises and strengthens their adaptability to changes in the external environment.

The research results can be applied in strategic management practice, particularly in the development of ESG strategies, digital development programs, and innovative business models, as well as in the formulation of corporate sustainable development policies. Certain provisions may also be utilized by public authorities in designing digital transformation strategies and policies to support sustainable business development, and in further academic research on ESG, digitalization, and globalization processes.

Key words: *ESG strategies, digitalization, innovation, globalization, strategic management, sustainable development.*

Introduction. The current stage of global economic development is characterized by the intensification of globalization processes, which lead to a significant transformation of the conditions under which enterprises operate. The integration of national economies into the global economic space is accompanied by an increase in international competition, heightened volatility and instability of global markets, as well as a growing dependence of business performance on the dynamics of the external environment. Under these conditions, enterprises are compelled to adapt their management models to rapid technological, institutional, and socio-economic changes.

At the same time, the requirements of key stakeholders—investors, consumers, and regulatory authorities—are evolving. The importance of environmental, social, and governance aspects in the assessment of corporate performance is increasing, which intensifies attention to the principles of sustainable development, corporate responsibility, and transparency of business processes. In this context, ESG approaches acquire the status of a system-forming element of strategic management aimed at ensuring long-term economic resilience and competitiveness of enterprises in the global environment.

Simultaneously, digitalization and innovative development act as decisive factors in the transformation of modern business models. The implementation of digital technologies, data analytics tools, automation of management processes, and innovative organizational solutions creates prerequisites for enhancing enterprise adaptability, optimizing resource allocation, and forming new competitive advantages. The synergy between ESG orientation and digital transformation processes facilitates the integration of sustainable development principles into strategic management

practice.

However, traditional approaches to strategy formulation and implementation, which are based on linear planning models and predominantly financial performance criteria, are increasingly unable to meet the requirements of a globalized and digital economy. They fail to ensure a comprehensive consideration of ESG factors, innovation dynamics, and digital capabilities in managerial decision-making, thereby limiting enterprises' ability to respond effectively to contemporary challenges and to leverage the potential of global markets.

In this regard, the purpose of the article is to provide a scientific justification of the role of ESG strategies, digitalization, and innovation in shaping new benchmarks of strategic management under globalization, as well as to identify directions for their integration to ensure sustainable development and long-term competitiveness of business entities.

Analysis of scientific literature sources. Under conditions of intensified globalization, the ESG concept is gradually evolving beyond its traditional role as a non-financial reporting instrument and is increasingly acquiring the features of a systemic element of enterprise strategic management. Contemporary studies indicate that the integration of ESG principles into business activities generates not only social responsibility outcomes but also tangible economic advantages. In particular, L. M. Varava and S. I. Baradakova [1] substantiate that adherence to ESG approaches enhances trust among financial institutions and positively affects access to credit resources for small and medium-sized enterprises. The authors consider ESG as a factor contributing to risk reduction and increased investment attractiveness of business entities.

The general theoretical foundations of the ESG approach are presented in the materials of LIGA 360° [2], which emphasize the necessity of comprehensive integration of environmental, social, and governance components into corporate policies. In the publications of KPMG [3; 4], the focus shifts from formal reporting toward the strategic dimension of ESG, highlighting that ESG increasingly influences business thinking, risk management processes, and the long-term positioning of

companies within a competitive global environment.

Digitalization plays a significant role in the formation of ESG strategies. According to the APLANET study [5], digital transformation acts as a catalyst for corporate sustainability by enabling automation of ESG data collection and processing, enhancing process transparency, and improving the quality of managerial decision-making. Similar approaches are reflected in the materials of BDO Ukraine [6], where innovations in accounting and management systems are considered tools for integrating sustainable development principles into everyday corporate practice.

The application of information technologies in implementing the environmental component of ESG represents a distinct area of scholarly interest. The proceedings of an international scientific and practical conference [7] emphasize the importance of digital platforms for environmental monitoring and decision-support systems. A practical example of such integration is the SaveEcoBot system [8], which demonstrates the potential of open data for environmental control and increased transparency of business activities.

The global context of innovation development is reflected in European Union reports on R&D investment [9] and in the Global Innovation Index materials [10], which indicate intensifying competition among countries for technological leadership. In this regard, V. Kyfyak [11] substantiates the feasibility of forming strategies for innovative sustainable business development that combine ESG principles with digital and managerial tools. A similar position is presented in the materials of Digital State UA [12], where innovation is considered a national priority in the context of global economic integration.

The impact of digital technologies as an economic driver is also addressed in publications related to Digital Transformation Week [13], which emphasize the emergence of new management models and competitive advantages driven by digitalization. Empirical findings by Jun Cui [14] confirm that digital innovations directly correlate with corporate ESG performance, particularly through the mediating role of artificial intelligence technologies in enhancing the quality of ESG governance.

Analytical reviews of ESG reporting practices [15] reveal a trend toward

standardization and increasing transparency of corporate information at the global level. At the national level, government digital platforms are also of particular importance, including the "EcoSystem" platform of the Ministry of Environmental Protection and Natural Resources of Ukraine [16], which facilitates the integration of environmental policy into the strategic management framework.

Thus, the analysis of scientific and applied sources allows concluding that ESG strategies, digitalization, and innovation form an interconnected system of contemporary benchmarks for strategic management in the context of globalization. The combination of technological solutions with sustainable development principles contributes to enhancing business competitiveness and adaptability to the dynamic challenges of the external environment.

Study results. In recent years, ESG strategies have gradually acquired the status of a conceptual foundation of enterprise strategic management. The acronym ESG (Environmental, Social, Governance) reflects the integration of environmental, social, and governance factors into the managerial decision-making system, enabling a comprehensive assessment of the impact of corporate activities on the environment, society, and the effectiveness of corporate governance. These approaches are at the center of both academic and practical interest, as they are closely linked to corporate social responsibility, risk management, and the enhancement of business transparency [1].

Unlike traditional management concepts that are primarily focused on short-term financial performance, ESG strategies are aimed at creating long-term business value through the incorporation of environmental, social, and governance dimensions of development (Table 1).

The environmental component (E) encompasses issues of the rational use of natural resources, reduction of emissions, and minimization of negative impacts on the environment. The social component (S) focuses on the development of human capital, protection of employees' rights and safety, support for local communities, and the establishment of effective interaction with stakeholders. The governance element (G) is associated with ensuring transparency and ethical standards in corporate governance,

the effectiveness of internal control systems, management accountability, and the protection of investors' interests [2].

Table 1 – Essential characteristics of the ESG strategy components.

ESG Component	*Substantive Essence*	*Key Areas of Implementation*	*Strategic Effect for the Enterprise*
Environmental (E)	Focus on minimizing the negative environmental impact of enterprise activities and ensuring the rational use of natural resources.	Energy efficiency; reduction of CO_2 emissions; waste management; use of renewable resources; environmental modernization of production.	Reduction of environmental risks; increased resource efficiency; strengthening of a "green" corporate image; access to sustainable finance.
Social (S)	Formation of a socially responsible model of enterprise interaction with employees and external stakeholders.	Human capital development; occupational health and safety; inclusion and equality; corporate social responsibility; partnerships with local communities.	Increased employee loyalty; higher productivity; enhanced corporate reputation; reduction of social conflicts.
Governance (G)	Ensuring an effective, transparent, and ethical system of corporate governance.	Transparency of reporting; anti-corruption policies; risk management; protection of investors' rights; independence of supervisory bodies.	Improved investment attractiveness; mitigation of managerial risks; stability of strategic decisions; market trust.

Source: compiled by the authors based on materials from [2]

Taken together, these components form the basis for a transition from a narrowly financial management logic to an integrated model oriented toward long-term business sustainability and adaptation to the challenges of the contemporary global environment.

Globalization processes significantly transform the environment in which ESG strategies are formed and implemented, fostering the harmonization of sustainable development and corporate responsibility standards. For example, within the European Union, sustainability reporting directives (in particular the CSRD) require companies to disclose non-financial information using standardized indicators, thereby enhancing business transparency and facilitating investment attraction. In the global context, the role of international ESG ratings, sustainability indices, and non-financial reporting as tools for evaluating corporate performance is increasing. They are becoming important signals for investors, creditors, and partners, influencing companies' access to financial resources and their positioning in global markets [3].

A key driver of the dissemination of ESG approaches is the development of responsible investment, whereby capital is allocated not only with regard to financial

returns but also from the standpoint of environmental security, social impact, and the quality of corporate governance. Global financial markets are increasingly integrating the principles of sustainable investing, shaping a new logic of strategic decision-making for enterprises: competitiveness depends on the ability to embed ESG factors into the business model (Table 2). Companies that ignore these requirements may face higher costs of capital, reputational risks, and restricted access to international investment flows [4].

Table 2 – Comparative Characteristics of International Approaches to the Implementation of ESG Strategies.

Region	*Key Features of ESG Implementation*	*Dominant Mechanism*	*Model Characteristics*
European Union	Institutional integration of ESG through directives on non-financial reporting and sustainable finance	Regulatory	Combination of market instruments with stringent regulatory requirements; a strong role of national and supranational regulation
United States of America	Formation of ESG approaches driven by investors and financial markets	Market-based	Leading role of investment funds, rating agencies, and capital markets in defining ESG priorities
Asian Countries	Combination of state regulation and corporate initiative	Mixed	Adaptation of ESG to global sustainable development standards with a simultaneous emphasis on technological innovation

Source: compiled by the authors based on materials from [4]

Thus, in the global economy, ESG strategies function not only as instruments for enhancing the social and environmental responsibility of business, but also as an important component of the strategic positioning of enterprises in international markets, shaping new management benchmarks under conditions of globalization, digitalization, and the innovative transformation of the economy.

At the same time, under contemporary globalization conditions, digitalization acts not merely as a technological trend but as a systemic factor transforming strategic enterprise management. Its significance goes beyond the optimization of business processes and is increasingly associated with the implementation of ESG strategies and the formation of innovative development models. Digital technologies create an infrastructural foundation for integrating environmental, social, and governance priorities into the day-to-day operations of enterprises, ensuring the measurability, digital transparency, and manageability of ESG processes through automation,

analytics, and artificial intelligence–based solutions (Fig. 1).

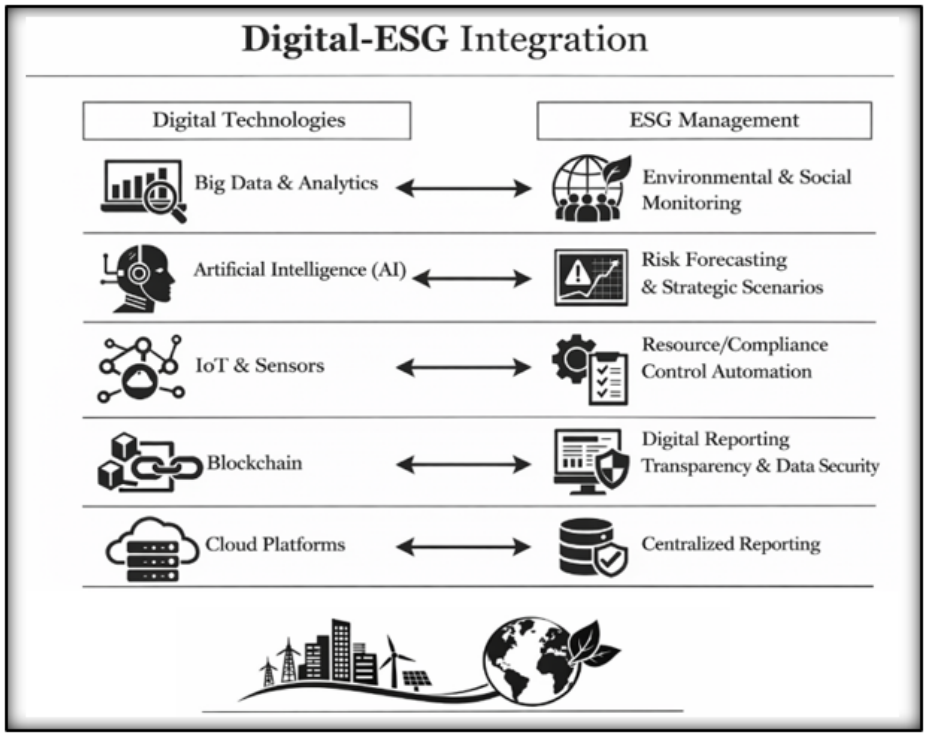

Figure 1 – The Role of Digital Technologies in the Implementation of ESG Strategies

Source: compiled by the authors based on materials from [5; 6]

Moreover, digitalization has not only a qualitative but also a quantitative dimension within the structure of the national economy. The dynamics of digital transformation processes in Ukraine's GDP indicate a steady increase in the role of digital technologies in shaping contemporary management models (Fig. 2).

The share of digital transformation processes in Ukraine's GDP increased from 1.1% in 2010 to 7.8% in 2024, i.e., almost sevenfold over the analyzed period. The acceleration after 2018 is particularly notable and is associated with the active deployment of platform-based solutions, the development of GovTech, the diffusion of cloud technologies, big data, and management automation tools [17].

Big Data and analytics tools enable the processing of large volumes of information on a company's environmental, social, and governance indicators from multiple sources. This makes it possible to conduct systematic ESG monitoring, assess emission levels, energy consumption, and other non-financial indicators in real time, and identify risks and trends for strategic decision-making. Analytical platforms,

particularly those using machine learning, facilitate the forecasting of the ESG impact of managerial actions and enhance the quality of strategic planning [5].

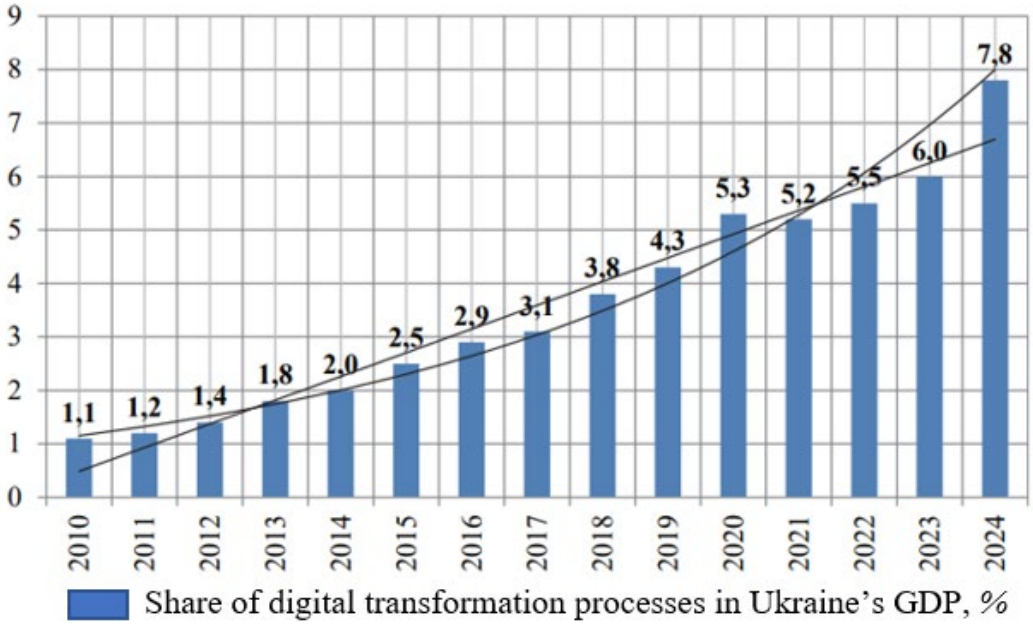

Figure 2 – Dynamics of the Share of Digital Transformation Processes in Ukraine's GDP as an Infrastructural Basis for the Implementation of ESG Strategies

Source: compiled by the authors based on materials from [17]

Digital solutions – cloud platforms, automated reporting systems, and data tools – enhance the transparency of non-financial information and enable the efficient preparation of ESG reporting in accordance with international standards (e.g., GRI or ESRS). In the practice of Ukrainian companies, the preparation of non-financial reports is already becoming an important prerequisite for access to financing and for increasing partners' trust, thereby fostering business European integration [6].

Artificial intelligence (AI), the Internet of Things (IoT), and sensor systems enable continuous monitoring of environmental conditions (e.g., emissions and water use), working conditions, and compliance with social standards. Automated systems reduce the subjectivity of assessment, increase the speed of response to deviations, and represent a key element in the transition from declarative ESG policies to practically oriented sustainable management [5].

Furthermore, digitalization serves as one of the key drivers of sustainable development for modern enterprises, as it transforms approaches to resource management, business processes, and corporate responsibility. The integration of digital technologies into corporate activities creates new opportunities to achieve economic efficiency, environmental balance, and high governance standards, which is consistent with the sustainable development concept and ESG principles (Fig. 3).

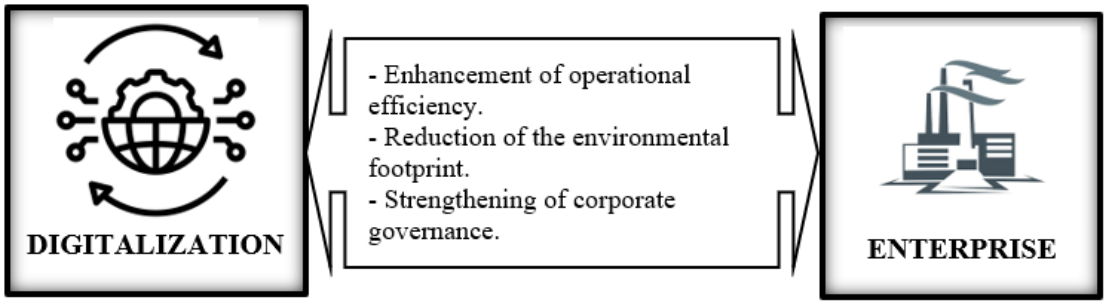

Figure 3 – The Impact of Digitalization on the Sustainable Development of Enterprises

Source: compiled by the authors based on materials from [5; 7; 8].

The automation of business processes and the application of digital twins and AI-based solutions enable enterprises to optimize resource utilization, reduce costs, and enhance the adaptability of organizational structures while maintaining the quality of products and services. These technologies foster the innovative transformation of business models and create prerequisites for sustainable growth in a competitive global environment [5].

Digital tools, such as IoT devices for monitoring energy consumption, air-quality sensors, and cloud-based data management platforms, allow enterprises to significantly reduce their environmental footprint. This is achieved through the accurate measurement of environmental impacts and the implementation of "green" innovations, including energy-efficient processes and optimized use of raw materials [7].

Digital risk management, compliance, and internal audit systems strengthen the transparency and accountability of managerial decisions. The use of integrated data

platforms makes it possible to embed key ESG indicators into strategic control and management performance evaluation systems, thereby enhancing investor confidence and contributing to corporate stability.

In Ukraine, digital ESG initiatives are gradually being introduced as part of adaptation to European standards and economic recovery. Experts emphasize the importance of digital tools in preparing non-financial reporting and ESG assessments of enterprises, which will promote not only transparency but also the European integration dynamics of business. The SaveEcoBot system, which enables financial institutions to promptly assess the environmental and social risks of economic entities, represents one example of digital support for sustainable development assessment in Ukraine [8].

The importance of innovation as a key driver of sustainable development is clearly confirmed by international ranking assessments. Table 3 presents the top ten countries worldwide according to the Environmental Sustainability Index and the Global Innovation Index in 2024.

Table 3 – Top 10 of 100 Countries Worldwide by the Environmental Sustainability Index and the Global Innovation Index in 2024

Environmental Sustainability Index	*Score*	*Global Innovation Index*	*Score*
1. Estonia	75.7	1. Switzerland	67.5
2. Luxembourg	75.1	2. Sweden	64.5
3. Germany	74.5	3. USA	62.4
4. France	73.8	4. Singapore	61.2
5. United Kingdom	72.6	5. United Kingdom	61.0
6. Sweden	70.3	6. South Korea	60.9
7. Norway	69.9	7. Finland	59.4
8. Austria	68.9	8. Netherlands	58.8
9. Switzerland	67.8	9. Germany	58.1
10. Denmark	67.7	10. Denmark	57.1

Source: compiled by the authors based on materials from [9; 10]

Data analysis indicates that the leading positions in both indices are predominantly occupied by economically developed European countries with high levels of institutional capacity, innovation activity, and environmentally oriented public policies. According to the Environmental Sustainability Index, Estonia ranks first (75.7 points out of 100), followed by Luxembourg (75.1), Germany (74.5), and

Finland (73.8). High positions are also held by the United Kingdom, Sweden, Norway, Austria, Switzerland, and Denmark, reflecting a systemic approach in these countries to the implementation of "green" innovations, the development of clean technologies, and the rational use of resources.

At the same time, the Global Innovation Index demonstrates a slightly different, yet logically related, structure of leaders. The highest scores in 2024 are held by Switzerland (67.5 points), Sweden (64.5), and the USA (62.4), which are traditionally characterized by high expenditures on research and development, well-developed innovation ecosystems, and active business participation in value creation. The top ten also include Singapore, the United Kingdom, South Korea, Finland, the Netherlands, Germany, and Denmark.

The overlap of leading countries in both rankings (Switzerland, Sweden, Finland, Germany, Denmark, and the United Kingdom) confirms a close relationship between the level of innovation development and environmental sustainability. This indicates that corporate innovation in the global environment is increasingly oriented not only toward economic efficiency but also toward achieving sustainable development goals, environmental responsibility, and social value.

Thus, in the context of globalization, innovation serves as a fundamental prerequisite for creating competitive advantages for enterprises and national economies, enabling their ability to adapt to structural changes in the global economy and maintain sustainable positions in international markets [9; 10].

For a comprehensive understanding of innovation activities, it is advisable to classify innovations according to their areas of impact and fields of implementation (Table 4). This classification reflects the complex nature of innovation activities, which simultaneously influence various aspects of enterprise functioning and its interaction with the environment and society.

Global markets and international value chains define new requirements for corporate innovation activities. Participation in global value chains encourages companies to enhance efficiency, optimize resources, and implement new technologies that meet the requirements of global partners and consumers.

At the same time, transnational value chains reinforce the importance of ESG approaches as prerequisites for market and investment access, since multinational corporations and their partners increasingly require environmental, social, and governance standards from participants within their networks (Fig. 4).

Table 4 – Classification of Innovations by Areas of Impact and Strategic Significance

Type of Innovation	*Description*	*Strategic Significance*
Technological	Implementation of new or significantly improved products, processes, or technologies.	Improvement of production efficiency, cost reduction, expansion of product lines.
Managerial	New organizational models, management systems, and strategic planning approaches.	Strengthening organizational adaptability, enhancing the quality of managerial decisions, increasing operational efficiency.
Social and Environmental	Innovations aimed at improving social conditions, environmental safety, and sustainable societal functioning.	Enhancement of corporate social responsibility, reduction of environmental impact, increase of reputational capital.

Source: compiled by the authors based on materials from [11].

Figure 4 – The Enterprise's Innovative ESG Ecosystem within Global Value Chains

Source: compiled by the authors based on materials from [11].

This diagram demonstrates that global markets and international value chains are

key determinants of innovation activity, particularly those innovations aligned with ESG criteria and essential for the sustainable functioning of enterprises in the international environment.

Figure 5 illustrates the dynamics of digital technology integration in the implementation of ESG strategies during the period 2021–2025 and demonstrates the evolution of strategic management under globalization. It is structured as a chronological trajectory, combining the temporal dimension, technological drivers, and managerial outcomes for sustainable development.

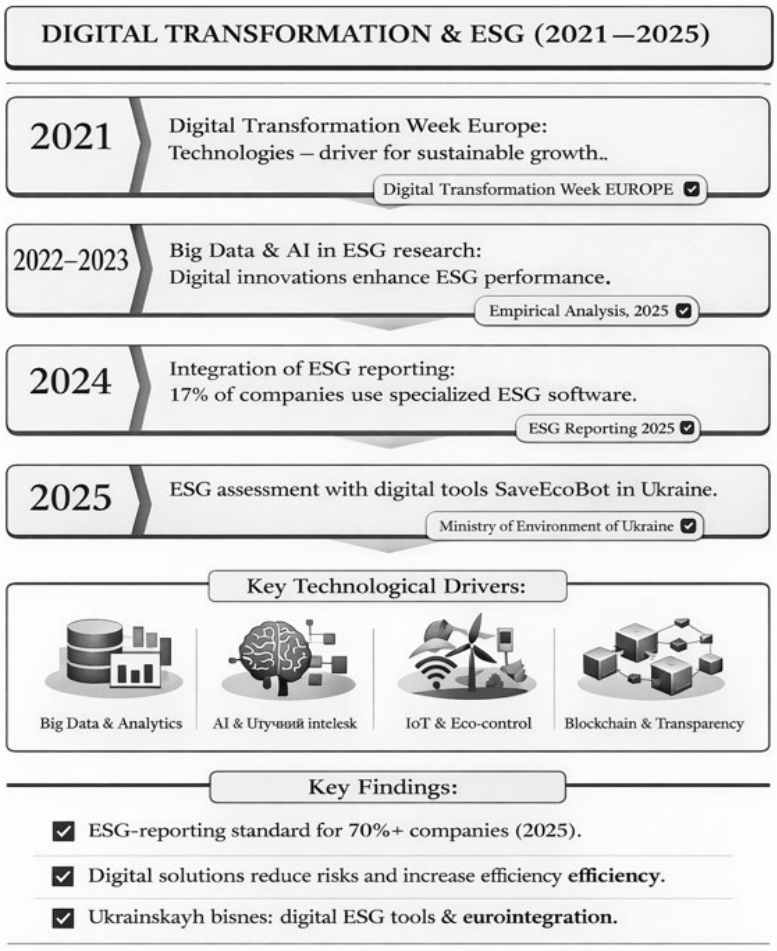

Figure 5 – Integration of Digital Technologies into ESG Strategies in the Evolution of Strategic Management

Source: compiled by the authors based on materials from [13; 14; 15; 16]

The initial stage (2021) is interpreted as the phase of awareness regarding the role of digital transformation, where technologies are viewed as a key driver of sustainable growth. The focus is on developing a digital management culture and implementing

innovative tools into business processes, laying the foundation for subsequent ESG integration.

The period 2022–2023 reflects the stage of active use of Big Data and artificial intelligence in ESG research. During this time, digital innovations enhance enterprises' analytical capabilities for assessing environmental, social, and governance indicators, facilitating the transition from declarative approaches to quantitatively measurable ESG management.

The 2024 stage is characterized by the institutionalization of ESG reporting. Infographics illustrate the increasing share of companies using specialized software for non-financial reporting. This marks the transition of ESG from the realm of strategic intentions to operational management and digital performance control.

The final phase (2025) is associated with the application of digital ESG tools in Ukrainian business practices, particularly through environmental platforms and enterprise impact assessment systems. This underscores Ukraine's integration into the European sustainable development space and the increasing role of digital technologies in ensuring transparency and compliance with ESG standards.

A separate block of the infographic represents the system of technological drivers, highlighting Big Data and analytics, artificial intelligence, IoT-based environmental monitoring systems, and blockchain transparency technologies. These are presented as the infrastructural foundation of ESG management, providing monitoring, risk forecasting, process automation, and data protection.

The concluding element of the infographic summarizes the strategic outcomes of digital-ESG transformation: standardization of ESG reporting, risk reduction, improved management efficiency, and enhanced integration of Ukrainian businesses into global markets.

Ukraine is shaping an innovation-driven development policy as part of a national strategy aimed at integration into global innovation processes. For example, the WINWIN 2030 strategy identifies innovation as a tool for national strength, economic recovery, and global competitiveness, promoting the development of breakthrough technologies across various economic sectors [12].

The information presented in Figure 6 reflects a conceptual model of the transformation of strategic management in enterprises under globalization, digitalization, and the dissemination of the ESG paradigm. It emphasizes a shift in the logic of managerial decision-making from a traditional focus on short-term efficiency to a sustainable development model based on the integration of economic, environmental, and social priorities.

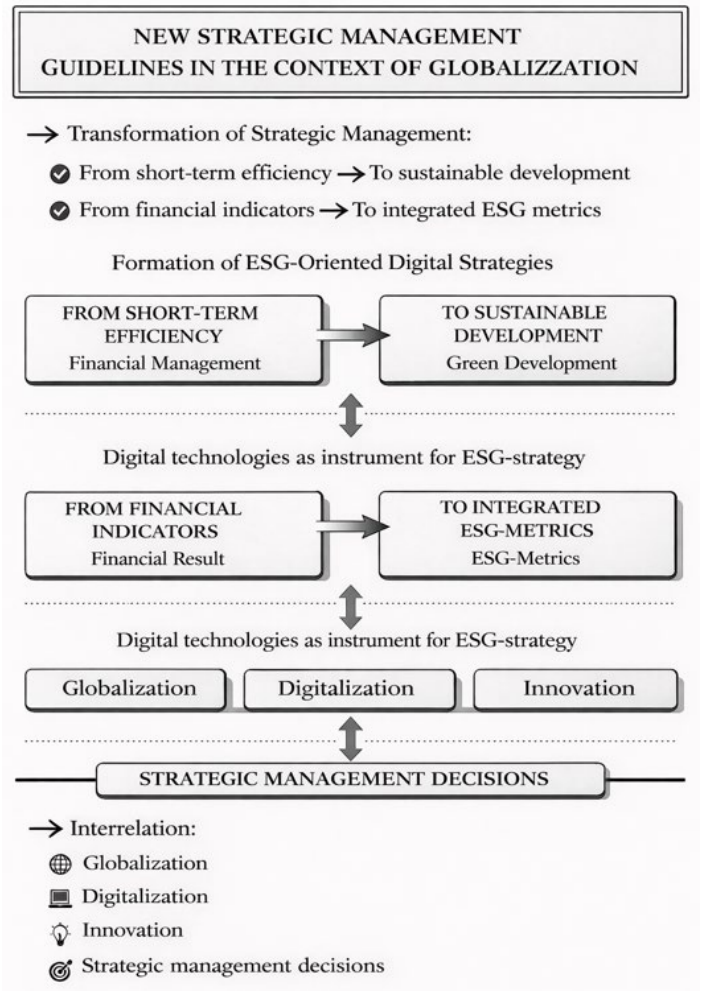

Figure 6 – Conceptual Model of the Transformation of Strategic Management in Enterprises under Globalization, Digitalization, and the Dissemination of the ESG Paradigm

Source: Compiled by the authors

The first block of the infographic illustrates the transformation of strategic management along two key vectors. First, there is a shift in focus from achieving short-term financial results to ensuring the long-term sustainability of the business and its

capacity to create value over time. This approach entails consideration of environmental risks, social impacts of activities, and the institutional stability of the enterprise. Second, the system of performance evaluation is evolving: instead of the dominance of financial indicators, integrated ESG metrics are increasingly used, providing a comprehensive reflection of economic performance, environmental responsibility, and the quality of corporate governance.

The second content layer of the infographic is devoted to the development of ESG-oriented digital strategies. In this context, digital technologies are viewed as a tool for operationalizing ESG principles in strategic management practice. The integration of data analytics, automated management systems, digital platforms, and transparent reporting enables the measurement, monitoring, and real-time adjustment of ESG parameters. Thus, digitalization facilitates the transition from declarative ESG implementation to a systematic, controlled, and innovation-oriented model of enterprise development.

The third block of the infographic highlights the interrelationship between globalization, digitalization, innovation, and strategic managerial decisions. Globalization intensifies competition and standardizes business requirements, encouraging enterprises to implement new technologies and sustainable development standards. Digitalization serves as an infrastructural foundation for adaptation to the global environment, providing speed, transparency, and flexibility in management processes. Innovation, in turn, shapes new business models and tools for implementing ESG strategies. The synergy of these factors translates into strategic managerial decisions aimed at enhancing competitiveness, investment attractiveness, and enterprise sustainability.

This model of strategic management transformation under globalization, digitalization, and the dissemination of the ESG paradigm demonstrates that contemporary strategic management in the global context acquires a comprehensive character, integrating economic performance with social responsibility and environmental balance. It reflects the shift from fragmented managerial approaches to an integrated ESG-oriented digital model, which establishes new development

benchmarks for enterprises in a global competitive environment.

Conclusions.

As a result of the conducted research, it has been substantiated that ESG approaches, digitalization, and innovation activities shape a new logic of strategic management in enterprises under globalization. The contemporary business environment is being transformed under the influence of increasing international competition, standardization of regulations, and heightened requirements from investors, consumers, and regulators, necessitating a transition from the traditional financially oriented management model to an integrated sustainable development paradigm. In this paradigm, economic outcomes are considered in conjunction with environmental responsibility, social stability, and the quality of corporate governance.

It has been demonstrated that digitalization is not an autonomous process but a tool for implementing ESG strategies, ensuring measurability, transparency, and controllability of managerial decisions. The use of data analytics, artificial intelligence, automated control systems, and digital reporting enables the integration of ESG indicators into strategic planning, risk management, and performance evaluation of enterprises. In combination with innovation, digital technologies contribute to improved operational efficiency, reduced environmental impact, and strengthened institutional resilience of businesses.

It has been argued that globalization simultaneously serves as both an environment and a driver of these transformations. It intensifies competition, integrates markets, and standardizes business requirements, promoting the dissemination of ESG standards, digital solutions, and innovative management models. Participation in global value chains necessitates the implementation of innovative ESG solutions as a prerequisite for access to international markets and financial resources.

Summarizing the findings, it should be noted that the strategic integration of ESG has become a key factor for the long-term sustainability of enterprises. It enhances the ability of businesses to adapt to changes in the external environment, mitigate risks, increase investment attractiveness, and create competitive advantages on a global scale. ESG-oriented digital and innovation strategies are transforming into the foundation of

the modern strategic management model.

Prospects for further research should focus on the development of quantitative methodologies for assessing the impact of ESG integration on financial and non-financial performance, the analysis of sector-specific features in ESG strategy implementation, and the study of the role of digital platforms and artificial intelligence in shaping sustainable business models. Empirical research on ESG transformation practices in enterprises in transitional economies and in the context of post-crisis recovery also represents a distinct area of scientific interest.

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