CZU: 005.511:005.591.4:502.131.1 **https://doi.org/10.59295/mpdnwe2024.29**

CONCEPT AND WORLD EXPERIENCE OF ADAPTING SURVIVAL STRATEGIES AS A FACTOR OF SUSTAINABLE DEVELOPMENT

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Purpose of the article: This article examines the concept of adapting survival strategies as a critical factor in achieving sustainable development. It highlights how crises, while posing threats, also offer opportunities for transformation by driving businesses to innovate and adjust to new realities. The paper aims to explore both the theoretical and practical aspects of survival strategies and their role in balancing economic, social, and environmental interests.

Methodology: The study analyzes global experiences of adapting survival strategies in various economic sectors, with a focus on real-world crisis examples. Successful cases are highlighted, and challenges encountered during adaptation are identified. The analysis involves a comparative approach, assessing how adaptive strategies contribute to long-term sustainability goals.

Conclusions: The article concludes that adaptive survival strategies are essential for businesses to navigate crises and thrive in uncertain environments. These strategies not only help companies survive but also promote sustainable development by aligning economic growth with social stability and environmental protection. The paper suggests that ongoing adaptation will be crucial as global challenges continue to evolve.

Originality: The article provides a comprehensive overview of the concept of survival strategies in the context of sustainability. By integrating examples from various industries, it offers insights into the practical application of adaptive strategies and highlights their importance for future development.

Keywords: adaptation of survival strategies, sustainable development, change management, agility concept, scenario planning, antifragility, organizational learning theory, resilience, ambidexterity, lean startup.

Introduction

Crises are an inevitable part of the development of both the economy as a whole and individual businesses. However, they bring not only threats but also opportunities for change and often act as catalysts, forcing companies to revise their strategies, innovate and adapt to new conditions. To cope with crisis and survive in the face of uncertainty, companies must develop and apply flexible survival strategies. Thus, in the face of global environmental, economic, and social changes, adaptation of survival strategies becomes critical for sustainable development. The article discusses the concept of adaptation of survival strategies, including its theoretical and practical aspects. The authors analyze the world experience of adaptation in different sectors of the economy on the example of real crises, highlighting successful examples and identifying problems. Special attention is paid to how adaptive strategies contribute to sustainable development through balancing economic interests, social stability and environmental protection. The article also discusses the prospects for further application of adaptive strategies to achieve sustainable development goals in the face of changing global challenges.

Forming the strategy of an organization is a complex management process. Strategy development requires large financial investments and does not bring immediate results. But with the continuous change

of the external environment, it is increasingly important to develop a company's strategy, which will allow it to keep up with the changes occurring in its external environment. Without an effective strategy, an organization cannot set the stage for financial success in both future and current markets. Strategy should define how an organization can get ahead of its competitors, i.e. how to act faster, larger and more efficiently than them. Without strategy, any organization will always be in a secondary role, adjusting to the actions of rivals and reacting defensively to their initiatives. The development of a correct and competent corporate strategy and its implementation will help many domestic companies to successfully participate in the competitive struggle.

The relevance of the study of survival strategies in crisis situations stems from the need to develop effective methods to minimize damage and ensure stability in the face of uncertainty. It is important not only to develop short-term measures to overcome the crisis, but also to create long-term strategies that allow organizations and states to successfully recover and adapt to the changing environment. The purpose of this research article is to consider the theoretical basis of survival strategies in crisis, to study the existing approaches and models, and to analyze how they can be applied in various spheres of activity, including catering enterprises. This will help to systematize the knowledge about survival strategies and highlight the key factors affecting the success of their implementation.

The main objectives of the study included:

1. Studying classical and modern theoretical approaches to survival strategies.
2. Consideration of factors influencing the choice and effectiveness of strategies.
3. Evaluation of practical models of survival on the example of real crisis situations.

The object of the study was crisis situations of different nature, and the subject - survival strategies applied in response to these situations. Studying the theoretical foundations of survival strategies allows us to understand which approaches and tools are most effective in preventing catastrophic consequences and stabilizing after a crisis.

Thus, the study of survival strategies is an urgent task for government structures, business and society as a whole, allowing to reduce vulnerability and increase resilience in the face of inevitable crises.

Review of literature

Many authors, researchers and scholars have addressed the issues of sustainable development of organizations, highlighting various aspects of the crisis impact on business and ways to overcome the challenges.

Renowned urbanist and economist Richard Florida has studied the impact of pandemics on global economic processes, social development and the sustainability of cities and organizations. His work often addresses how crises (including pandemics) can transform economies and social structures.

Stephen L. Reilly, a specialist in crisis management and corporate resilience, has focused his research on how companies adapt to the pandemic, particularly in the context of risk management and sustainability strategies.

The work of corporate sustainability and socially responsible business expert Elizabeth Stroud addresses topics related to how the COVID-19 pandemic accelerated the adoption of corporate social responsibility (CSR) and environmental initiatives.

Rebecca Henderson, a Harvard professor specializing in sustainability and business model transformation, discusses in her book Reimagining Capitalism in a World on Fire how businesses must adapt to global challenges, including a pandemic, to create a sustainable future.

Supply chain management expert Nurhan Kizilkay explored how the pandemic affected global supply chains and offered solutions to make them more resilient.

Daniel M. Stynes explored the resilience of tourism organizations in a pandemic and business adaptation to new conditions. He paid special attention to digital transformation as a key element of sustainable recovery.

U.S. Chamber of Commerce President Suzanne Clark writes about how companies can adapt to the economic challenges of a pandemic and become more resilient by embracing innovation and new technologies.

Michael J. Kearns, an expert on risk management and resilience in the context of financial crises, explores how the pandemic has affected the financial resilience of companies and what can be done to recover and protect them from future crises.

The work of Jason Schenckman, a researcher of sustainable business and digital transformation, especially in pandemic environments, addresses how digitalization can make organizations more resilient in the face of external shocks such as COVID-19.

Organizational behavior specialist Anneliese Hewison has focused on how corporate culture and leadership affect the ability of companies to overcome crises.

These authors actively analyze in their research the effects of a pandemic on business, society, and the economy as a whole, and propose strategies for sustainability in the face of uncertainty. They have published their research and books on survival and management strategies in global crises since 2018, and their work remains relevant to understanding how to adapt to rapidly changing conditions. In the last 5 years, many contemporary authors have investigated crisis survival strategies, especially in the context of the COVID-19 pandemic, global economic instability and rapidly changing market conditions. The most significant research questions have focused on strategic management in volatility and crisis, in terms of adaptive, innovative and digital strategies, ideas of resilience and adaptation in the face of global shocks, the impact of crises on digital transformation, business strategies and corporate survival in the face of technological change.

According to PwC's 2023 survey, today's companies face constant challenges, including geopolitical instability, inflation, and cyber threats. To function successfully in a crisis, it is important for companies to develop strategies aimed at proactive risk and crisis management, which helps not only to survive but also to develop in the face of constant change [6].

One of the key findings of Spencer MacDonald's recent research is the need to learn from past crises. Many organizations have adapted their processes, and based on these changes it is possible to build more effective strategies for the future, which includes revising crisis management policies and improving processes to prepare for future unpredictable events [1].

The development and application of effective strategies for coping with crises requires an in-depth analysis of their causes and consequences, as well as the adaptation of economic and political systems to new challenges. Analyzing specific survival strategies during various crises allows us to understand how individual companies, states or industries adapted to changing conditions, successfully coping with crisis situations. Let us consider a few examples of real crises and the strategies applied in these situations.

The financial crisis of 2008 (using General Motors (GM) and Ford as examples). The global financial crisis of 2008 led to a significant decrease in demand for automobiles and to the growth of debts of automobile industry companies.

General Motors (GM) faced serious financial difficulties and turned to the U.S. government for help. The company adopted a strategy of cost cutting and debt restructuring, which included bankruptcy and government aid in the form of 50 billion dollars. This measure allowed the company to get rid of non-core assets and reduce debts. GM also closed several brands, including Pontiac and Saturn, which also allowed the company to focus on more successful models and brands (e.g., Chevrolet and Cadillac).

Unlike GM, Ford had borrowed $23 billion dollars in advance of the crisis, allowing it to avoid bankruptcy. The company's strategy included long-term planning and building a financial cushion. Ford also restructured its product line, emphasizing environmentally friendly and fuel-efficient vehicles. One of Ford's key strategies was to innovate in manufacturing processes, such as the use of hybrid and electric technologies, which strengthened the company's position in the post-crisis period.

Bottom line: GM was saved by government intervention and restructuring. However, the company lost some of its influence in the market. Ford maintained its independence through crisis preparedness and innovation.

COVID-19 crisis (2020-2021) (using the example of Airbnb, the tourism and airline industry). The COVID-19 pandemic led to the near collapse of the tourism industry and a sharp drop in demand for short-term rental services.

To overcome the crisis, Airbnb developed and applied a combined strategy of adapting its business model, cutting costs, and innovating its product. When it became clear that international tourism was not going to recover anytime soon, Airbnb focused on domestic travel. The company began promoting rentals in rural areas and small towns, where people could work remotely and be in a safe environment at the same time. In the early months of the recession, the company cut 25% of its staff and canceled or froze many projects that were not a priority. Airbnb quickly introduced features for online events and virtual tours, allowing the company to continue to operate and offer new services when physical travel was limited.

Bottom line: These strategies helped Airbnb maintain its position in the market, and the company's IPO in late 2020 was successful.

Crisis in the Energy Industry (1980s) (Shell case study). In the 1980s, the oil market faced falling oil prices, which led to a crisis in the energy industry. The decline in demand and oil prices forced companies to look for new survival strategies. Shell was no exception and utilized a number of strategies that enabled it to cope with the crisis situation.

Shell was one of the first companies to introduce scenario planning to predict possible paths of development. The company considered several scenarios of future oil market development and adapted its strategy depending on the possible options (e.g. “oil crisis”, “environmental pressure”, “alternative energy sources”). Another area of development was business diversification. Shell invested in the development of alternative energy sources, such as solar and wind power, realizing that the future may require abandoning total dependence on oil. The company has also laid out a program of cost reduction and process optimization. The company has improved its supply chain and production processes, allowing it to remain profitable even when oil prices are low.

Bottom line: Shell not only successfully overcame the crisis, but also became one of the leading companies in energy innovation.

Dotcom crisis (2000) (using the example of the IT company Amazon). The dotcom crash led to a sharp drop in stock prices of Internet companies and mass bankruptcies. Many young companies based on high market expectations did not survive the crisis.

The price of Amazon's success was a long-term development strategy. Amazon did not chase short-term profits in the late 1990s, which allowed the company to survive the crisis. Instead, they continued to expand their product line and invested in logistics and infrastructure. Another area of survival was diversification. Amazon began to expand its business beyond online book sales into other areas including electronics, apparel, and home appliances. The focus on customers continued to be a priority. The company invested heavily in improving customer service, such as creating the Amazon Prime loyalty program, which helped retain customers even during challenging times.

Bottom line: Amazon emerged from the crisis not only as a survivor, but also significantly strengthened its position as the world's largest online platform.

The Great Depression (1929-1939) (using Procter & Gamble (P&G), an industrial sector company as a case study. The Great Depression had a devastating effect on industry and the consumer market.

P&G's survival strategy was to support demand through advertising. Despite the economic hardships, P&G invested heavily in radio and Ivory soap advertising, which allowed the company to maintain a high level of brand recognition. Along with the economic component of the business, P&G emphasized social responsibility. P&G created support programs for its employees and local communities, which allowed the company to maintain loyalty and improve its reputation.

Bottom line: Despite a general decline in consumption, P&G not only survived, but also strengthened its position as a leading consumer goods manufacturer.

These examples demonstrate that successful crisis survival strategies include the application of principles such as flexibility, innovation, adaptation to new conditions and the willingness to take bold steps. An important aspect is the ability of companies and states to utilize both internal resources and external support to overcome crises.

Results and discussions

A critical analysis of crisis survival strategies has highlighted a wide range of approaches, methodologies and concepts developed from economic, managerial and sociological theories. Crisis situations can range from economic downturns and political instability to natural disasters, but the basic principles of survival, adaptation and resilience apply to most of them.

Thus, among the best-known approaches that reveal the concept of survival strategies are models of crisis management theory, resilience theories, social network theories, evolutionary survival strategies, organization theories, institutional theories, and others. Adaptation and strategy change models play a key role in ensuring the survival and sustainability of organizations in crises and changes. These models help organizations to adapt to new conditions, change their actions and adjust long-term goals. Based on the global experience of adapting business strategies in crisis conditions, we can distinguish the following main approaches and concepts related to adaptation and strategy change:

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- The concept of Adaptive Management;
- The concept of Scenario Planning;
- The concept of Antifragility;
- Organizational Learning Theory;
- Agility concept;
- Resilience;
- Ambidexterity concept;
- Lean Startup concept.

Adaptive management is an approach based on the idea of constantly changing strategy in response to changing external conditions and uncertainty. It assumes that management decisions are made as experiments with the possibility of their revision and adjustment. The key elements of the concept are:

– Cyclical process (a continuous process of planning, implementation, monitoring, analyzing results and revising decisions). This creates flexibility and the ability to adjust strategies based on real data.

– Feedback (obtaining data to improve the strategy). Each new action is seen as a source of data that can be used for improvement.

Adaptive management is widely used in environmental and ecological projects and in the management of complex systems with high uncertainty, such as public administration or large corporations.

Scenario planning is a strategic planning technique that involves developing and preparing for several scenarios of possible futures. It helps companies and organizations to develop flexible strategies that can be adapted to changes in the external environment. Key elements:

– Multiple scenarios: creating multiple scenarios (optimistic, pessimistic and neutral) helps organizations to be prepared for different scenarios.

– Flexibility and adaptability: such strategies can be quickly modified in response to real-world changes.

As noted above, a prime example of the application of this concept was Shell, which actively used scenario planning in the 1970s to predict oil price fluctuations and prepare for different outcomes. This strategy allowed it to remain competitive even in times of crisis.

The concept of antifragility developed by Nassim Taleb suggests that some systems are not only resilient to crises, but can also benefit from chaos and instability [3]. Unlike mere redundancy or resilience, antifragility implies improvement under uncertainty. Key elements:

– Capitalizing on stress: antifragile systems not only withstand external shocks but also improve under their impact, like muscles that are strengthened through exercise.

– Diversification and risk management: diversification of business, products and markets enables companies to adapt more quickly to changing conditions and capitalize on crises.

Companies that actively innovate and change their business models in response to crises can become stronger and more competitive. For example, Amazon changed its strategy during the dot-com crisis and emerged from the crisis as one of the world's leading Internet companies.

Organizational learning theory emphasizes the importance of continuous learning and knowledge sharing within an organization. Organizations that learn from their mistakes and adapt to new conditions are more likely to succeed in the long run. The key elements of this theory are:

– Openness to new knowledge: the ability of an organization to learn from mistakes and to use the knowledge and experience of employees to improve its strategies.

– Dynamic approach change: the ability to change processes and actions based on new data, knowledge or experience, allowing organizations to adapt more quickly.

An example of the application of this theory was Toyota, which uses the Kaizen system for this purpose, which involves continuous process improvement and the participation of all employees in improving working practices.

Agility (flexibility and agility) is the ability of organizations to quickly adapt to changes in the environment while remaining efficient and productive. This approach is particularly popular in IT, but elements of it are applicable in other industries as well. The key elements of the concept are:

– Short-term planning: the strategy involves regular and rapid iterations instead of long-term strategic planning. This allows actions to be adjusted in response to change.

– Teamwork: the emphasis is on cross-functional teams that can react quickly to change and make decisions.

IT companies such as Spotify and Google actively use agile approaches in product development, which allows them to remain competitive in the rapidly changing technology market.

The concept of Resilience involves developing an organization or system's ability to withstand external shocks, recover from crises, and continue to function at a high level. It is not just survival, but the ability to return to its original state or even become stronger. Key elements:

– Multi-level planning: building reserves and developing crisis plans that help organizations cope with unexpected changes.

– Developing resilience at all levels: developing both individual and organizational resilience through education, training and building a corporate culture that can withstand stress.

Financial institutions such as JP Morgan maintain resilience through rigorous risk management and constant analysis of vulnerable points, which has enabled the bank to withstand financial crises.

The concept of dual strategy involves an organization's ability to simultaneously manage the exploitation of existing resources and processes for short-term profits and the exploration of new opportunities for long-term growth. The key elements of the concept are:

– Exploitation: leveraging existing resources, technologies and markets to maintain sustainable income.

– Research: investing in new products, technologies and business models to create future opportunities.

An example of utilizing the dual strategy concept is IBM, while maintaining a traditional hardware and software solutions business and actively developing innovative areas such as artificial intelligence and cloud technologies.

The “lean startup” concept, developed by Eric Rice, suggests that companies, especially in the early stages of development, should focus on rapid hypothesis testing, cost minimization, and continuous product improvement based on feedback from customers. Key elements:

– Minimum Viable Product (MVP): Creating a simplified version of a product that satisfies the customer's basic needs in order to quickly test the idea.

– Build-Measure-Learn cycle: a continuous process of developing, testing and improving the product.

Many technology startups use the Lean Startup methodology to quickly adapt their products to market demands. Companies like Dropbox have used this approach to get to market quickly and at minimal cost.

These concepts show how organizations can adapt to crises and changes. Applying agile approaches, scenario planning, resilience and innovative strategies allows companies to not only survive, but also benefit from uncertainty, transforming crisis into opportunities for growth.

Conclusion

The analysis of contemporary literature on the concepts of organizational resilience during times of crisis focuses on research aimed at identifying factors that allow organizations to adapt, remain competitive and recover from crisis situations. Work in recent years has emphasized the importance of flexibility, adaptability, and managing change in the face of uncertainty.

Surviving a crisis requires the integration of different theoretical approaches, from crisis management and resilience strategies to the use of social networks and adaptability to change. It is important to understand that no strategy is a one-size-fits-all strategy, and success will depend on the

flexibility, creativity, and ability of an organization or community to adapt to rapidly changing conditions.

To form a sustainable strategy, it is important not only to respond to crises in a timely manner, but also to anticipate possible scenarios for the development of events, improve internal processes and maintain resource flexibility.

Real-life examples of survival strategies from companies such as General Motors, Amazon, Airbnb, and Procter & Gamble demonstrate the importance of adaptation and flexibility in times of crisis. These companies took a variety of approaches, from business restructuring and cost cutting to innovation and changing business models. Practice shows that organizations that are ready for change and quickly respond to crisis challenges can not only survive, but also take advantage of the situation to grow and strengthen their position in the market.

A crisis has a profound impact on a business and requires not only operational decisions, but also strategic vision. The theoretical foundations of crisis management emphasize the importance of flexibility, innovation, and the ability to learn from mistakes. Adaptive and resilient companies that apply flexible strategies and actively seize the opportunities of a crisis are able not only to cope with its consequences, but also to emerge from it more competitive and successful.

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