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THE ROLE OF CORPORATE MANAGEMENT IN THE SUSTAINABLE DEVELOPMENT OF AN INTERNATIONAL COMPANY

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Abstract

This article examines the role of corporate management in ensuring the sustainable development of international companies, emphasizing the importance of effective management for stable operation and adaptation to changes in the external environment. A conceptual framework has been formed which includes the basic principles of corporate management: systematic approach, focus, adaptability and innovation. These principles ensure harmonious development of the company through balanced management of economic, environmental and social aspects. Practical recommendations for the implementation of sustainable strategies, including strategic planning, resource optimization, employee motivation, and effective control and reporting, were also developed. The study showed that successful corporate governance contributes to increased competitiveness and added value for all stakeholders, ensuring long-term stability and sustainability of companies. The main conclusions are that corporate governance plays a key role in achieving sustainable development, and the integration of sustainability principles into all aspects of management is critical for the successful functioning of international companies.

Keywords

International company, corporate management, corporate strategy, sustainable development, ESG aspects, management system.

Problem statement

In today's globalized world, the issue of sustainable development is becoming increasingly important for international companies. This is due to the growing public awareness of environmental issues, social responsibility and the need to ensure long-term economic stability. Corporate governance, as a key management tool, plays an important role in implementing sustainable development strategies that contribute to the achievement of these goals. Firstly, the growing demand for environmentally friendly products and services from consumers is encouraging international companies to review their business models. Integration of sustainable practices into corporate strategy allows not only to meet market requirements, but also to create additional value for shareholders

and other stakeholders, which in turn increases the competitiveness of companies in the global market. Second, international regulators are increasingly introducing regulations aimed at reducing negative environmental impact and improving social standards. Compliance with these requirements is becoming a prerequisite for successful business, which emphasizes the importance of effective corporate management in ensuring sustainable development. Thirdly, the implementation of sustainable development principles helps to strengthen the reputation of companies and increase the trust of consumers, investors and partners. In an increasingly competitive global market, a company's reputation is becoming a critical factor in attracting new customers and retaining existing ones. Thus, the study of the role of corporate management in the sustainable development of an international company is extremely relevant.

Relevance of the chosen topic

The relevance of the study is based on the fact that successful practices and the development of recommendations for the effective implementation of sustainable strategies will allow international companies not only to ensure long-term development, but also to contribute to solving global problems of our time.

Analysis of recent research and publications

Sustainable development and corporate management are among the most discussed topics in the modern scientific literature and business practice. The concept of sustainable development was popularized after the publication of the Brundtland Commission's report "Our Common Future" in 1987, which defined sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." Subsequent research has expanded this definition to include economic, environmental and social aspects (Ford et al., 2011). Corporate management principles, such as systematic approach, focus, adaptability and innovation, are critical for the effective management of companies in a globalized environment (Osterwalder & Pigneur, 2010). These principles allow companies to create a long-term strategy, adapt to changes in the external environment, and innovate. Research shows that strategic planning that takes into account the principles of sustainable development contribute to the long-term competitiveness and sustainability of companies (Pulsiri & Vatananan-Thesenvitz, 2021). For example, Unilever and IKEA have developed long-term strategies that include environmental and social goals.

Implementing the principles of sustainable development in management processes contributes to the optimal use of natural, financial and human resources, reducing their negative impact on the environment and improving the social conditions of employees (Bhattacharyya & Verma, 2020). Encouraging environmentally and socially responsible behavior among employees is an important factor in successful corporate management. Research shows that a corporate culture that supports the principles of sustainable development contributes to increased employee engagement and productivity (Yilmaz & Flouris, 2017). Implementation of sustainability monitoring and reporting systems allows companies to assess their performance in achieving environmental, social and economic goals. Management tools such as environmental management, social responsibility, and technological innovation are important for the successful implementation of sustainable practices in companies' operations (Meseguer-Sánchez et al., 2021). The literature review shows that corporate management plays a key role in ensuring the sustainable development of international companies. Integrating the principles of sustainable development into all aspects of corporate management ensures the long-term stability and success of the company, contributing to its economic growth, social responsibility and environmental sustainability.

Purpose of the article

The purpose of the article is to study and evaluate the role of corporate management in ensuring sustainable development of international companies.

- Explore the basic concepts and principles of corporate management;
- To study the impact of corporate management on the sustainable development strategies of international companies;
- To develop practical recommendations for international companies to improve corporate governance in order to ensure sustainable development.

Presentation of the main research material and results obtained

Corporate management is the cornerstone of the successful functioning of any company, especially in today's globalized world. Effective management ensures not only the stable development of the company, but also allows it to respond to the challenges of the external environment, adapt to changes and maintain competitiveness. Corporate management is a company management system that includes planning, organizing, motivating and controlling the company's activities in order to achieve its strategic and operational goals, as well as a set of processes and measures aimed at ensuring the effective functioning of the company, optimizing its resources and increasing productivity. Corporate management covers a wide range of activities: from financial and human resource management to strategic decision-making and innovation. We need to define the basic principles of corporate management (Ford et al., 2011):

1. The principle of a systematic approach. This principle implies that the company is viewed as an integral system where all components are interconnected and influence each other. The systemic approach allows managers to see the big picture and make informed decisions that contribute to the harmonious development of the company.
2. The principle of purposefulness. This principle means that all managerial decisions and actions should be aimed at achieving the set goals. A clear definition of goals and priorities allows the company to focus its efforts on the most important areas and achieve high results.
3. The principle of adaptability. In a rapidly changing environment, a company must be able to respond quickly to new challenges and opportunities. The principle of adaptability implies flexibility of management decisions and readiness for change, which ensures the company's stable development in the long term.
4. The principle of innovation. The introduction of new ideas, technologies and approaches is an important factor for success in modern business. The principle of innovation implies continuous improvement of the company's processes and products, which allows it to remain competitive in the market.

The main goals of creating this form of organization are the interests of all participants in corporate relations in the field of business efficiency, namely (Ferrer-Estévez & Chalmeta, 2023):

- increase the level of profit generated by the company;
- creating a sustainable system of enterprise development;
- ensuring compliance with the provisions of the current legislation and organizing an effective business;
- evaluation and use of international standards, including in the development of corporate governance procedures;
- distribution of information between participants in corporate relations and ensuring their interaction.

The corporate management model shows who makes decisions about investments in companies, what types of investments should be made, and in what proportions and directions profits will be distributed, and therefore it can be argued that the corporate management model is a set of built relationships between shareholders and professionals that solve investment goals and ensure the efficiency of the development of an international company (Jean & Kim, 2021). The corporate management system is a kind of organizational or production model that is designed to coordinate the joint actions of managers and owners of the company, but at the same time bring certain benefits to each stakeholder involved in the work of the corporation in one way or another, and the system itself is based on certain principles, and an efficiently functioning corporate management system should provide systemic effects for the company, as shown in Figure 1.

The corporate management model includes a number of management elements and relationships of objects, shareholder management and management of interaction between owners and members of the company's governing bodies, as well as hired managers of the company, the structure of the board of directors, remuneration system, motivation system, and performance indicators.

The main goals of corporate management are as follows (Albahsh & Al-Anaswah, 2023):

- ensuring that the business operates in accordance with major legal standards;
- ensuring the transparency of corporate governance in the decision-making process, regardless of the level of income and success of the company;
- implementation of effective cooperation between the company's management and the supervisory board;
- provision of grounds in cases of violation of the company's code of conduct;
- ensuring that the company is focused on creating long-term value rather than obtaining short-term benefits.

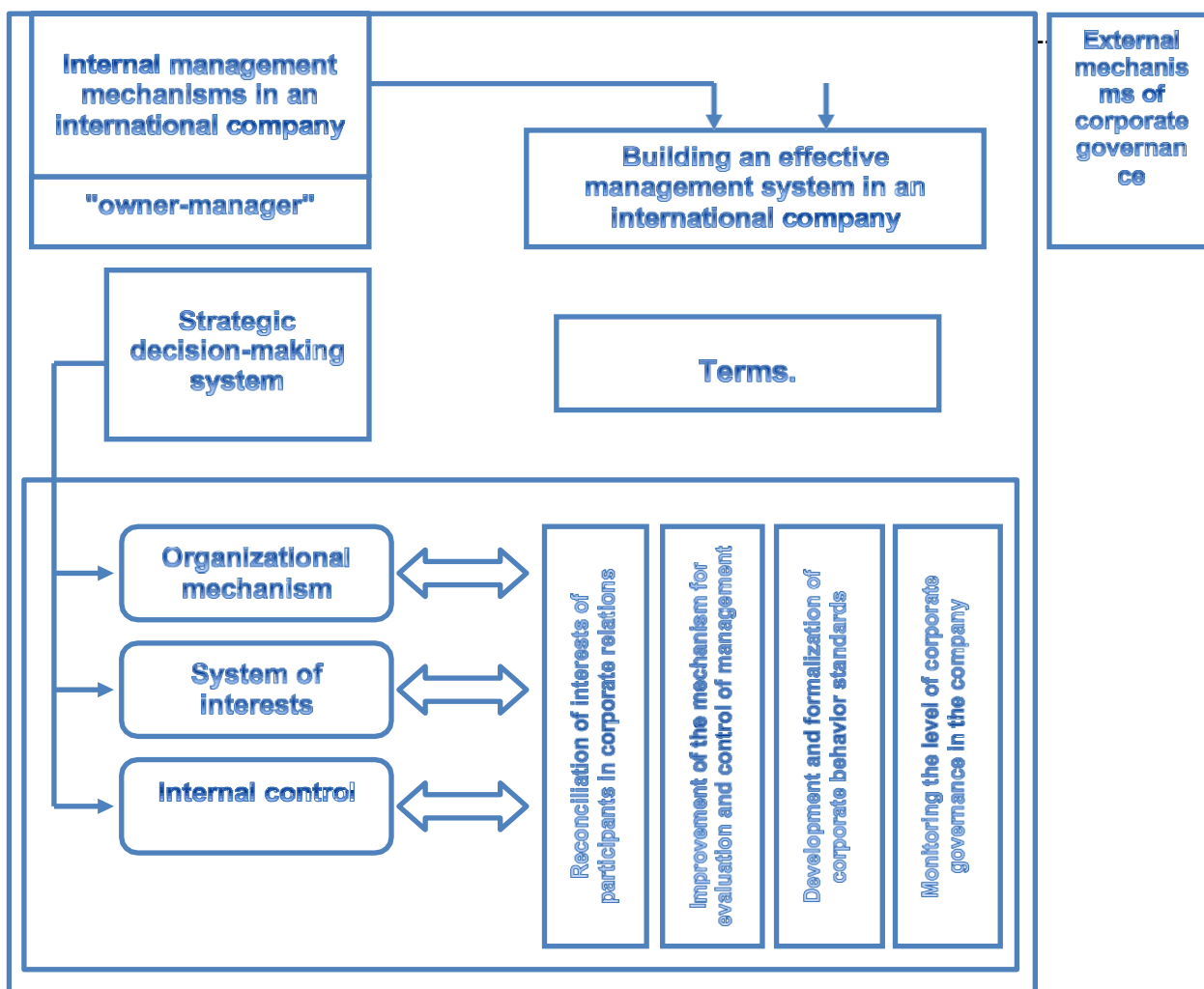


Fig. 1. Mechanism for ensuring effective corporate management for an international company
 Source: developed by the author

The corporate management is a system of company elements and relationships between them, covering all types of activities and protecting the rights and interests of shareholders and investors. Moreover, it ensures the stability of operations by taking into account the interests of other stakeholder groups. The internal environment of a company is a personal issue for each particular company (Velesco, 2019). There is not much available information on how certain companies compare with the tasks of organizing a corporate project system. In addition, certain requirements for specialists in the field of corporate management have not yet been developed and this methodology should allow the company to formulate optimal approaches within the corporate management system. nor the task of corporate management. In order to achieve this goal, the following steps should be taken: to identify a list of tasks that the company should achieve. management board. Within the framework of the main tasks of corporate management, the following can be distinguished.

1. Protection of shareholders' rights and interests (Datta, 2022):
 - protecting the rights and interests of shareholders by ensuring their participation in the company's management and voting at general meetings;
 - protecting the rights and interests of shareholders by organizing appropriate conditions for the functioning of the company's board of directors;
 - protecting the rights and interests of shareholders and investors by conducting an audit of the audit committee organization;
 - protecting the rights and interests of shareholders and investors by providing shareholders with reliable corporate information: the company's accounting (financial) statements).
2. Increase the investment attractiveness of the company:
 - improving investment attractiveness by creating an effective audit and risk management system in the company;

- increasing investment attractiveness by ensuring information transparency of the society;
 - ensuring corporate social responsibility of business.
3. Ensuring the effectiveness of the management system:
- strategic orientation of the company's structural units, ensuring unified directions of action and development;
 - achievement of the planned business value indicators;
 - building an optimal management system in the company;
 - ensuring a unified corporate culture in the company;
 - achieving synergies through the management of the Company's assets and those of its subsidiaries and affiliates.

The quality of the corporate governance system depends on the degree of implementation of the International Corporate Governance Best Practices (CGBP), and rating agencies compare the company's corporate governance with the main standards in the course of evaluation (Table 1).

Table 1: Stages of implementation of CGBP components

Elements of corporate management	Components of the International Corporate Governance Practice (CGBP)
Group I. Shareholder rights	1.3. Independence from the registrar company that maintains the share register. 2.2 Timely notification of shareholders. 2.3 Convenience of the venue. 2.5. The practice of electing accounting committees of the general meeting of shareholders. 2.6 Announcement of the results of voting and announcement of resolutions adopted by the shareholders' meeting. 4.7. Practice of engaging an external auditor to audit financial statements. 4.11. Provisions on the general meeting of shareholders
Group II. Activities of governing bodies	Availability of a provision on the board of directors. composition of the Board of Directors. The practice of holding meetings of the Board of Directors. Issues considered at meetings of the Board of Directors. Availability of information for the Board members before convening meetings. 2.6 Procedure for appointment of the General Director. The company has an internal document approved by the board of directors that regulates internal control over the company's financial and business activities. The Board of Directors shall analyze and evaluate the current internal control system at least once a year. 3.5. Availability of an audit committee. Availability of the position of corporate secretary
Group III. Disclosure of information	An internal document reflecting the company's information policy. Disclosure of information on the ownership structure. Availability of public financial statements
Group IV. Corporate social responsibility	1. The company has a document that sets out the principles of corporate social responsibility (CSR) that guide the company in its activities. 5. Corporate social responsibility policy in relation to the environment

Source: based on data from (Osterwalder & Pigneur, 2010; Mauro & Pernazza, 2023)

At the same time, it should be noted that this list is not closed and can be shortened by each particular company, taking into account the window. Understanding the specific tasks to be solved by the company within the framework of corporate management, the management should be committed to achieving them. Based on the analysis of these functions, it is possible to determine the optimal structure of the company's corporate management system (Velesco, 2019). Speaking about the tasks of corporate management, it is worth noting that protection of the rights and interests of shareholders and increase of investment productivity are complementary. Therefore, the division of structural units created to address these tasks may in some cases be very basic. At the same time, their functioning should be clearly defined in order to properly fulfill these tasks (Figure 2).

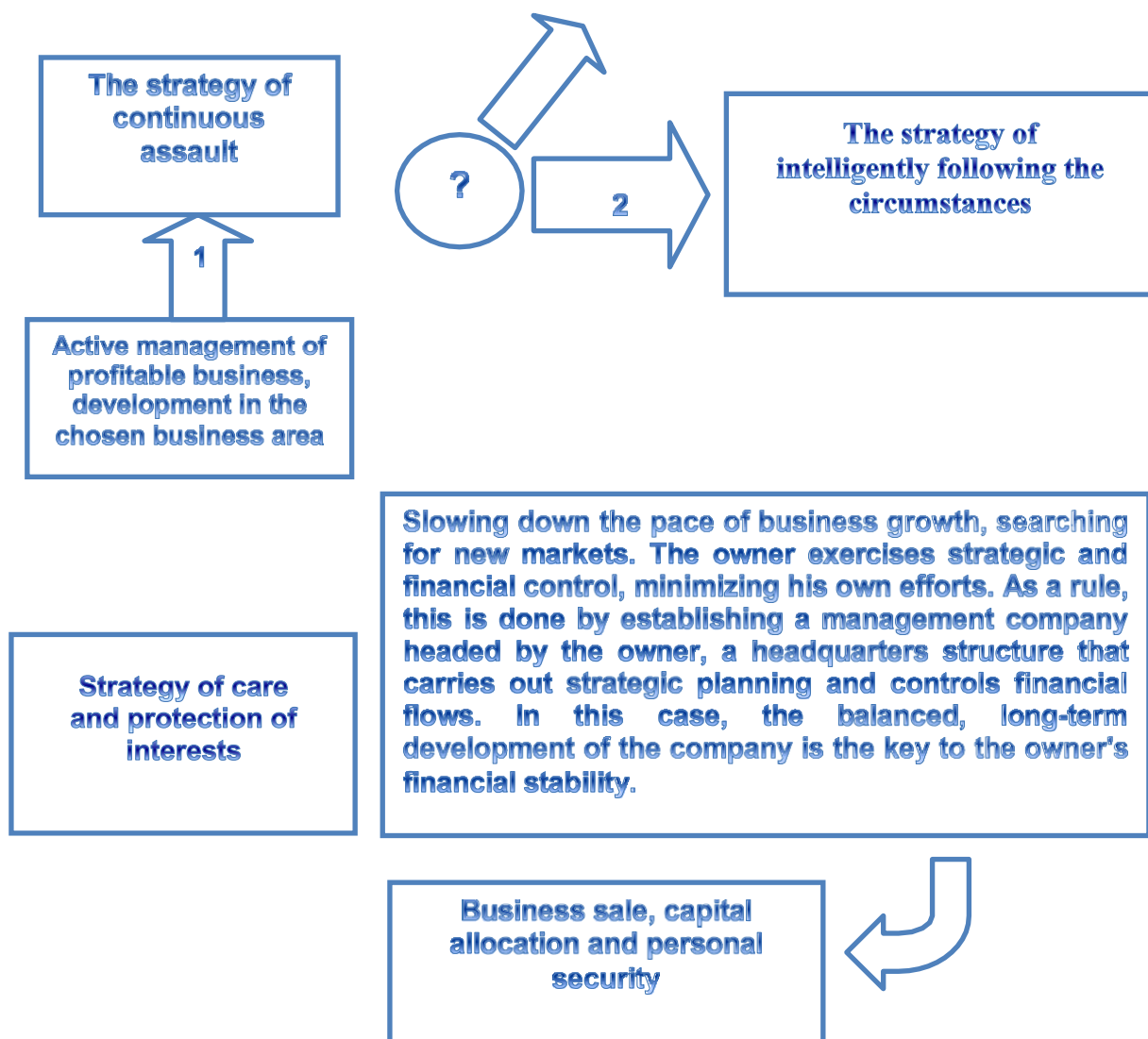


Fig. 2. Strategic alternatives for sustainable development of an international company
 Source: developed by the author

Thus, when building a company's corporate management system, we propose the following methodology that can be used on the basis of:

- defining the tasks to be solved within the company's corporate management system;
- defining the functions that should be implemented in the company in order to achieve each specific corporate management objective;
- assigning functions to a specific structural unit responsible for their proper performance. At the same time, it is worth noting that each function is performed by specific people who implement it. Accordingly, it is necessary not only to form corporate management structures, but also to provide them with personnel

- who have the skills to perform these functions;
- formulation of qualification requirements for corporate management system specialists based on the analysis of their functions;
- recruitment of personnel that meet the qualification requirements and staffing of the corporate HR system's structural units.

The application of this methodology in building a corporate management system within the company will allow owners to answer the following questions: is it a corporate management system, which structural units should be included in its state within the company and what requirements should be imposed on specialists involved in the company's corporate management system. Clear answers to the above questions will allow the company to build an effective and flexible corporate management system, responding to both external and internal threats (Munoz, 2023).

Today's corporate activities require a balance between the interests of effective corporate management and the principles of publicity, openness and compliance with the EGS agenda. The government, investors, business and the public are developing measures to address the environmental, social and economic challenges of our time as part of corporate social responsibility programs. According to this concept, in addition to the main goal of making a profit, a company takes into account the interests of society by taking voluntary responsibility for the impact on stakeholders in the public sphere, and such an obligation goes beyond the obligations established by law and implies that companies voluntarily take additional measures to improve the quality of life of employees and their families, as well as the local community and society as a whole.

Under the influence of environmental, social and economic challenges, the requirements for a company's activities include the need to take into account ESG aspects and manage its impact on the environment and society. To move to sustainable corporate management and respond to ESG challenges and confirm the commitment of the company's corporate management system to ESG principles, it is necessary to implement a roadmap:

- Incorporate the principles of sustainable development into the company's operations;
- define the company's ESG goals and publish progress reports, showing both positive and negative results;
- introduce the position of Director of Sustainable Development;
- prepare and approve a sustainable development strategy for the Board of Directors;
- integrate ESG goals into the activities of the company, management and staff;
- increase transparency and engagement of the company's employees, shareholders, and investors;
- assess the risks of sustainable development;
- to stimulate the implementation of the ESG strategy;
- identify and implement funding sources and the possibility of linking management remuneration to the achievement of sustainable goals (Masoud & Basahel, 2023).

In today's world, the concept of sustainable development is becoming increasingly important, especially for large international companies that have a significant impact on the global economy and the environment. Corporate governance plays a key role in implementing sustainable development strategies, ensuring a harmonious balance between the economic, environmental and social aspects of a company's operations. We can identify the link between corporate governance and sustainable development as shown in Table 2.

Table 1: Organizational and economic link between corporate management and sustainable development

Type of communication	Organizational characteristics	Impact on the company	Management feasibility
Strategic planning and sustainable development	Developing long- term goals and strategies that take into account	Ensures long-term competitiveness and sustainable development of the	Effective strategic planning allows a company to adapt to changes in the
Organization and management of resources	Optimal use of natural, financial and human resources	Increases production efficiency and reduces costs	Reduces negative environmental impact and improves social conditions for employees

Motivation and corporate culture	Encouraging environmentally and socially responsible behavior	Increases employee engagement and productivity	Creates a positive image of the company, which helps to attract investors and retain customers
Control and reporting	Assessment of effectiveness in achieving environmental, social and economic goals	Timely detection and correction of deviations	Transparency in reporting increases trust from consumers, investors and regulators

Source: developed by the author

The organizational and economic link between corporate management and sustainable development is obvious and extremely important for modern companies (Velesco, 2019). Integrating sustainability principles into all aspects of corporate management ensures the long-term stability and success of the company, contributing to its economic growth, social responsibility and environmental sustainability. Successful corporate management focused on sustainable development creates additional value for shareholders, employees, customers and society as a whole.

Implementation of the principles of sustainable development allows companies not only to reduce their negative impact on the environment, but also to increase their competitiveness, strengthen their reputation and attract new customers and investors. We have characterized and studied a number of successful sustainability strategies implemented by modern international companies.

1. Unilever, one of the world's leading consumer goods companies, has developed a sustainable development plan called the Unilever Sustainable Living Plan. The strategy includes reducing greenhouse gas emissions, reducing water and waste consumption, and improving working conditions for employees. In particular, the company aims to reduce carbon dioxide emissions in the production process by 50% by 2030 (Alkhodary, 2023).
2. One of the oldest players in the global market, IKEA is actively implementing a sustainable development strategy called "People & Planet Positive", which is aimed at creating a positive impact on people and the planet. The company plans to achieve 100% use of renewable energy in its operations by 2025, as well as to ensure full recycling of all materials used in the production of furniture. In addition, IKEA is working to reduce the carbon footprint of its products and transportation.
3. Google, the Internet giant, has already achieved the status of a carbon- neutral company, offsetting all of its greenhouse gas emissions through reforestation projects and renewable energy. The company also invests in the development of new technologies to improve the energy efficiency of its data centers and offices. "Google aims to use 100% renewable energy in its operations by 2030 (Claxton & Kent, 2020).
4. Tesla, the global leader in the electric car market, is a leading manufacturer of electric vehicles and energy solutions that promote sustainable development. The company is working to create a closed production cycle that includes recycling used batteries to make new ones. "Tesla is also actively developing infrastructure for charging electric vehicles, which helps reduce greenhouse gas emissions in the transportation sector (Yu, Fletcher, & Buck, 2022).
5. Patagonia, a well-known manufacturer of outdoor clothing and equipment, is implementing a sustainable development strategy that includes the use of environmentally friendly materials, waste reduction and support for environmental protection initiatives. The company actively encourages its customers to recycle and reuse products and invests in projects to restore natural ecosystems.
6. Microsoft, a technology giant, has set an ambitious goal of becoming a carbon negative company by 2030, i.e., removing more carbon from the atmosphere than it produces. To achieve this goal, the company is investing in the development of carbon capture and storage technologies, as well as switching to renewable energy in its operations. Microsoft is also working to reduce the carbon footprint of its products and services.

Examples of successful sustainability strategies in international companies show that implementing environmental and social initiatives can be not only beneficial for the environment but also economically profitable, and we see that companies that actively implement the principles of sustainable development become market leaders, attract new customers and investors, and strengthen their reputation. Sustainable development

strategies allow companies not only to reduce their negative impact on the environment, but also to create additional value for their shareholders, employees and the company as a whole.

Thus, corporate management plays a key role in ensuring the successful operation and development of a company. Defining the main functions and principles of management allows to effectively plan, organize, motivate and control the company's activities. Adherence to the principles of a systematic approach, focus, adaptability and innovation contributes to the achievement of high results and ensure the stable development of the company in the modern business environment.

Conclusions

It has been found that corporate management is the foundation for the successful functioning of any company, especially in today's globalized world. Effective management not only ensures the stable development of the company, but also allows it to adapt to changes in the external environment, respond to challenges and maintain competitiveness. This is achieved through a management system that includes planning, organizing, motivating and controlling activities.

The principles of a systematic approach, focus, adaptability and innovation, which are critical for effective corporate management, were investigated. On this basis, it was determined that the systemic approach allows to see the company as an integral system, focus ensures focus on achieving the set goals, adaptability helps to respond quickly to changes, and innovation contributes to the continuous improvement of the company's processes and products.

It has been proven that corporate management plays a key role in implementing sustainable development strategies that promote a harmonious combination of economic, environmental and social aspects of a company's

activities. Integration of the principles of sustainable development into all aspects of corporate management ensures long-term stability and success of the company, contributing to its economic growth, social responsibility and environmental sustainability. The research has made it possible to substantiate the idea that successful corporate management focused on sustainable development creates additional value for shareholders, employees, customers and society as a whole. This approach increases the level of profit generated by the company, ensures the creation of a sustainable system of enterprise development, supports compliance with applicable laws and international standards, and promotes transparency and effective cooperation between all participants in corporate relations.

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