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DIGITAL STRATEGIES FOR ENHANCING BUSINESS EFFICIENCY AND INNOVATION IN UKRAINE**Morozova N.L.***c.e.s., as.prof.*

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Abstract. *The study examines the role of modern digital strategies as essential tools for stimulating business development, especially in the context of innovative enterprises in Ukraine. In today's economy, digital technologies are not only optimizing business processes but also enabling the creation of new business models that enhance competitiveness. With businesses focusing on both economic performance and social value, these strategies foster innovation and the development of new products, services, and technologies.*

Keywords: *digital transformation, digital economy, innovative business development.*

Introduction.

The global economy is currently engaged in fierce competition for leadership in digital technologies. Falling behind in this area can have serious implications not just for economic development, but also for social and political progress. As digital technologies increasingly impact all aspects of society, they drive innovation, competitiveness, and sustainable economic growth. For businesses, digitalization enables cost reductions, process optimization, entry into new markets, and the development of previously unattainable products and services. This is especially important for small and medium-sized enterprises (SMEs), which are now able to scale their operations without the need for significant capital investments.

However, countries that do not adapt to the digital economy may risk marginalization in the global market, leading to a decrease in investment, a decline in exports, job losses, and a general slowdown in economic progress. Furthermore, the lack of access to digital technologies exacerbates inequalities, potentially intensifying existing social problems. To remain competitive, countries must invest in the development of digital infrastructure, foster IT education, support innovation, and create a favorable legislative environment for digital solutions such as e-commerce, cloud services, and artificial intelligence.

Main text.

Ukraine's National Digital Strategy, which reflects the country's broader economic goals, aims to integrate digital technologies into the economy and society to promote innovation, business growth, and improve the quality of life for citizens. Approved by the Cabinet of Ministers in 2020, the strategy outlines measures to modernize governance, promote digital businesses, and enhance global competitiveness [1]. Its comprehensive approach focuses on sustainable development and improving the overall economic landscape by integrating digital solutions across various sectors.

Digital technologies are revolutionizing many industries, leading to greater

efficiency and reduced costs. In agriculture, for example, precision farming techniques optimize resource use, while in energy, smart grids ensure efficient energy distribution. In the transportation sector, logistics processes are being automated, creating smarter transportation systems. The financial industry is already embracing mobile banking, blockchain, and e-commerce, which are driving the development of new business models. These technologies enable companies to offer services more efficiently, streamline operations, and innovate in ways that were previously not possible.

Ukraine's integration into global digital markets is also a key focus of its digital strategy. By aligning its business processes with international production and trade chains, Ukraine seeks to open new markets and enhance its competitive edge. The country is working to harmonize its digital laws with international standards, which will make it easier for Ukrainian businesses to cooperate with global technology companies. This will provide opportunities for SMEs to expand and tap into new global markets, further boosting their growth potential.

For the digital transformation to succeed, the country is investing heavily in modernizing its digital infrastructure. This includes expanding access to high-speed internet, especially in rural areas, and developing 5G networks and data centers. By ensuring that digital technologies are accessible to all regions of Ukraine, the government is promoting equality and stimulating investment in underserved areas. This expansion is crucial for fostering innovation and creating a fertile ground for new business ventures, especially in emerging industries such as AI and IoT.

Digital public administration is another pillar of Ukraine's digital strategy. By streamlining interactions between citizens and government agencies through e-government services, the country is reducing bureaucratic inefficiencies and improving transparency. Services like business registration, tax filing, and public health management are being digitized to create a more user-friendly and efficient government. These advancements not only make government services more accessible but also encourage the growth of digital startups by providing open data for innovation.

In education, Ukraine is also prioritizing the development of digital skills and literacy. By incorporating digital tools into the school curriculum and offering online courses for professional development, the country is preparing its workforce for the demands of the digital economy. Programs that focus on digital skills training and professional retraining are helping workers transition into new roles within the tech industry. Additionally, partnerships with global tech companies are providing students with access to the latest tools and knowledge, ensuring that the workforce remains competitive in an increasingly digital world.

Cybersecurity and data protection are central to Ukraine's digital transformation efforts. As the country continues to digitize its services and infrastructure, ensuring the safety of personal and business data is vital. Ukraine is investing in cyber defense mechanisms and using artificial intelligence to detect and counter cyber threats. Strengthening cybersecurity measures will not only protect citizens' data but also enhance trust in digital services, encouraging greater participation in the digital economy.

To further boost Ukraine's digital economy, the government is working to create a more favorable investment environment. By establishing transparent regulations and

providing financial support for digital startups, Ukraine is fostering the growth of high-tech sectors and attracting foreign investment. Tax incentives for tech companies and the establishment of tech hubs are also being explored as ways to stimulate innovation and expand the country's export potential.

Finally, digitalization in public sectors such as healthcare, education, and social services has significantly optimized processes. The introduction of electronic medical records is improving healthcare efficiency, while online learning platforms are increasing access to education, particularly in remote areas. The automation of social welfare services is streamlining administrative tasks and ensuring that citizens receive timely benefits.

Ukraine's National Digital Strategy has already made significant progress, particularly in e-government services. According to the UN's 2024 E-Government Development Index, Ukraine ranked first in citizen engagement with government services, a notable achievement [2]. Over the past five years, Ukraine has improved its digital service rankings from 102nd to 5th place, largely thanks to initiatives like Diia, which has transformed the country's digital government services.

Conclusions.

Digital transformation is crucial for Ukraine's long-term economic success and its position in the global digital economy. The country's digital strategy has already led to impressive advancements in infrastructure, governance, and business operations, making it a regional leader in digitalization. As Ukraine continues to invest in digital technologies and build a favorable environment for innovation, it will further strengthen its global competitiveness. Continued efforts to expand digital infrastructure, foster digital skills, enhance cybersecurity, and support tech startups will be key to ensuring the country's sustained growth in the digital era. Ukraine's rapid progress in digitalization, despite challenges like geopolitical instability and the pandemic, demonstrates the resilience of its strategy and sets a solid foundation for future growth.

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