

How to Manage Companies in the Digital Age

Strategic Management Prospects

Olga Stoianova

Saint Petersburg State University, Russian Federation

Tatiana Lezina

National Research University Higher School of Economics, Russian Federation

Victoriia Ivanova

Saint Petersburg State University, Russian Federation

Abstract: The period of high expectations of digital transformation benefits is followed by a period of discussion on strategies and methods for managing digital changes. Not only the rapid development of technology, but also the turbulence of the external environment contribute to the view that traditional approaches to strategic management of the company are irrelevant. Understanding the need to modify classic strategic management methods actualises the task of developing new methodological fundamentals for strategic management. The initial stage of solving this problem is the analysis of the current state of research in this area. This study analyses the Russian research community viewpoints on the prospects of companies' strategic management regarding the digital economy status quo and trends in Russia.

This paper answers the following research questions. What impact does the digital economy environment of Russian companies have on their management systems and what are the prerequisites for changing approaches and mechanisms of strategic management? How do the basic strategic management approaches differ for companies with different experiences, capabilities, and expectations of digital transformation?

The key managerial prospects of the study concern the benefits of various strategic management approaches for companies with different backgrounds, capabilities, and expectations of digital transformation.

Keywords: digital economy, digital transformation of companies, strategic management, Russian companies, prospects of strategic management

Introduction

Over the past five years, many Russian companies have become involved in digital transformation processes. Despite seeming differences in the interpretation of digital transformation, the majority of authors acknowledge that it is not only technological changes, but also changes in all functional areas of companies. Digital transformation involves "a change in the paradigm of management and business organization based on rapid, flexible and continuous change in interaction with the external environment and within the company" ([Nikishova, 2018](#)).

Successful projects are usually implemented by large companies with state participation. The key barrier to digital transformation ([KMDA, 2020](#); [KPMG, 2019](#)) is "the lack of a strategy and the resulting internal resistance to transformation". Note that 35% of Russian companies ([KMDA, 2020](#)) that have initiated digital transformation do not have a clear strategy for its implementation. Barriers also include a lack of understanding of the benefits and risks of digital transformation projects. Moreover, the rapid development of technology and the need to respond quickly to the turbulence of the external environment form the opinion among scholars and practitioners that strategic management is irrelevant ([Kryuchkov, 2017](#)).

Existing and practice-proven management methods and approaches are not fully suitable for managing digital transformation, as they do not take into account the specifics of the process, which involves a comprehensive change in all aspects, including business processes, business value drivers ([Kochetkov, 2019](#)), and business models ([Orekhova & Misyura, 2020](#)). Thus, the development of an improved methodology for strategic management of companies in the context of digital transformation becomes relevant. The backbone elements of such a methodology could be, on the one hand, the results of generalization and adaptation of the basic concepts of academic research on the subject and, on the other hand, ideas based on the analysis of the best practices of the digital transformation of companies.

The study objective is to analyse the Russian research community viewpoints on the prospects of companies' strategic management regarding the digital economy status quo and trends in Russia. This paper answers the following research questions:

RQ1: What impact does the digital economy environment of Russian companies have on their management systems and what are the prerequisites for changing approaches and mechanisms of strategic management?

RQ2: How do the basic strategic management approaches differ for companies with various experiences, capabilities, and expectations of digital transformation?

The study materials are the publications in Russian academic journals for the period 2015–2021, dedicated to digital transformation and company management in the new environment, as well as government reports on the digital economy and surveys of consulting companies related to the assessment of the country’s digitalization level. The publications are analysed from the perspective of the following topical issues: the impact of transformation on business and management systems; the specifics of digital transformation of Russian companies; and the prospects of the strategic management of companies in Russia.

Design of the Study

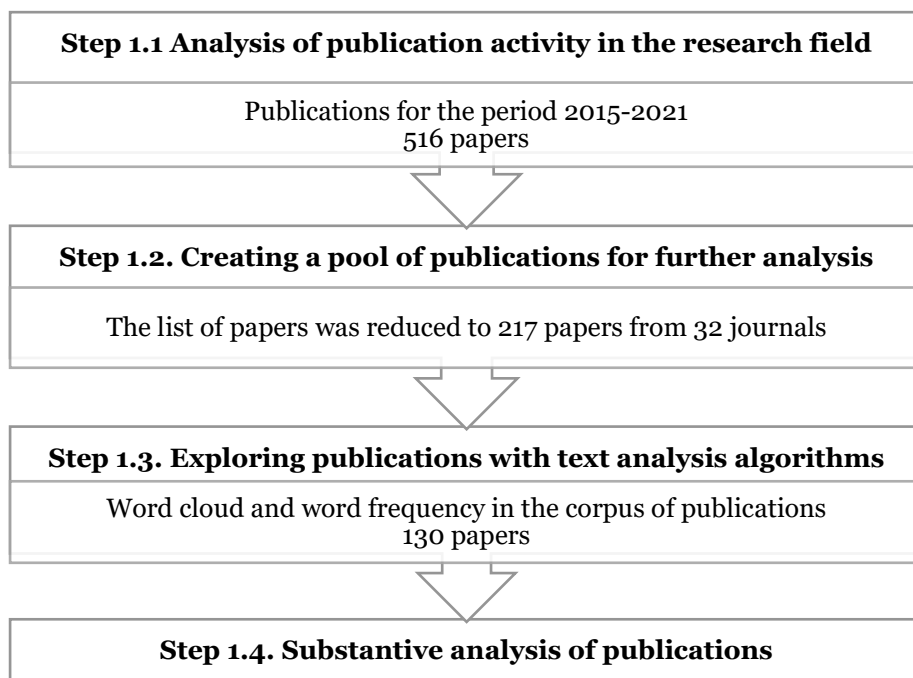


Figure 1. The steps of literature review

To answer the research questions, a study was conducted in accordance with the following stages:

Stage 1. A systematic review of publications

Stage 2. Analysis of the status quo and trends in the digital economy in Russia

Stage 3. Analysis of the environment for the digital transformation of Russian companies and its influence on management

Stage 4. Identification of the strategic management prospects

A systematic review of publications under common accepted standards and recommendations (Rowe, 2014) includes a bibliometric and substantive analysis of works. The main steps of this analysis are presented in Figure 1 and the search strategy in Table 1.

Table 1. The search strategy

Database	Digital libraries
Scientific field	Economics, Management, Informatics
A pool of keywords for search queries	"digital transformation strategy", "digitalization strategy", "digital transformation management", "digital transformation life cycle", "strategic management" AND "digital transformation", "strategic management" AND "digitalization", etc.
The period of publications	2015–2021
The search is performed in	titles, abstracts, and keywords of the papers

The comments refer to Figure 1.

Step 1.1. Research questions allowed for determining the search strategy for selection sources. The data collection routine was based on queries across the journals and conference proceedings indexed in digital libraries (see Table 2). At this stage, the search procedures were defined according to the areas Economics, Management, and Informatics, using the keywords mentioned in Table 1.

Table 2. Information sources and the articles' distribution

Digital library/Database	Number of journals	Number of articles (total)	Share of selected articles
The Core of the RSCI	20	4830	2.3%
Journals recommended by the High Certifying Commission of RF	30	9640	2%
RSCI	23	7610	2.3%
Scopus	12	3140	1.6%
WoS RSCI	10	2120	2.8%
WoS CC	10	2710	1.2%

As a result, the collected body of papers consisted of 516 publications of different types (see Table 3).

Table 3. Types of publications

Publication type	Share of the total
Literary review	24.1%
Exploratory study	19.6%
Overview	32.1%
Case study	4.5%
Analysis of open statistics	11.6%
Survey results	8.1%

Step 1.2. The papers were screened according to the criteria during the second step of the literature review:

- availability of full text,

- published in high-ranking peer-reviewed journals: the core of the RSCI, journals recommended by the High Certifying Commission of Russia, Scopus, WoS RSCI, WoS CC.
- publication types: Exploratory study, Case study, Analysis of open statistics, Survey results.

As a result, 217 papers from 32 journals were included in the sample for further analysis.

Step 1.3. Exploring publications with text analysis algorithms

The selected publications formed a corpus of texts for the study. Text analysis algorithms (developed in Python) were applied to identify the main research topics according to the most frequent words. Besides the obviously expected words, the result included such terms as “mechanism” and “model”. Moreover, the term “innovative” was also frequently used, showing that understanding of digital transformation as a method of innovative corporate development is a widespread opinion.

Step 1.4. Substantive analysis of publication texts

The fourth step included a substantive analysis of 130 publications that comprehensively analysed the issues pertaining to the area of consideration.

Finally, it should be noted that owing to space limitations, this article does not list all the references. References may be provided on request by contacting the authors.

Stage 2. At this stage, we analysed the state programs aimed at creating an ecosystem for the country's digital economy, the current results of these programs published in official statistics, and Russia's position in international digitalisation rankings to identify the status quo and trends in Russia's digital economy.

Stage 3. To gain an insight into the digital transformation environment of Russian companies and its impact on management, the structure of Russia's economy, the rates of innovation activity, and digitalization indexes in Russia according to her economy's sectors were investigated.

Stage 4. We explored the theoretical underpinnings of strategic management through an understanding of the digital transformation environment of Russian companies to identify the strategic management prospects and the benefits of various approaches for companies with different backgrounds, capabilities, and expectations of digital transformation.

State of the Art

Substantive analysis shows that changes in the company during digital transformation go beyond the transition to new technologies and concern both the management paradigm and

business organisation ([Choy, 2020](#); [Nikishova, 2018](#); [Orekhova, 2016](#)). The key transformation factors affecting business ([Aturin, Moga & Smagulova, 2020](#); [Kergroach, 2017](#)) include the accelerating of the interaction of all participants in the business processes of the company, increasing the potential of intangible capital, implementation of digital platforms, and transformation of space for production and consumption.

An essential result of digital transformation is the development of new forms of business models, primarily the so-called platforms, "radically different from the traditional linear business model, and representing the integration of the main features of organisations and the market" ([Kochetkov, 2019](#); [Markova & Kuznetsova, 2019](#)). The type of platform business model affects company strategies. The platforms that focus on consumer-producer interactions shift business values to the areas of network and transaction management. Technological platforms used in the oil, mining, and metal industries substantially improve the production management efficiency by converging informational and operational technologies, implementing an integrated search of resources, data exchange, and raising the level of informational safety ([Revenko, 2018](#)). Digital transformation stimulates all kinds of innovations, from technological to organisational, which, in turn, leads to the development of innovation strategies. According to Bek & Gadzhaeva ([2018](#)), innovative strategies are considered as transformation strategies depending on the company readiness level and suggested scenarios of change. In the case of the platform business model, an open innovation model, which implies the openness of all business processes, can be considered as a strategy. Note that the range of opinions of different authors on the relationship of business model and strategy varies, from the interpretation ([Orekhova & Misyura, 2020](#)) of the business model as an "everyday" strategy to the understanding of the business model as a more general category.

One of the key results of digital transformation is an increase in the capitalization of enterprises and, thanks to spillovers between supply chains, this positive effect also affects related partner companies ([Kergroach, 2017](#)). Note that lagging industries and companies lacking the necessary digitalization skills often feel a disproportionately powerful disruptive effect. The latter statement is confirmed by the examples of digital transformation in Russia characterised by uneven IT infrastructure development and significant differences in the degree of company readiness ([Zemtsov, Barinova & Semenova, 2019](#); [Lola & Bakeev, 2020](#)).

According to some authors, organisational flexibility and the ability to quickly respond to changes in the external environment, as opposed to the strategic setting to ensure long-term competitive advantage, are currently at the forefront ([Götz, 2019](#); [Vaisman, Nikiforova & Nosova, 2019](#)). This requires companies not only to flexibly change all business processes, but also to expand and improve personnel competencies. The mentioned changes require strengthening the role of human resource management and entail the emergence of new forms

and practices of human capital management, which includes knowledge management, the formation of the company's digital culture, etc. ([Ananyin et al., 2018](#)). A special requirement of digital transformation is the extension of the competencies of company managers ([Nikishova, 2018](#)), because digital transformation is not simply the introduction of new technologies to support certain production procedures, but essentially the penetration of novel technology into business.

An important consequence of the implementation of digital technology is a change in the organisation of work. For example, in the mining and metallurgical industries, such a consequence is the improvement of working conditions, increasing the level of employee safety by improving the quality of production management, and the ability to take measures to prevent accidents, which, in turn, save the lives and health of workers ([Revenko, 2018](#)). At the same time, several industries predict a reorganisation of labour as production activities are integrated into the virtual environment ([Krause, 2019](#)). Note that this prediction has now become a reality, especially owing to the COVID-19 pandemic.

A less obvious requirement and effect of the implementation of information technology is the development of ethics and/or a culture of strict compliance in companies, which in turn increases the effectiveness of management ([Henriques et al., 2020](#)), as well as the formation of a risk culture. Risk culture is the making of valid decisions based on a qualified analysis of objective relevant information. The volatility of enterprises in the process of digital transformation requires special approaches to management and specialised analytical techniques ([Skripkin, 2019](#)). Information becomes a business asset of any company, entailing a change in requirements for the data management system ([Stoianova, Lezina & Ivanova, 2020](#)).

The above-mentioned studies provide a common view on the impact of digital transformation on business and management. Identifying the prospects of strategic management requires a comprehensive study of the environment in which digital transformation takes place.

The Digital Economy in Russia: status quo and trends

In 2017, the Russian Federation launched the National Programme, "The Digital Economy of the Russian Federation" ([Ministry of Digital Development, 2017](#)), the main goal of which is to create an ecosystem for the country's digital economy. The programme includes the following national projects: Legal regulation of the digital environment; Human resources for the digital economy; Information Infrastructure; Information Security; Digital Technologies; Digital Governance; and Artificial Intelligence.

The total annual budget of this national programme grew from 1.3 billion USD to 2.1 billion USD in 2021 ([Accounts Chamber of the Russian Federation, 2021](#)). The annual national rate of digital spending has grown by 17.3% annually over the past 10 years and reached 2.2% of GDP in 2019. By comparison, global spending in the same category and timescale has grown annually by 10-15%.

The first phase of the programme (2019–2020) resulted in more than 30% of projects failing ([Tadviser, 2022](#)). The main reasons for the failures were identified as the digital gap (mostly in access to broadband Internet), the use of corporate platforms unsuitable for work and staff training, gaps in information security, and a highly bureaucratic public administration system within the country. Digital transformation is currently declared one of Russia's national development priorities for the period up to 2030, which is monitored based on four indicators ([Abdrakhmanova et al., 2021](#)):

- achieving digital maturity in key sectors of the economy and social sphere;
- increasing the share of mass socially important services available online to 95%;
- increasing the share of households with broadband Internet access to 97%;
- increasing investment in domestic information technology products by four times compared to 2019.

Russia's level of digitalisation can be characterised by the international rankings shown in Table 4.

Table 4. Russia's position in international rankings

Ranking	Russia's place in the ranking	Total
Network Readiness Index (NRI) (measures the level of development of digital technologies and its impact on the economic growth of countries) (2021) (NRI, 2021)	43	121
e-Government Development Index (measures the readiness of countries to implement and use e-government services) (2020) (UN, 2020)	27	194
World Digital Competitiveness Ranking (WDCR) measures the intensity of development and use of digital technologies, leading to the transformation of public administration, business models, and society, assessing how countries manage their competencies to achieve long-term value creation (IMD, 2021)	45	63

Note that the first two indices characterise higher than average levels of e-government, ICT infrastructure, development of digital technologies and their impact on the economic growth of the country. The World Digital Competitiveness Ranking assesses how countries manage

their competencies to achieve long-term value creation through such factors as Knowledge, Technology, and Future readiness. According to the WDCR, Russia ranks only 38th out of 63 in 2019 ([IMD, 2019](#)) and 45th out of 63 in 2021 ([IMD, 2021](#)). The Future readiness indicator (42) is affected by the sub-factor "Business agility", by which Russia is only 54th out of 63. Such a poor result is caused by low scores on Opportunities and Threats management (46), Company Flexibility (60), and Knowledge Transfer Management (57)

In many Russian companies, digital transformation is substituted by the implementation of heterogeneous information systems and investments in infrastructure. This is evidenced by the fact that equipment dominates the investment structure of a significant number of organisations, contributing to two-thirds of domestic digitalisation expenditure ([Abdrakhmanova et al., 2021](#)). However, in leading economies the limit of economic growth through physical capital has been reached and the new driver of digitalisation is the intangible (digital) assets of companies. All in all, the results indicate a low digital transformation readiness of management systems in many Russian companies.

Since 2021, in the focus of the government's digital economy programmes, there has been a slight shift towards small and medium-sized businesses. For example, under the SME Digitisation Support Programme, companies and entrepreneurs with annual revenues of up to 2 billion roubles (approximately 27 million USD) and a maximum of 250 employees can buy SaaS solutions from Russian developers at a 50% discount ([RFRIT, 2022](#)). As part of the implementation of the federal project "Digital Technologies" of the national programme "Digital Economy of the Russian Federation", grant support for projects to develop and implement domestic digital products has intensified ([Ministry of Digital Development, 2021](#)). From 2022, a project to support small and medium-sized businesses, based on a digital SME platform, will be launched ([The Russian Government, 2021](#)).

The government programmes and projects are expected to boost the digital transformation of Russian business, but success also requires a corresponding effort on the part of companies. To better understand what challenges companies face, it is necessary to analyse the environment for the digital transformation of Russian companies and identify the impact of this environment on management issues.

The Environment for the Digital Transformation of Russian Companies and its Influence on Management

The structure of Russia's economy is characterised by a high share of capital-intensive companies. The top 5 industries contributing to GDP are shown in Figure 2. Among the leaders are manufacturing (including petroleum products manufacturing, chemicals, and chemical

products manufacturing, metallurgical manufacturing) and mining industries, characterised by long investment return periods (an average of 10-15 years).

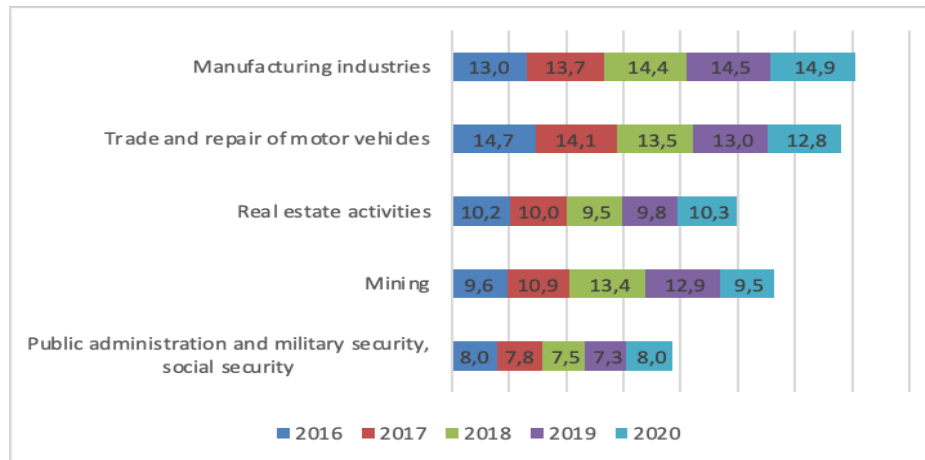


Figure 2. Structure of gross value added in 2016-2020 (a percentage of total)

Data Source: Federal State Statistics Service of the Russian Federation, <https://rosstat.gov.ru/>

As revealed in the literature analysis, digital transformation is often associated with the innovative development of companies. The highest rates of innovation activity of Russian companies are observed in the manufacturing industries (see Table 5), including sectors with significant asset intensity. Note that companies from these sectors are also very active in implementing digital transformation ([Stoianova, Lezina & Ivanova, 2020](#)).

The difference in the level of penetration of digital technologies in various sectors of the economy is illustrated by the digitalisation index developed by HSE IISEZ ([Abdrakhmanova et al., 2021](#)). The integral indicator is calculated as the arithmetic average of the shares of organisations adopting each of the digital technologies: broadband Internet, cloud services, RFID technologies, ERP systems, and e-commerce technologies. Industry demonstrates the highest level of digitalization (see Figure 3), primarily due to companies in the manufacturing sectors (Industry) listed in Table 5.

**Table 5. Rates of innovation activity in Russia by economic activity sectors
(% of innovation-active companies of the total number of companies)**

Sector	2018	2019	2020
Manufacturing of computers, electronic and optical products	53.6	49.8	52.4
Manufacturing of machinery and equipment, not included in other groups	45.3	40.9	43.3
Manufacturing of electrical equipment	43.9	41.1	39.9
Manufacturing of motor vehicles, trailers, and semi-trailers	40.5	36.6	36.2
Manufacturing of medicines and materials used for medical purposes	42.7	35.6	33.7

Sector	2018	2019	2020
Metallurgical manufacturing	31.3	29.0	28.4
Manufacturing of chemicals and chemical products	29.8	26.0	25.9
Manufacturing of petroleum products	31.0	27.5	25.0

Data Source: Federal State Statistics Service of the Russian Federation, <https://rosstat.gov.ru/>

It should be noted that, in addition to the uneven digitalization by industry, Russia, due to its large scale, is characterised by an uneven intra-industry digitalization across regions. For example, in Industry, the share of organisations (in the total number of organisations) using ERP systems varies by Russian region, from 21.5% in Moscow to 7.7% in the Far Eastern Federal Region, and the percentage of organisations using broadband Internet access varies from 35.7% in Moscow to 5.8% in companies in the Ulyanovsk region ([Abdrakhmanova et al., 2021](#)).

As well as the sectoral structure of the Russian economy, there are several other factors that affect the implementation of digital transformation in Russian companies. Features of the environment for digital transformation in Russia highlighted by Russian researchers are given in Table 6.

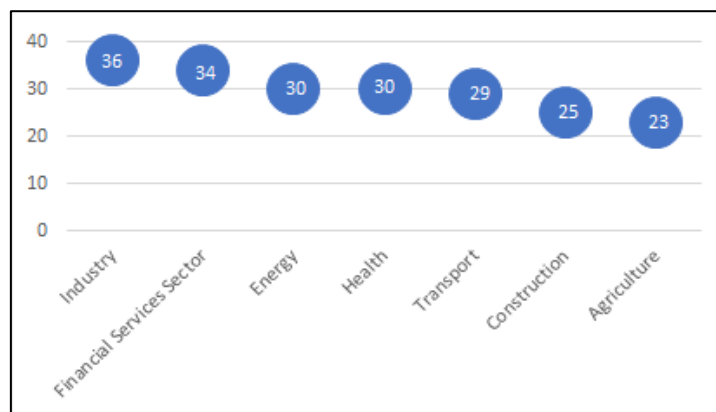


Figure 3. Digitalization indexes for different sectors of the Russian economy

Data Source: Digital transformation of industries: starting conditions and priorities ([Abdrakhmanova et al., 2021](#))

Table 6. Russia's environment for digital transformation

Features of the environment for digital transformation	Authors
The irregular penetration of new technologies	(Zemtsov, Barinova & Semenova, 2019), (Abdrakhmanova et al., 2021)
The bureaucratization of organisational processes	(Eskindarov, 2017), (Kabalina, Makarova & Reshetnikova, 2020)

Features of the environment for digital transformation	Authors
Large-scale digital transformation projects are mainly implemented in companies with government participation	(Orekhova, 2016) , (Ganichev & Koshovets, 2019)
The low level of confidence in the institutional environment, lack of favourable and stable economic conditions in the country	(Lola & Bakeev, 2020) , (Nissen, Lezina & Saltan, 2018)
For several industries – inadequate regulatory environment and barriers to Internet commerce, requirements of investors and shareholders to maintain high yields on securities	(Lola & Bakeev, 2019) , (Litvinenko & Sergeev, 2019)

According to [\(KMDA, 2020\)](#), Russian companies have realised the importance and benefits of digital transformation, but still more than 25% of the respondents claim that the results do not match their expectations. Many of the mentioned reasons for the failure of digital transformation can be summarised as the poor quality of management. Among the management errors with the most significant consequences are the inappropriate project portfolio and the choice of the wrong transformation strategy.

An analysis of the experience of Russian companies and the results of other authors' studies has highlighted the following features of managing the digital transformation in Russian companies:

- The short planning horizon and expectation of a quick return on investment ([Litvinenko & Sergeev, 2019](#); [Nissen, Lezina & Saltan, 2018](#); [Orekhova, 2016](#)). According to the study ([KMDA, 2020](#)), with investments up to 50 million roubles (approximately 640,000 USD), most companies expect a payback period of 1-2 years. A major reason for the short planning horizon is the low level of trust in the institutional environment in Russia. Large-scale digital transformations requiring large investments are often unaffordable for Russian commercial companies, so most large digital transformation projects are implemented in companies with a significant share of government funding ([Ganichev & Koshovets, 2019](#)), whereas long-term and high-cost investments without state participation are less common ([Orekhova, 2016](#)). Now 50 state-owned companies (about 17% of Russia's GDP) are participating in the digital transformation programme, but less than one-third of them have an approved digital transformation strategy or plan ([Finam, 2021](#)).
- The focus on improving the operational efficiency of processes ([KMDA, 2020](#); [Aturin, Moga & Smagulova, 2020](#)). Many digital transformation projects implemented in Russian companies are aimed at improving operational efficiency, so there has been a tendency towards digitisation of business processes, rather than a comprehensive digital transformation.

- The lack of digital transformation initiatives from employees. In Russia, a significant deterrent to digital transformation is traditionally bureaucratic organisational structures that not only increase transaction costs, but also impede employee initiative, which is a potential for innovation ([Eskindarov, 2017](#)). Note that the early results of the transformation of Russian companies have led to an awareness of the importance of company culture as the basis for stimulating employee motivation and initiative ([Kabalina, Makarova & Reshetnikova, 2020](#)).

Required Changes in Strategic Management

The problem of effective strategic management in the context of digital transformation has been widely investigated by many researchers. The strategic management prospects identified by Russian authors are summarised in the study (see Table 7).

Table 7. Russian authors' viewpoints on strategic management prospects

Strategic management prospects	Authors
Implementation of situational management as an alternative to strategic management	(Ananyin et al., 2019), (Bauer, Zatsarinny & Ilyin, 2018)
Strategic management with a focus on technological innovations and the forming of ecosystems	(Komkov & Kulak, 2018), (Litvinenko & Sergeev, 2019), (Polunin & Yudanov, 2020), (Zhuravlyov, Varkova & Zhuravlyov, 2020), (Zhuravlyov & Varkova, 2018)
Implementation scenario-based strategic management	(Bratchenko, 2017), (Kryuchkov, 2017), (Kuzin, 2016), (Marshev, 2016), (Vaisman, Nikiforova & Nosova, 2019)
Focusing on results that do not directly benefit the company	(Bratchenko, 2017), (Zhuravlyov, Varkova & Zhuravlyov, 2020), (Zhuravlyov & Varkova, 2018)

There is a viewpoint that strategic management is not effective in today's rapidly changing world. According to Ananyin *et al.* ([2019](#)), digital transformation requires a radical reduction in the time to solve management tasks, which justifies management on a real-time scale. The rationale for this kind of management is the increasing flow of incidents and abnormal situations, the complexity of a company's information model, and other factors. Situational management in its traditional version ([Zatsarinny, Ilyin & Kolin, 2017](#)), or in an adapted version ([Bauer, Zatsarinny & Ilyin, 2018](#)) is proposed as an alternative to strategic management.

There is an alternative point of view concerning the growing role of strategic management of companies in the conditions of digital transformations. In Polunin & Yudanov ([2020](#)), it is noted that the rapid growth of companies (average annual revenue growth of 27% and higher)

over the long term is only possible with strategic management, which is expressed in "subordination of current activities to the goals of preparing future growth". An important role of strategic management for companies with high capital intensity is highlighted in the paper Litvinenko & Sergeev (2019). It notes that, over recent years, companies in the sector have prioritised "short-term challenges, such as reducing costs and improving the profitability of existing assets". Many companies have reduced capital expenditure and cut exploration budgets, which, according to the authors, "may have a negative impact on the mineral resource base of leading mining companies in the near future and cast doubt on the prospects for their long-term development". The authors of the article Litvinenko & Sergeev (2019) refer to technological innovation, the importance of which, for mining companies, is also noted in Komkov & Kulak (2018), Zhuravlyov, Varkova & Zhuravlyov (2020) and Zhuravlyov & Varkova (2018), as well as the formation of an industry ecosystem, as the main tools for the strategic growth of companies.

The concept of scenario management (Marshev, 2016) is aimed at balancing strategic and tactical management. One of the key ideas is to move away from micro-management towards management under conditions of so-called "manageable chaos" (Kryuchkov, 2017; Kuzin, 2016). However, the high cost of errors at the strategic level leads to the desire of company management for complete order and control. To overcome this contradiction, an established methodological framework is needed that allows companies to switch from one scenario to another when the assumptions change (Vaisman, Nikiforova & Nosova, 2019). Otherwise, it is only a question of scenario planning at the strategic management level (Bratchenko, 2017). In addition, as noted in Kuzin (2016), the growth of available information and knowledge does not lead to an increase in the ability to accurately predict the future. To solve this problem, Kuzin (2016) proposes the use of process and non-linear thinking in management decision-making. The latter is explored in one of the relatively new strands of managerial thought, "nonlinear strategic management" by Heinrich Lemke. The additional complexity of strategic management is associated with the active implementation of the ideas of sustainable development and corporate social responsibility in Russian companies (Zhuravlyov, Varkova & Zhuravlyov, 2020).

The results of a synthesis of different views on strategic management prospects can be generalized from the point of view of practical usage (see Table 8).

Table 8. Strategic management prospects: benefits for practice

Strategic management prospects	Beneficiaries
Implementation of situational management	Companies with a quick return on investment and low capital intensity
Strategic management with a focus on technological innovations and formation of ecosystems	Companies of fuel, energy, and mineral resource industries
Implementation scenario-based strategic management	Manufacturing companies, especially mechanical engineering ones
Focusing on results that do not directly benefit the company	Companies, which follow the principles of corporate social responsibility

Implementation of situational management in its traditional or in an adapted version is relevant for companies with a quick return on investment and low capital intensity (first – for IT companies). Strategic management with a focus on technological innovations and forming of ecosystems is significant for companies of fuel, energy, and mineral resource industries.

Implementation scenario-based strategic management is relevant for manufacturing companies, especially mechanical engineering ones. In this regard, many authors point to an urgent need for a methodology that allows companies to switch from one scenario to another when the context changes. Otherwise, it is only an issue of scenario planning within strategic management. And last but not least among the strategic management prospects is focus on results that do not directly benefit the enterprise due to the active implementation of the ideas of sustainable development and corporate social responsibility in companies.

Conclusion

To identify the prospects of strategic management of digital transformation in Russian companies, a comprehensive study of the environment in which this transformation takes place was performed. Governmental support for the development of the digital economy is found to have ensured high digital maturity in many areas, such as e-government, social services, and ICT infrastructure. The digitalisation level of business varies greatly within the economy's sectors, a company's scale, and the share of government funding. However, the results of this study indicate a low digital transformation readiness of management systems in many Russian companies.

The main theoretical contribution of the study concerns the prerequisites for changes in strategic management approaches and mechanisms revealed by assessing the impact of digital transformation on business and company management systems. It was proven that, for countries where the share of capital-intensive industries is high, abandoning strategic management is impossible and can lead to disastrous consequences. It is, therefore, necessary to move away from using only short planning horizons and the expectation of quick results. At

the same time, increasing uncertainty in all areas requires the adaptation of existing strategic management mechanisms.

The key managerial prospects of this study concern the benefits of various approaches for companies with different backgrounds, capabilities, and expectations of digital transformation. For the companies with a quick return on investment and low capital intensity, the implementation of situational management is preferable. Strategic management, with its focus on technological innovations and forming of ecosystems is significant for companies within the fuel, energy, and mineral resource industries. Moreover, as these companies follow the principles of corporate social responsibility, mechanisms and methods should be used to incorporate indirect benefits into strategic decision-making. Scenario-based strategic management is relevant for manufacturing companies, especially mechanical engineering ones.

This study also has certain limitations. The research provides some managerial insights but does not cover a mechanism for improving the strategic management of companies in the context of digital transformation. Future research perspectives involve analysing and developing strategic management mechanisms, methods, and tools adapted to different types of beneficiaries.

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