

thinking, creativity, emotional intelligence, and systems thinking, as well as cyber literacy and the ability for continuous learning.

The socio-economic consequences of AI implementation include the risk of growing inequality, as benefits may concentrate among capital owners and highly qualified specialists, leading to a polarization of the labor market between high-paying jobs and low-paying services that are not amenable to automation. To mitigate these risks, adaptation strategies are needed. On the part of the state, this includes reforming the education system with an emphasis on soft skills, creating retraining programs, developing a legal and ethical framework for AI, and considering models of social support. Business must invest in employee training and implement hybrid work models. The worker themselves is required to take an active stance regarding continuous learning, developing adaptability, and being willing to change their professional trajectory. Thus, the development of artificial intelligence represents not an apocalypse for the labor market, but a powerful tool of transformation. The main challenge lies not in competing with machines, but in society's ability to adapt: restructuring education, creating new social institutions, and cultivating uniquely human qualities.

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SMALL AND MEDIUM-SIZED ENTERPRISES IN THE CONTEXT OF GLOBALIZATION

Малый и средний бизнес в условиях глобализации

In the era of globalization, small and medium-sized enterprises (SMEs) must rethink their strategies and operational models. Globalization, marked by expanding flows of goods, capital, information, and technology, creates both opportunities and challenges. It opens access to wider markets, technologies, and partnerships, enabling local businesses to expand internationally. At the same time, it intensifies competition with multinational corporations, raises compliance standards, complicates regulations, and demands investment in digital and managerial infrastructure.

The purpose of this study is to analyze the effects of globalization on the development and competitiveness of SMEs, identifying the key factors that enable or hinder their successful integration into the global economy.

One of globalization's main advantages for SMEs is the opportunity for international expansion with lower entry barriers, supported by digital technologies, e-commerce, and cheaper transportation. Firms integrated into global value chains tend to achieve higher productivity, broader product ranges, and stronger innovation capacity compared to those focused solely on domestic markets – especially if they can adapt to international standards.

However, globalization's impact is not uniformly positive. External competition can undermine SME sustainability and profitability, particularly in capital-intensive industries. Empirical research indicates that increased trade openness and financial access do not automatically lead to improved performance in all contexts, meaning that globalization benefits remain uneven across sectors and regions.

The results of the study show that SMEs capable of technological adaptation, digital transformation, and international cooperation achieve significantly higher growth and innovation levels. Global integration fosters knowledge exchange, encourages innovation, and improves productivity through exposure to new practices and technologies. Digital tools – such as e-commerce platforms, automation, and data analytics – have become essential for efficiency, cost reduction, and market expansion, provided that reliable communication infrastructure supports these processes.

Nonetheless, SMEs still face major barriers: limited access to finance, managerial skill gaps, difficulties in meeting international standards, and vulnerability to external shocks due to resource constraints. High transaction costs and restricted access to trade finance further limit their participation in international markets.

To survive and grow in a globalized environment, SMEs rely on niche specialization, flexibility, partnerships, and adaptation to local market conditions. Successful enterprises emphasize product uniqueness, quality, and understanding of consumer preferences. Moreover, public policies that support digitalization, innovation, infrastructure, and simplified regulations play a crucial role in lowering entry barriers and improving competitiveness.

In conclusion, the research confirms that globalization can serve as both a catalyst and a challenge for SMEs. While it promotes innovation and access to new markets, it also heightens competitive pressures. Realizing the full potential of SMEs in globalization requires coordinated government and business efforts, strategic investment in digital transformation, and continuous technological renewal. Thus, SMEs' success in the global economy reflects not only adaptation but ongoing transformation driven by innovation and strategic vision.