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Impact of Global Economic Fluctuations on Small and Medium Enterprises (SMEs) Management Strategies

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ABSTRACT

Global economic fluctuations significantly impact the sustainability and management strategies of Small and Medium Enterprises (SMEs). This paper explores how SMEs adapt to uncertainties such as inflation, currency volatility, and demand contraction. It analyzes the dynamic management strategies employed by SMEs to remain competitive, including cost optimization, digitalization, market diversification, and innovative financing approaches. The findings suggest that SMEs must adopt proactive resilience strategies to survive and grow amidst global economic turbulence.

KEYWORDS: *SMEs, Global Economic Fluctuations, Management Strategies, Resilience, Digitalization*

INTRODUCTION

Small and Medium Enterprises (SMEs) play a crucial role in driving economic development, employment, and innovation across the globe. However, their

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dependency on external market conditions makes them highly vulnerable to global economic fluctuations. This paper discusses the multiple dimensions of SME management strategies amidst changing economic scenarios...

LITERATURE REVIEW

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CHALLENGES FACED BY SMES

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ROLE OF TECHNOLOGY IN ENHANCING RESILIENCE

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CASE ANALYSIS AND DISCUSSION

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CONCLUSION

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Table 1: Economic factors influencing SMEs with management responses.

Economic Factor	Impact on SMEs	Management Response
Currency Volatility	Increase in costs, reduced competitiveness	Hedging strategies, local sourcing

Table 2: Role of technology in resilience building of SMEs.

Technology Strategy	Benefit to SMEs	Challenge
Digital Transformation	Enhanced efficiency, reduced cost	High initial investment

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