

# Topical Issues of Sustainable Development of Industrial Enterprises

*Gulshan Huseynzade*<sup>1</sup>

<sup>1</sup> Doctorial student of  
Department of Business  
Organisation and  
Management,  
Sumgayit State University,  
Sumgayit, Republic of  
Azerbaijan

✉ \*Corresponding author:

[gulsen396@mail.ru](mailto:gulsen396@mail.ru)



This work is licensed under CC BY-NC-ND 4.0.  
To view a copy of this license, visit  
<https://creativecommons.org/licenses/by-nc-nd/4.0>

**ABSTRACT:** The article examines the current problems of the development of industrial enterprises. The issues of modernising industrial enterprises in the context of sustainable development are analysed and generalised. The development factors of industrial enterprises are given, and the potential in this direction is considered. The importance of applying high technologies in modern conditions is stated. The necessity of preparing and applying a stable strategy for industrial enterprises is substantiated. Recommendations are developed, and proposals are made on these problems and directions.

**KEYWORDS:** Industry, industrial sector, industrial enterprise, development problems of industrial enterprises, development prospects of industrial enterprises, current issues of industrial enterprises.

**How to cite:** Huseynzade, G. (2026). Topical Issues of Sustainable Development of Industrial Enterprises. *International Multidisciplinary Conference on Innovation, Technology and Sustainability*. Futurity Research Publishing. <https://doi.org/10.5281/zenodo.18979311>

## Introduction

In recent decades, the increase in the production of material goods, the depletion of natural resources, the rise in social stratification, and the growing debate over environmental pollution have attracted increasing attention. Sustainable development is a process of change in which the exploitation of natural resources, the direction of investments, the direction of scientific and technological development, personal development and institutional change are in harmony with each other and strengthen the current and future potential to meet the needs and aspirations of people [1]. On the other hand, the goal of the global movement for sustainable development is to create ecologically clean conditions throughout the world as a single and unique space in which humanity can live and develop. In the conditions of modernisation of the domestic economy, globalisation of world economic relations, and intensification of production, great importance is attached to the creation of flexible conditions for the study of the problems of the sustainable development of industrial enterprises, as the ability to respond promptly to processes taking place in the surrounding business environment. The solution to the problems of ensuring the sustainable development of industrial enterprises is largely determined by the multifaceted and complex nature of the management process.

## Research Aim and Research Questions

The main purpose of writing the article is to study and summarise the current problems of the development of industrial enterprises. Modernisation of industrial enterprises and increasing their competitiveness in the context of sustainable development provides for complex approaches. In addition, the methods of scientific abstraction, analysis, synthesis and generalisation were used in writing the article.

## Research Results

It should be noted that the sustainable development of an industrial enterprise implies the balanced work of its constituent elements [2]. Unplanned deviations of significant indicators in the process of economic activity and enterprise development can lead to the enterprise's loss of stability. The loss of undesirable stability in the development of industrial enterprises is of great importance, since the stability and efficiency of their operations determine the development of the country's economy and the strategy for the sustainable socio-economic development of regions [3]. Along with this, the main feature of ensuring the effective operation of an enterprise is the economically competent management of its economic activity, maintaining a stable competitive situation and achieving leadership [4]. Therefore, the concept of "sustainable development" should be considered the most important tool for assessing the efficiency of an industrial enterprise.

The sustainable development of an industrial enterprise is understood as internal changes aimed at adapting it to the dynamics of the external environment in which it operates, qualitatively changing its structure and increasing quantitative performance indicators [5]. The study of the principles and elements of the system of sustainable development of industrial enterprises shows that in the cu,rrrent

economic realities, it is important to direct management activities towards sustainable economic growth [6]. The problem of measuring the sustainability of industrial complexes and enterprise development also arises, necessitating methodological developments in this area. As a result, in a market economy, each enterprise must develop its own investment and innovation management strategy, implement it, promptly respond to environmental changes, and make the necessary adjustments [7]. Such a strategy will allow the enterprise to ensure the implementation of innovative economic and social development goals, the maximum use of internal potential, efficient management of investment resources for the development of innovative activity, and the rapid implementation of promising projects aimed at strengthening the market. Sustainability is characterised, on the one hand, as the characteristics of the enterprise itself and the level of use of its potential, and on the other hand, as the characteristics of the external environment [8]. One of the main goals set for any industrial enterprise is to achieve sustainable development. To achieve sustainable development of an enterprise, it is necessary to analyse the factors affecting it, including tax mechanisms, which must be taken seriously into consideration.

An enterprise's ability to win the competition and maintain economic stability largely depends on the state of internal environmental factors. The group of internal factors includes the enterprise's production technology, personnel, the state of scientific research and experimental design work, financial resources, etc. [9]. In a market economy, enterprises can no longer ignore the external environment. Today, ignoring the external environment means the enterprise's bankruptcy in the future. The external environment, which directly determines the enterprise's stability, is shaped by objective and subjective factors [10]. Objective factors directly affect the enterprise's sustainable development. The enterprise can react to changes in the factors of direct influence in two ways: it can rebuild the internal environment and conduct both an adaptation policy and an active or passive interaction policy. Subjective external factors are environmental factors that indirectly affect the enterprise's activities and development. The impact of each factor can manifest itself in different ways.

Note that legislation in the field of the tax system significantly affects the level of sustainable development of an industrial enterprise. The level of taxes should be such that it does not lead to stagnation in the country's market, but rather creates optimal conditions for the development of its enterprises and the economy as a whole. State and local authorities significantly influence the enterprise's activity and development by regulating socio-economic relations. Resource provision is the set of material, labour, and financial resources necessary for the enterprise's activity. In particular, financial resources must be operational [11]. On the other hand, enterprises should have an appropriate, long-term financial strategy [12].

Each enterprise should keep strict records of the resources used and required to use them efficiently. In addition, the efficient operation of enterprises and strict discipline are of great importance to the country's economic security [13]. It is competition that allows enterprises to develop, produce competitive products and provide the best working conditions for their employees. For this purpose, each enterprise needs to have a marketing group [14]. The country's investment climate is also decisive

for using the rich production potential accumulated in enterprises, or that can be created in the near future. It is very important to take this component into account when predicting the dynamics of an enterprise's sustainable development [15].

Scientific and technical progress significantly affects the enterprise as a complex system. Discoveries in high technologies, electronics, and computer technologies, along with the creation of new materials, have led to a radical change in production and the production of high-quality products in enterprises over several decades [16]. At the same time, it is necessary to place a greater priority on digital mechanisms for the organisation of banking services at a high level [17].

Information security shapes the enterprise's information environment. Modern enterprises literally penetrate information flows. This factor can be related to both the external environment and the enterprise's internal environment. Its further development depends on the effectiveness of internal information flows within the enterprise and on how much information it can receive and analyse from the external environment [18]. Along with external factors, internal environmental factors also affect the enterprise's sustainability. The issues of wider use of information and communication technologies in these processes arise [19].

On the other hand, innovations can be quite effective in increasing enterprises' competitiveness. In this regard, more active application of innovations is one of the important conditions [20]. At the same time, there is a need for a wider range of innovative products to be produced and exported in order to expand the country's foreign economic relations. Competitive and export-oriented enterprises also play a significant role in increasing the country's export potential [21].

Currently, intensive restoration and construction work are underway in both the Karabakh and East Zangezour economic regions. The First State Program on the Great Return is being implemented. One of the main problems for former internally displaced persons returning to their homeland is obtaining appropriate and decent work. Taking into account these important issues, the creation of production infrastructure and the formation and development of the material and technical base for the organisation of industrial enterprises have already begun. The largest industrial park in the region is being built in Agdam. This multifunctional industrial park brings together innovative technologies and competitive enterprises that will perform various functions. For residents registered in the industrial park, benefits have been determined for 10 years, and they are exempt from income or profit tax. At the same time, the creation of a banking infrastructure to provide financial and credit services has also become necessary.

Along with these, it is expected that in the near future industrial enterprises will start operating in the areas of equipment and inventory for ventilation systems, signals for railway lines, as well as the production of microcircuits, as well as the production of shoes and, for the first time in our country, wallpaper. All this provides additional incentives for the development of the Karabakh economic region. As post-conflict areas are cleared of mines, the process of creating a network of competitive, modern technology-based enterprises will accelerate here. The "Araz Valley Economic Zone" in Jabrayil, East

Zangezur, plays an exceptional role in the development of entrepreneurship, increasing the attractiveness of the business and investment environment. The creation of an analogous, multifunctional economic zone will increase the region's investment attractiveness. Along with these, the revival of the city of Shusha is creating additional conditions for strengthening sustainable development in the region and creating competitive enterprises. On the other hand, the declaration of post-conflict areas as green energy zones and the large-scale nature of the measures taken in this direction are also noteworthy.

In many countries, the mechanism of multifunctional free economic zones is used for the sustainable development of enterprises [22]. New economic mechanisms prevail in such zones and attract additional potential for the sustainable development of enterprises. At the same time, it would be useful to refer to Turkey's experience in developing free economic zones [23]. In recent decades, Azerbaijan has also begun to establish free economic zones to accelerate enterprise development. In similar zones, it is possible to develop entrepreneurship and increase investment activity systematically. At the same time, we believe that the development of such zones in Azerbaijan will enable enterprises to become more competitive and develop sustainably.

## Conclusions

Thus, having determined the role of changes in the sustainable development of an enterprise, we conclude that achieving stability is possible through a dialectical combination of stability and instability processes within it. Based on this, we formulate the main provisions of the concept of sustainable development of an enterprise:

- The structural unit of the concept is an industrial enterprise. Its development is driven by changes in socio-economic processes in both the external and internal environments.
- Organisational development is non-directional in nature, influenced by many factors.
- The purposeful activities of the drivers of change serve as analytical materials for managers who lead the enterprise's development.
- The exchange of information and other resources within the organisation makes it an integral, closed system; only its long-term existence can characterise it as a stable system.
- Despite the multitude of development factors, it can be predicted based on the general laws and characteristics of the socio-economic environment.
- One of the central problems in increasing the organisation's sustainability is how to improve it.

## References

1. Aliyev, S., Hasanov, R. I., Aghayeva, K., Gasimov, J. Y., & Ahmadova, S. E. (2024). The relationship between renewable energy consumption and economic growth: Insights from Iceland and Azerbaijan. *International Journal of Energy Economics and Policy*, 14(5), 229-235. <https://doi.org/10.32479/ijeep.16490>

2. Aliyev, Sh. T. (2008). Problemy konkurentosposobnosti real'nogo sektora ekonomiki Azerbaydzhana v usloviyakh globalizatsii [Problems of competitiveness of the real sector of the Azerbaijan economy in the context of globalization]. *Doklady NANA*, (6), 135-143.
3. Gureeva, M. A. (2015). The system of economic security of an enterprise in the context of economic globalization. *Symbol of Science*, (10-1), 30-38.
4. Əmiraslanova, D. Ə. (2016). Neftkimya müəssisələrində logistika siyasətinin müəyyənləşdirilməsi və tətbiqi [Determination and application of logistics policy in petrochemical enterprises]. *AMEA-nın Xəbərləri. İqtisadiyyat Seriyası*, 137-143.
5. Aliyev, Sh. T. (2014). Modelirovanie innovatizatsii natsional'noy ekonomiki v sovremennykh usloviyakh [Modeling the innovatization of the national economy in modern conditions]. *Nauchnoe Obozrenie*, (6), 342-346.
6. Rekun, I. (2015). Model for designing economic security of an enterprise. *Humanities and Social Sciences*, 20(2), 111-121.
7. Aliyev, Sh. T. (2017). Vazhnost' primeneniya novykh ekonomicheskikh instrumentov v ekonomike Azerbaydzhana [The importance of applying new economic instruments in the economy of Azerbaijan]. *Natsional'nye Interesy: Prioritety i Bezopasnost'*, 80-84.
8. Yanioglo, A. (2017). *Comprehensive system of ensuring economic security of enterprises*. Kishineu.
9. Aliyev, Sh. T. (2012). Rol' spetsial'nykh ekonomicheskikh zon v razvitii predprinimatel'stva i investitsionnoy aktivnosti [The role of special economic zones in the development of entrepreneurship and investment activity]. *Rossiyskoe Predprinimatel'stvo*, (7), 180-184.
10. Abbasov, İ. M., & Əliyev, T. N. (2017). *Qeyri-neft sənayesinin iqtisadiyyatı* [Economics of the non-oil industry]. Elm və Təhsil.
11. Rybkina, O. V., & Boloznev, V. V. (2017). Developing a strategy for economic security of an enterprise. *Ekonominfo*, (4), 28-32.
12. Əliyev, Ş. T. (2017). Azərbaycanda maliyyə sabitliyinin təmin edilməsi problemləri və maliyyə-kredit sisteminin inkişafının müasir aspektləri [Problems of ensuring financial stability in Azerbaijan and modern aspects of financial-credit system development]. *Audit*, (3), 26-40.
13. Borodin, A., Zaitsev, V., Mamedov, Z. F., Panaedova, G., & Kulikov, A. (2022). Mechanisms for tax regulation of CO2-equivalent emissions. *Energies*, 15, 7111. <https://doi.org/10.3390/en15197111>
14. Kasperovich, S. A., & Derbinskaya, E. A. (2016). Economic security of an enterprise: Essence, goals, and directions of ensuring. *Proceedings of BSTU*, (7), 278-282.

15. Əliyev, Ş. T. (2018). *Azərbaycan iqtisadiyyatı* [Economy of Azerbaijan]. SDU Redaksiya və nəşr işləri şöbəsi.
16. Mamedov, Z. F., & Aliyev, Sh. T. (2020). Digitalization of the economy: Analysis of influence on the banking sphere in Azerbaijan in the context of world experience. *Proceedings of the 55th International Scientific Conference on Economic and Social Development, Baku, Vol. 2/4*, 584-591.
17. Aliyev, Sh. T. (2020a). Strategic role of Sumgayit in the development of petrochemical industry of Azerbaijan. *Proceedings of the International Conference on Actual Problems of Chemical Engineering (APCE 2020)*, Azerbaijan State Oil and Industry University, 430-435.
18. Aliyev, Sh. T. (2020b). Problems of diversification of Azerbaijani economy in modern conditions. *Proceedings of the VIII International Scientific and Practical Conference "Current Problems of Social and Labor Relations" (ISPCPSLR 2020)*, Makhachkala, 38-44.
19. Salmanov, M. C. (n.d.). Azərbycanda neft-kimya kompleksi müəssisələrinin ixrac potensialının artırılmasının maliyyə aspektləri [Financial aspects of increasing the export potential of petrochemical complex enterprises in Azerbaijan]. (необхідно додати: назву журналу або видавця, рік, сторінки)
20. Aliyev, Sh. T. (2015). *Vneshneekonomicheskaya politika Azerbaydzhana* [Foreign economic policy of Azerbaijan]. Sumgait State University Press.
21. Şəkərəliyev, A. Ş. (2017). İxracın strukturunun qeyri-neft məhsulları hesabına genişləndirilməsi istiqamətləri [Directions for expanding the export structure through non-oil products]. *Elmi Xəbərlər, Qərb Universiteti, (1)*, 5-16.
22. Aliyev, Sh. T. (2008). *Problemy organizatsii i perspektivy razvitiya osobykh ekonomicheskikh zon* [Problems of organization and development prospects of special economic zones]. Nauka.
23. Aliyev, Sh. T. (2010). The problems of the variety of formation and functioning of the special economic zones in Azerbaijan in the context of the world experience. *Marketing and Management of Innovations, 1*, 144-148.