

## DEVELOPMENT OF MANAGERIAL DIGITAL COMPETENCIES AS A CONDITION FOR EFFECTIVE BUSINESS ADMINISTRATION

In the current conditions of economic development, there is an intensive digital transformation of the business environment, which is one of the key characteristics of the Fourth Industrial Revolution. It fundamentally reshapes the architecture of business processes, forming new approaches to management and the organization of enterprise activities. Active digitalization requires management not only to adapt to new tools but also to transform the managerial paradigm. Digital potential serves as a key factor in effective decision-making, strategic enterprise development, and ensuring competitive advantage. In this context, the aim of the study is to substantiate the role of digital competencies as a critical factor in enhancing the effectiveness of modern business administration.

According to the European Digital Competence Framework for Citizens (DigComp 2.1) [1], digital competence involves the confident, critical, and responsible use of digital technologies for learning, work, and participation in society. It encompasses information and media literacy, digital communication and collaboration, digital content creation, cybersecurity and personal data protection, as well as problem-solving abilities and lifelong learning. In the field of business administration, these competencies are further specified through relevant applied managerial skills (tab.1):

Table 1 – Applied managerial competencies of a modern manager

Competency	Essence and toolkit	Applied significance for management
Data Literacy	Ability to collect and critically analyze large datasets (Big Data)	Data-driven substantiation of strategic decisions rather than intuition
Ecosystem collaboration	Proficiency in cloud-based platforms (Slack, Trello, MS Teams)	Effective project management and communication in geographically distributed teams
Adaptability to AI	Cognitive readiness for interaction with generative AI and chatbots	Automation of routine tasks, rapid content optimization, and trend forecasting
Use of specialized software	Proficient use of monitoring systems (CRM, ERP)	Transparent real-time monitoring of business processes, resources, and customer relationships

Source: systematized by the authors

Research by analysts at McKinsey & Company (particularly within the Digital Quotient – DQ framework) [2] shows that companies with high digital managerial maturity significantly outperform competitors across key operational indicators. They make decisions 2–3 times faster, and their revenue growth is several times higher than in low-digitalized firms. This is driven by the shift from hierarchical to network-based structures, the use of real-time dashboards instead of static reporting, and greater strategic agility enabled by rapid responses to market changes. Priority directions for the development of managerial potential under these conditions include:

- **implementation of data-driven management**, which involves managing processes based on the analysis of data, metrics, and KPIs [3];
- **corporate upskilling**, aimed at enhancing employees' qualifications in line with the requirements of the digital economy and increasing their autonomy;
- **digital hygiene and cybersecurity**, as a set of competencies focused on protecting corporate data and minimizing digital risks (phishing, social engineering).

Therefore, the development of managerial digital competencies in the context of Industry 4.0 is a necessary condition for business viability and the transformation of the managerial paradigm in line with the requirements of the digital era through the implementation of data-driven management and the continuous development of digital skills.

### References

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3. GRC.ua. (n.d.). *What is Data-Driven Operations Management and Why Businesses Lose Efficiency Without It*. Available at: <https://grc.ua/blog/shto-take-data-driven-operacijnyj-menedzhment-i-chomu-bez-njogo-biznes-vtrachaye-efektyvnisti> (Accessed: 26 March 2026).