

STRATEGIC MANAGEMENT FOR THE LONG-TERM SUSTAINABILITY OF SMALL AND MEDIUM-SIZED ENTERPRISES - CHALLENGES AND OPPORTUNITIES

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ABSTRACT

The SME sector plays an important role in the economy as it contributes to employment, the development of local markets and overall economic growth. However, these enterprises often face limited resources, lack of capital and weaker application of modern management approaches. The paper discusses how strategic management can contribute to better adaptability of SMEs to market changes, strengthening competitiveness and long-term business stability. Special emphasis was placed on factors from the external environment, such as economic changes, digitization and access to financial sources, but also on internal weaknesses such as insufficiently developed strategies and lack of professional staff. The empirical part of the work is based on a SWOT analysis of the SME sector in Serbia, which identified key strengths, weaknesses, opportunities and threats. Based on the analysis, it can be concluded that SMEs have a significant potential for development, but that for its realization it is necessary to improve the strategic approach to management.

Keywords: SME sector, Strategic management, sustainability, SWOT.