

Aliyev Hasan
Master's Student, Gr. ME-24M
Nataliia Pitel
PhD, Associate Professor
Central Ukrainian National Technical University
Kropyvnytskyi, Ukraine

SYNERGY OF INNOVATIONS AND DIGITAL SOLUTIONS IN THE MANAGEMENT SYSTEM OF ENERGY COMPANIES

In the context of global energy transformation and the accelerating pace of digitalization, energy companies are facing the urgent need to modernize their management systems. The integration of innovative technologies and digital tools has become a strategic prerequisite for ensuring competitiveness, efficiency, and sustainability in the energy sector. The synergy between innovation and digitalization enables enterprises not only to optimize operational processes but also to create new business models focused on sustainability, energy efficiency, and customer orientation.

The relevance of this research is determined by the growing importance of digital ecosystems, intelligent energy networks (Smart Grids), and data-driven management approaches in forming a new paradigm of corporate governance. Under such conditions, the effectiveness of managerial decision-making increasingly depends on the level of technological adaptability and innovative capacity of the enterprise.

The purpose of this study is to substantiate the theoretical and methodological foundations of the synergy between innovation and digital solutions in the management systems of energy companies and to identify practical directions for their implementation in the context of sustainable energy development.

In the course of the research, it was found that energy companies face a number of systemic challenges that complicate the implementation of innovative management approaches within the digital transformation process. These challenges are complex in nature and encompass economic, technical, technological, managerial, and security dimensions of enterprise activity. The generalized structure of the key problems faced by modern energy companies is presented in Figure 1.

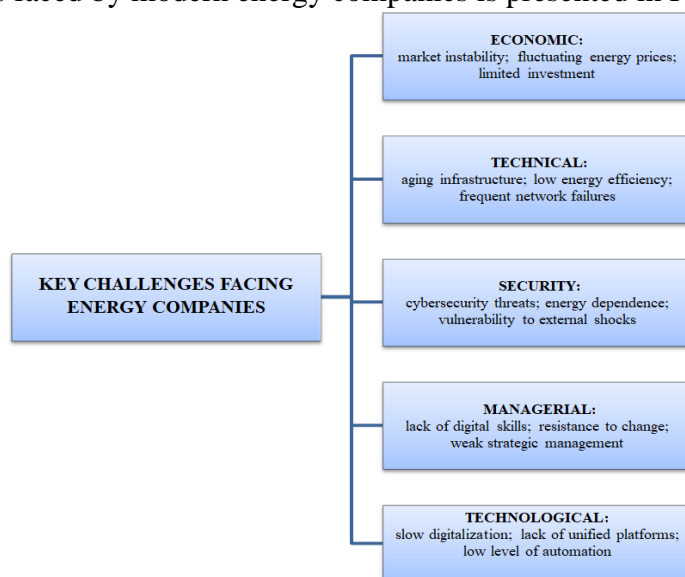


Figure 1 – Key challenges facing modern energy companies

Source: summarized by the authors

The analysis of the presented structure demonstrates that most of the problems faced by energy companies are systemic and interrelated. Economic constraints reduce the investment capacity of enterprises, hindering the modernization of technical infrastructure and the implementation of innovative technologies. Technological backwardness, in turn, leads to low

management efficiency and increases risks in the field of energy security. Such interdependence of challenges confirms the need to develop an integrated management model based on the synergy of innovations and digital solutions, which will enhance the flexibility, transparency, and resilience of energy companies to external challenges.

Considering the existing challenges, modern energy companies need to rethink their management approaches and implement effective tools for innovative development. In this context, the study of international experience and global trends in energy digitalization becomes particularly important, as it demonstrates successful models of integrating innovations and digital technologies into management systems. Summarizing these practices makes it possible to identify promising directions for adapting global solutions to the conditions of national energy systems.

The global energy system is undergoing a profound digital transformation driven by smart grids, Internet of Things (IoT), Big Data, blockchain, and artificial intelligence (AI) technologies. According to Verified Market Research [2], the global smart grid market was valued at approximately USD 73 billion and is projected to reach USD 206 billion by 2032, which highlights the growing scale of investment in energy digitalization. Meanwhile, IoT Analytics [1] reports that over 1.06 billion smart meters have already been installed worldwide, enabling real-time monitoring and optimization of energy consumption and supporting data-driven energy management.

A particularly noteworthy example of regional progress in this field is Azerbaijan, which has been actively integrating digital technologies into its national energy strategy. According to OECD [3] the energy industry contributes about 38 % of the country's GDP, making its modernization a strategic national priority. The Ministry of Energy of the Republic of Azerbaijan and the State Oil Company (SOCAR) are implementing smart energy management systems and digital monitoring platforms, especially in the oil and gas sector. As reported by Reuters [4], Azerbaijan plans to invest over USD 2 billion in green energy projects, aiming to increase the share of renewables to 33 % by 2027. These initiatives, carried out under the SOCAR Digital Transformation and Smart Energy City Baku programs, combine automation, AI, and data analytics to improve efficiency, transparency, and sustainability.

Thus, international and regional experience demonstrates that digitalization has become a key driver of efficiency, resilience, and sustainability in the energy sector. The integration of smart grid technologies and digital management platforms not only reduces operational costs but also enhances flexibility and adaptability, laying the foundation for the sustainable development of energy companies in a dynamically changing global environment. At the same time, achieving a true synergy between innovation and digital transformation requires a strategic approach that combines technological modernization with organizational change and human capital development. The introduction of intelligent decision-making systems, predictive analytics, and automation tools enables companies to respond proactively to market fluctuations and environmental challenges. Furthermore, fostering digital competencies among employees and strengthening cybersecurity frameworks are essential to ensure the stability and reliability of energy systems.

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