

WILL BLOCKCHAIN MEET THE OBJECTIVES OF SUSTAINABLE MANAGEMENT?

Krasnokutska N., Adiguzel K.

National technical university «Kharkiv polytechnic institute», Kharkiv

Blockchain is a new, astonishing and interesting technology that is becoming widespread in the digital world today. Due its capabilities and functions it allows its adapters and utilizers to run efficient, secure, transparent, visible, and low cost operations in the perceptive of data transfers and handling. External operations such as applications based and running on the Blockchain platform are enabling organizations and their management to benefit from those functions with ease and trust. With this aspect, it attracts the attention of researchers and organizations and leads the way of a new era in management.

According to the World Economic Forum, \$ 1.4 billion has been used for investment to Blockchain technology since 2013 [1]. A large part of this investment is concentrated in the financial sector in the form of Bitcoin followed by alternative digital currencies. However, the organizational or management functions of Blockchain does not attract the same level of attention yet. In such a case the creation of technologies that can affect organizational business life-cycle by the meaning of increasing capabilities and management functions, requirements and needs is one of the most promising aspects of Blockchain technology.

A Blockchain is a coded digital notebook or so called ledger stored and spread on decentralized multiple computers in a public or private network. It includes data records or "blocks". Once these blocks collected in a chain, they cannot be changed or deleted by a single player, that bring an ultimate security of information and trust to all parties involved into their communication [2]. Based on this, Blockchain can be considered as an essential tool for managerial decisions in the field of:

- 1) ensuring transparency;
- 2) elimination of fraud and manipulation;
- 3) improving forecasting capabilities;
- 4) increasing the confidence in information systems;
- 5) cost reduction.

Thus, Blockchain technology simplifies the management of reliable information, making it easier for organizations to access and use critical private or public sector data while maintaining the security of this information still without investing and operating huge and bulky centralized information systems.

References:

1. De T'Serclaes P. Blockchain could be the missing link in the renewable energy revolution / P. De T'Serclaes [Electronic resource]. – Mode of access: <https://www.weforum.org/agenda/2017/09/blockchain-energy-efficiency-finance/>
2. Olnes S. Blockchain in government: Benefits and implications of distributed ledger technology for information sharing / S. Olnes, J. Ubacht, M. Janssen // Government Information Quarterly. – 2017. – V. 34 (3). – P. 355-364.