

## **ECONOMIC POTENTIAL GROWTH MANAGEMENT OF REAL ESTATE DEVELOPMENT COMPANY IN THE CONDITIONS OF QUARANTINE RESTRICTIONS**

*Andrii Rosynskyi<sup>1</sup>*

*Assistant Professor of the Department of Construction Economics, Kyiv National University of Construction and Architecture, e-mail: rosynskyi.av@knuba.edu.ua, ORCID: 0000-0003-4119-7463*

Restrictive measures adopted by the resolutions [1, 2] of Cabinet of Ministers of Ukraine have affected all spheres of life of Ukrainians, including business. Negative impact of quarantine restrictions on real estate market has set a challenge for development companies to rapidly adapt to new realities of conducting business processes and especially customer relationship. Being expected as a short-term necessity, quarantine is being constantly prolonged, bringing a high level of uncertainty in strategic planning and growth management of enterprises, including real estate development companies.

Conducted analysis of development companies' behavior based on information obtained from [3] during the first three months of quarantine (from 12.03.2020 till 12.06.2020) distinguished several different approaches developers chose to maintain their competitiveness and minimize the losses of their economic potentials:

1. "Slow down" approach: minimization or complete absence of advertisement, silent price increase, limited offer, prolongation of planned terms of construction.
2. "Stability" approach: the same content and amount of advertisement (compared to the advertisement policy before the quarantine), stable price policy, no changes in terms of construction.
3. "Last chance" approach: increased amount of "quarantine" advertisement, initiation of quarantine sales and special offers, reviewed terms of construction.
4. "Individual" approach: absence of fixed offers or terms, customer-oriented conditions.

Utilization of abovementioned approaches correlates with so called "waves" of quarantine mitigation on a timely matter, but has no distinctive correlation with demand changes on real estate market. In other words, applying different approaches, development companies were mainly concerned on their internal indicators and behavioristic assumptions, neglecting the actual situation on market. Protectionism policy, applied by key players in real estate market mainly in the first month of quarantine, negatively affected their economic potential growth rates and, correspondingly, competitive environment of the market, giving additional possibilities and advantages to smaller and more flexible development companies.

**Keywords:** economic potential; real estate market; development company; quarantine restrictions; economic potential growth management; competitiveness.

### **References:**

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