

# INNOVATIVE POTENTIAL OF ENTERPRISES IN UKRAINE IN CONDITIONS OF THE KNOWLEDGE ECONOMY

## ИННОВАЦИОННЫЙ ПОТЕНЦИАЛ ПРЕДПРИЯТИЙ УКРАИНЫ В УСЛОВИЯХ СТАНОВЛЕНИЯ ЭКОНОМИКИ ЗНАНИЙ

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**Abstract:** *In the article the approaches to the interpretation of the concept of "innovation potential", summarizes the components of the innovation potential of the knowledge economy. Attention is paid to tactical and strategic aspects of the study of innovative development and implementation of innovative enterprises in Ukraine. Analyzed key characteristics of the innovative development of its willingness to build a society based on knowledge. Highlight factors that influence the formation of knowledge economy.*

**KEYWORDS:** INNOVATIVE POTENTIAL, ECONOMY OF KNOWLEDGES, SOCIETY OF KNOWLEDGES, INNOVATIVE ACTIVITY, HUMAN CAPITAL, INTELLECTUAL POTENTIAL.

In the conditions of active development of the information society and emerging knowledge economy are of particular importance in the innovative sphere of activity, which is associated with sustained economic growth of any state.

Analysis of the state of activity of the enterprises of Ukraine shows that one of the determining factors of further economic growth is the activation of scientific-technical and innovative activity. This causes the relevance and necessity of the analysis of innovative activity of the enterprises in the conditions of formation of economy of knowledge.

Innovation and investment resources of enterprises of Ukraine are exhausted and do not ensure the effective expanded reproduction. The establishment of the innovative development model will be pursued by addressing the following issues: the funding of science and productivity research; capitalization of intellectual property objects through their introduction into the economic turnover.

The problem of filling innovative enterprises cannot be solved without development of the economy based on knowledge. "Knowledge economy" is globally recognized as Central by increasing the competitiveness of countries. And this applies not only to developed countries, and countries with economies in transition, which include Ukraine. The country's ability to produce knowledge, in particular science, their implementation and effective use for development in such an economy, the main factors of sustainable economic growth along with traditional sources such as investments and labor resources [13].

The study of essence of innovative potential and identifying its components has paid attention to such national scientists as V. M. Heyets, M. G. Guzenko, V. G. Zhavoronkov, Y. M. Nagowski, L. I. Fedulova, L. I. Yakovenko and others. Analyzing research scientists, we can conclude about the lack of consensus regarding the definition of the essence and constituents of innovative potential in the conditions of formation of economy of knowledge.

The purpose of this article is to define the essence and synthesis of constituents of innovative potential of the enterprise in the conditions of formation of economy of knowledge.

The modern economy is undoubtedly an innovative economy, in which knowledge can be used to generate a continuous stream of innovations that meet the changing and dynamic needs, and often shape these needs. Knowledge only has value in an economic sense when it is implemented in the form of innovation. The activities of production, distribution and use of knowledge in modern economy plays an ever more important role, defines its essential characteristics and growth rate. Between science and technology occurs new interaction, more and more sectors of the economy become knowledge-based, increasing the share of investment in knowledge, education, intangible assets. We are talking primarily about the key role of human capital, which under certain institutional conditions becomes a very important factor in the development of economic system based on knowledge.

According to the definition of statistics service innovation is the introduction into use of any new or significantly improved product (goods, services) or process, new marketing method or a new organisational method in the enterprise, workplace organization or external relations". That is, according to the presented interpretation to the analysis accepts all types of innovation (including pseudoinnovation that are new only for the enterprise), innovation is also identified with innovation (which involves only the process of commercialization of innovations). This definition seriously distorts the analysis (creates a more optimistic picture), however, some General trends can be detected [3].

The state of innovation activity in Ukraine is determined by such productive indicators, as the number of introduced new technological processes, the number of implemented low-waste, resource-saving processes, the number of innovative products, the production of which is mastered, the number of new types of equipment, the production of which is mastered and the volume of sold innovation products.

Negative factor in the business activity of enterprises of Ukraine is the decline in the share of enterprises that were engaged in innovation. So in 2000 such enterprises was 14.8 per cent, in 2014, there were only 12.1 per cent, the lowest proportion of these enterprises was in 2005 to 8.2 %.

In 2014 as a result of performing fundamental and applied research obtained 933 940 fundamental and applied research in the field of agricultural Sciences, created at the expense of the General Fund of the state budget [15].

Dynamics of innovative development of the enterprise depends primarily on its financial capacity. The main source of financial provision of innovative activity of the enterprise are the financial resources of the enterprises, namely, own, borrowed. So, in 2014, 85 % of enterprises carried out innovation at its own expense [15].

The election strategy of innovative development of enterprises is one of the main ways of increasing their competitiveness, the introduction of a conceptually new level of activity. The prerequisite for this, there is effective management of innovative potential of an enterprise depends on the ability of the company to produce innovative scientific and technical solutions and inventions to innovate.

Table 1

Indicators of innovation performance of Ukraine's economy

Years	Specific weight of enterprises which introduced innovations. %	Implemented new technological processes, processes	including low-waste, resource-saving	Commercial production of innovative products*, names	of them new types of equipment	The specific weight of the sold innovation products in the total industrial, %
2000	14,8	1403	430	15323	631	9,4
2001	14,3	1421	469	19484	610	6,8
2002	14,6	1142	430	22847	520	7,0
2003	11,5	1482	606	7416	710	5,6
2004	10,0	1727	645	3978	769	5,8
2005	8,2	1808	690	3152	657	6,5
2006	10,0	1145	424	2408	786	6,7
2007	11,5	1419	634	2526	881	6,7
2008	10,8	1647	680	2446	758	5,9
2009	10,7	1893	753	2685	641	4,8
2010	11,5	2043	479	2408	663	3,8
2011	12,8	2510	517	3238	897	3,8
2012	13,6	2188	554	3403	942	3,3
2013	13,6	1576	502	3138	809	3,3
2014	12,1	1743	447	3661	1314	2,5

Source: Scientific and innovation activity 1990-2014.

The definition of innovative potential in the economic literature quite extensively, but not produced unambiguous interpretation. A number of scientists defines innovation potential as a set of resources for implementing innovation activities. Another approach to the definition of innovative potential is to determine the degree of willingness to perform tasks that ensure the achievement of innovative goals. Innovative capacity as the ability of the facility to carry out innovative activities or as opportunities for innovation.

The concept of "innovation potential", starting from 1980-ies, was the "conceptual reflection of the phenomenon of innovation" the subject of discourse among academics. However, in

scientific writing there is no single interpretation of this concept, presented information and definitions are very often contradictory. Some authors emphasize the availability of resources, others on their use [8].

Summarizes the approaches to definition of essence of innovative potential are interdependent in nature, as the ability to innovate requires certain resources and capabilities, and the availability of opportunities, in turn, one of the necessary conditions ensuring an appropriate level of preparedness and ability to innovate. Zadneprovska N.I. provides the following approaches to the interpretation of the concept "innovative potential" Fig. 1. [9].

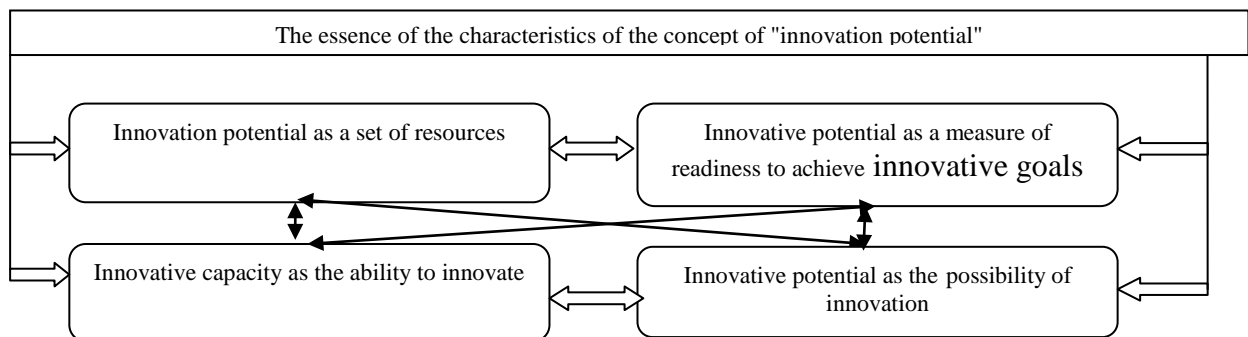


Figure 1. – Approaches to the interpretation of the concept "innovative potential"

In the modern economic science has formed the following approaches to the category "innovative potential" [16]:

- resource-based approach – the combination of available resources of the enterprise [1,7];
- backup approach is the ability and willingness of any organization to implement the innovation process [10];
- target approach – the ability to implement achievements of science and technology in specific products, to develop and implement new innovative projects, science-intensive competitive products, which should meet the needs and demands of consumers, the security of achieving innovative goals (the survival and preservation of the market share, increase profit) [2];
- systematic approach – innovation potential is considered as a subsystem of the integrated system, in which it interacts with other potentials of the enterprise (human, scientific, technological and other) [12].

Innovative capacity – the ability of a system to transform the actual order of things in the new state to satisfy needs that arise (subject-innovators, consumers, market). That is, innovation is a characteristic of the properties of the system change, improvement, progress [8].

In the definition of innovative potential of the knowledge economy we propose to adhere to this interpretation of this concept: it is a combination of the components of the knowledge economy, which correspond to the innovative character and ensure development of the knowledge economy through the generation, development and implementation of innovations.

An important aspect in the study of the innovative potential is the study of its structure. Given the research results of the proposed components of the innovation potential include: material and technical, information and methodological, personnel, financial-economic, production and technological, educational, scientific, technological, marketing, administrative, socio-psychological components.

But just availability of material and technical, informational, financial and intangible resources is not a guarantee of formation of innovation potential and its development and implementation. For the adequate formation and development of innovative capacity is needed driving force – human resources potential – availability of personnel with relevant expertise and

qualifications, which are distributed to professional qualification and level of knowledge. This resource simply does not provide the function, and is the main creative force, because it is the aggregate of the invested public production desirable and universal skills, knowledge, abilities, possessed by people who belong to him, inseparable from him and is practically used in everyday life.

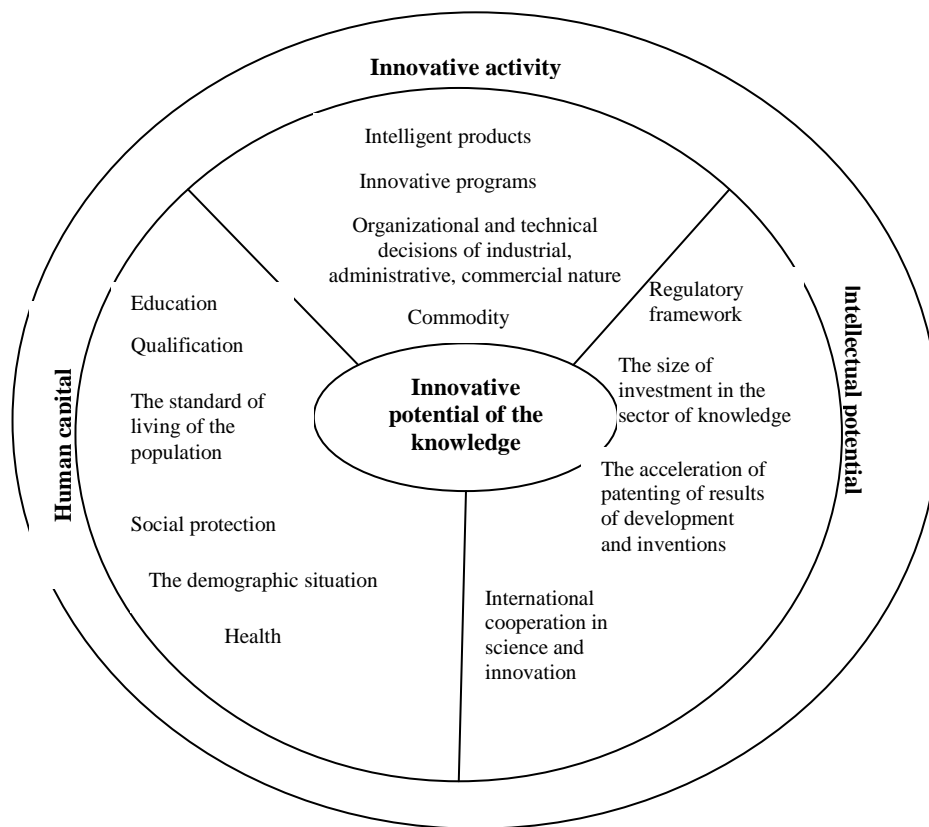


Fig. 2 Components of innovative potential of the knowledge economy (compiled by the author on the basis of 6)

The structure of the innovative potential of the knowledge economy (Fig.2) is represented as a set of human resource (capital), innovative activity and development of intellectual potential, which can be used for the implementation of the innovation and development of the knowledge economy.

In modern conditions of knowledge, abilities, skills, initiative and other personal characteristics of employees has become an increasingly important strategic resource in comparison with the financial and industrial capital. The human capital creates innovation potential, which depending on the subject represents the ability of human enterprise, industry, or populations to create and apply innovations.

Innovation activity of the knowledge economy characterize components, such as intelligent products, innovative programs, commodity production, organizational and technical decisions of industrial, commercial and administrative nature.

Intellectual potential is a key factor in the formation of economy based on knowledge, and on how actively the process of reproduction of intelligence and knowledge, affect the quality and pace of development of the whole society [5].

The Ukrainian economy requires urgent introduction of effective mechanisms for innovation support from the stage of inception of a new idea to the stage of practical implementation and organisation of industrial serial production of advanced products.

Thus, the study of the literature and own research allows to allocate the following factors influencing the formation of knowledge economy: human capital, innovative activity and development of intellectual potential. A significant problem of the

agrarian sector is the lack of mechanisms for the transfer of innovative product into production. So, one of the main reasons for the low innovation activity of domestic enterprises can recognize the lack of financial resources. However, even the available resources in profitable companies are not always used effectively and not go into innovation.

To solve problems it is necessary:

- the formation of effective mechanism of state regulation and stimulation of innovative activity;
- increase targeted financial support for innovation activities, scientific research;
- technical and technological support and the formation of market innovation;
- to improve the quality of information support of innovative activity, formation of accounting data and streamlined internal reporting system on the innovation activity of enterprises;
- a systematic deliberate policy to encourage the building and use of innovative potential of enterprises;
- develop a motivation system for the national and foreign investor, including through tax incentives;
- to determine the potential for increasing innovation activity and to ensure their use;
- to resume lending to major economic sectors of Ukraine.

The above steps will help form a favorable innovation climate and ensure the capability of the company to effectively implement its innovation potential.

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