

# Management Of Innovation Processes - An Important Factor For Increasing The Competitiveness Of Enterprises

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***Abstract:*** *This article, innovation processes are becoming a major factor in the development of innovative processes and the sustainability of economic growth and innovation. In this regard, the article draws attention to the strategic management of innovative processes and the scheme of organizing innovative strategy strategies for the enterprise. Innovative strategy has studied the work carried out in this field in the country by studying the impact of the company's competitive development on innovations in individual enterprises and on the entire economy.*

***KeyWords:*** *innovation, innovative strategy, innovative processes; innovative capacity, competitive environment, enterprise competitiveness.*

## 1. INTRODUCTION

Since the early days of independence, institutional and structural reforms have become a priority in the economy of Uzbekistan. The issue of structural restructuring of the national economy is one of the key factors in the implementation of economic reforms, requiring not only to change the economy of the country to raw materials, but also to develop competitive enterprises supplying the population with essential consumer goods.

In this regard, the task of developing innovative activities at the production enterprises, the reorganization of management strategies in this area has become an integral part of market reforms aimed at increasing the competitiveness of businesses and organizing innovation processes.

The development of new technologies in the world economy and the increasing competition in commodities, services, and labor markets are aimed at activating and further developing the strategic management system of innovation processes at enterprises. Particularly, the renewal of the country's economy, the development of priority sectors of science, the increasing competitiveness of the national economy become one of the priority tasks. This requires extensive utilization of modern methods to meet the rapidly growing and changing needs of the population, the introduction of the latest discoveries and technologies, the production of competitive products and the sustainable growth of their goods life cycle.

As a result, step-by-step implementation of market reforms makes it necessary to realize that economic development of national enterprises is not based on material resources, but in innovative, competitive environment.

In this regard, the decree of the President of the Republic of Uzbekistan, Sh.Mirziyoev, on the strategy of further development of the Republic of Uzbekistan, states that "... the reduction of energy and resource consumption of the economy, the introduction of energy-efficient technologies in production, the expansion of renewable energy sources, Improving labor productivity in the economic sectors ", the modernization of industrial sectors of our country in the near future and in the future, is one of the most important tasks.

Thus, today, along with the technological modernization of industrial enterprises of the republic, strategic management of innovation processes, as well as continuation of formation of a competitive environment. This is becoming more urgent in the context of accelerating globalization processes in all sectors of the economy, integration of the economies of the countries and the aggravation of competition in the commodity market. The peculiarity of modern development and its future prospects is that the strategic management of innovation processes is increasingly becoming a necessary tool. This tendency is also evident in economically developed countries and countries where market reforms are taking place recently.

At the beginning of the 21st century, it was concluded that the new paradigm of humanity, that is, the competitiveness of the national economy should be transformed into the concept of innovative production. As a result, economists have started to develop different approaches to innovation. In this regard, American economist J. Brayt notes that "innovation is an activity that combines science, technology, entrepreneurship and governance into commercialization of innovations" [2]. In his opinion, the innovation process involves a stage from the beginning of the idea to commercialization. One of the first to study the problems with innovative processes is Y. Schumpeter. Access to markets at the expense of new developments in the field of technology and technological advancement from the point of view of innovative developments; create new product specifications; use of new raw materials; Improvement of production organization and provision of new innovative goods; it is desirable to explore new markets for consumer markets [3].

## **2. LITERATURE REVIEW**

P. Druker, in turn, interprets innovation development from an entrepreneurial point of view. In his view, entrepreneurs' innovative ideas and thoughts differ from one another, ie the development of innovation processes depends on the specific areas of entrepreneurship [4].

Russian Economist Scientists Innovations in the scientific works of Ionov, A.Kulagin, V.Loginov are scientifically based on the necessity and means of ensuring the economic efficiency of enterprises [5]. In their research, they see innovative processes as "new products or services, production methods, organizational, management, financial, research and other news that make life savings".

A. Utkin described the importance of innovations in effective market economics for businesses and described them as one of the key tools to ensure economic growth [5].

Characteristics of these problems in Uzbekistan are governed by Sh.Zaynutdinov, D.Rahimova, M. Mamakova, A.Rasulilev, R.Alimov, A.Kodirov, N.Yuldashev,

T.Tashpulatov, G.Hamdamaova, G.Xatamova, N.Namazova, G.Hasanova, Sh.Otajonov, Sh.Sindarov, R.Nazarova, N.Alimova, Z.Gaibnazarova and others. Sh.Zaynutdinov, D.Rahimova and F.Ergashev studied the scientific and theoretical aspects of innovation management, and the foundations of the national innovation system are described in the works of A.Rasuliev, R.Alimov and A.Kodirov [6]. R.I.Gimush, F. M. The "Innovative Management" textbook published by Matmuradov contains the following tools to encourage innovation processes: search for and solve the new technical solution of the invention, to develop research and development engineering priorities in the economy, to introduce new commodities, increase product competitiveness, and to improve the technology in place [8].

Because of the effectiveness of national production at the expense of scientific research and scientific high technology, one of the most important tools for organizing and developing innovative processes. In this regard, N.Kuldashev, Sh.M.Mirsaidova, E.D. Golmanlar explain the essence of an innovative strategy: "The wider variety of market relations, the competitive advantages of the commodity producers are closely related to the strategy chosen by them and the success of their implementation will be." As it can be seen, the innovation strategy of the enterprise creates a strategy for scientific and technological development and determines the role, place, importance and content of innovative activity in increasing the competitiveness of enterprises [9]. According to another author, "Innovative process - reflects the result of material production, the production of new technological processes, technical equipment, equipment and equipment, new product, service type, organization of production, labor, management and information system. provides the integral outcome of the business, ie the economic growth of the enterprise [10].

The issues of organizing innovative activities in innovation processes, improving management mechanisms and increasing their economic efficiency are described in the research of Sh.Otajonov [11]. In particular, Z. Gaibnazarova has developed scientific recommendations and practical recommendations to improve the theoretical basis of improving the effectiveness of innovative investment in the modernization of economy and define its main directions [12]. G. Khatamova's research has scientifically-theoretical and methodological recommendations and recommendations on the priorities of improving the innovation strategy in corporate structures [13].

### **3. ANALYSIS AND RESULTS**

The research of the above scientists shows that large-scale reforms in Uzbekistan are accelerating the process of building a democratic society based on a socially-oriented market economy and the development of innovative processes in rapidly developing enterprises.

Effective functioning of national enterprises is largely dependent on their competitiveness and innovation potential, indicating the importance of researching the issues related to strategic management of innovation processes and formation of competitive environment at large enterprises.

As a result of gradual institutional reforms in the country to transform large state-owned enterprises into joint-stock companies, enterprises with different forms of ownership emerged in sectors and branches of economy. As a result, there was a competitive environment among these enterprises. However, in a relatively short period of time, the country has developed mechanisms for implementing innovative policies, one of the components of economic

policy. As a result, the legal basis for the implementation of scientific research, development, experimental design and implementation of high-tech processes has been formed. Various enterprises, which are currently operating, are of great importance in determining the national economy's prospects and are doing important socioeconomic functions in order to expand production and create new jobs. However, the lack of a strategic management system for innovative processes in enterprises delayed the effective organization of enterprises' competitiveness, the expansion of domestic and foreign investment, the implementation of promising innovative projects and other similar priorities.

Developing innovative development strategies in enterprises ensures the competitive environment for the national economy. As a result, the content of structural transformations in the economy is not only enriched, but also the basis for economic and economic development, as well as for the broad and comprehensive development of industries and industries, which are socially-economically efficient. The elimination of different managerial positions in production and consumption increases the efficiency and mobility of enterprise funds and other resources.

From the experience of developed countries, the competitiveness of goods and services produced in a voluntary state depends on the favorable business and business environment created in that country.

Thus, the competitiveness of the firms, enterprises, organizations and corporations involved is dependent on the effective functioning of the country's anti-monopoly and competitive environment. At the same time, the competitiveness of the national economy is determined by the level of development of private property, the system of state guarantees, the country's innovation policy and the high level of institutional environment.

Factors affecting 12 groups included in the Global Competitiveness Index adopted by the government by the World Economic Forum have elaborated promising programs to boost competitiveness of Uzbekistan to other countries. As a result, the assessment of the competitiveness of the national economy shows that macroeconomic situation (per capita GDP, GDP deflator, unemployment rate), quality of public institutions (quality of private property, monetary policy, credit institutions, quality of customs services), human factor (life expectancy, mortality rate, tuberculosis rate per 10,000 population, primary school coverage), innovative capacity (modernization of fixed assets of enterprises, introduction of science-technical achievements, development improvement of investment and investment in human capital).

Positive results have been achieved in order to improve the competitiveness of the national economy and improve the country's innovative capacities on a macroeconomic scale. However, the state of the material and technical base and the inability of the products to compete on the market testify to the existence of some problems in the strategic management of innovative processes.

Research has shown that enterprises should focus on the following key issues in strategic management of innovation processes:

- First of all, our country has a great potential in a number of fundamental sciences, but there is no mechanism for the use of this capacity related to production;
- Secondly, the low level of innovation processes in enterprises in the real sector results in a slowdown in demand for advanced technologies at enterprises;

- Third, the lack of a favorable business and business environment negatively affects the competitiveness of enterprises.

The data show that some business managers fail to anticipate changes in national and global markets, learn from the consumer's demand and taste, and fail to define the direction in which they can achieve sustainable competitive advantages.

According to scholars working in this area, globalization, integration, investment, innovation and competitiveness in the twenty-first century will be the development of the world economy. Therefore, the issues raised in this article have been studied in a scientifically-theoretical approach to increasing the competitiveness of enterprises on the basis of strategic management of innovative processes.

Based on these analyzes and the theoretical knowledge, the company's innovation goals, prospects and long-term innovation strategies have been developed and put into practice, and results monitoring will increase the competitiveness of the enterprise. As a result, the enterprise's innovative environment is formed.

Therefore, innovation activities at enterprises are a complex socio-economic process. In our opinion, the mechanism of formation of the innovative strategy of the enterprise, deep understanding of the economic essence and objective principles of its operation, identification of conditions for competition in the transition to a market economy and studying the ways of their maintenance, use of mechanisms for the development of innovative processes, (Fig 1).

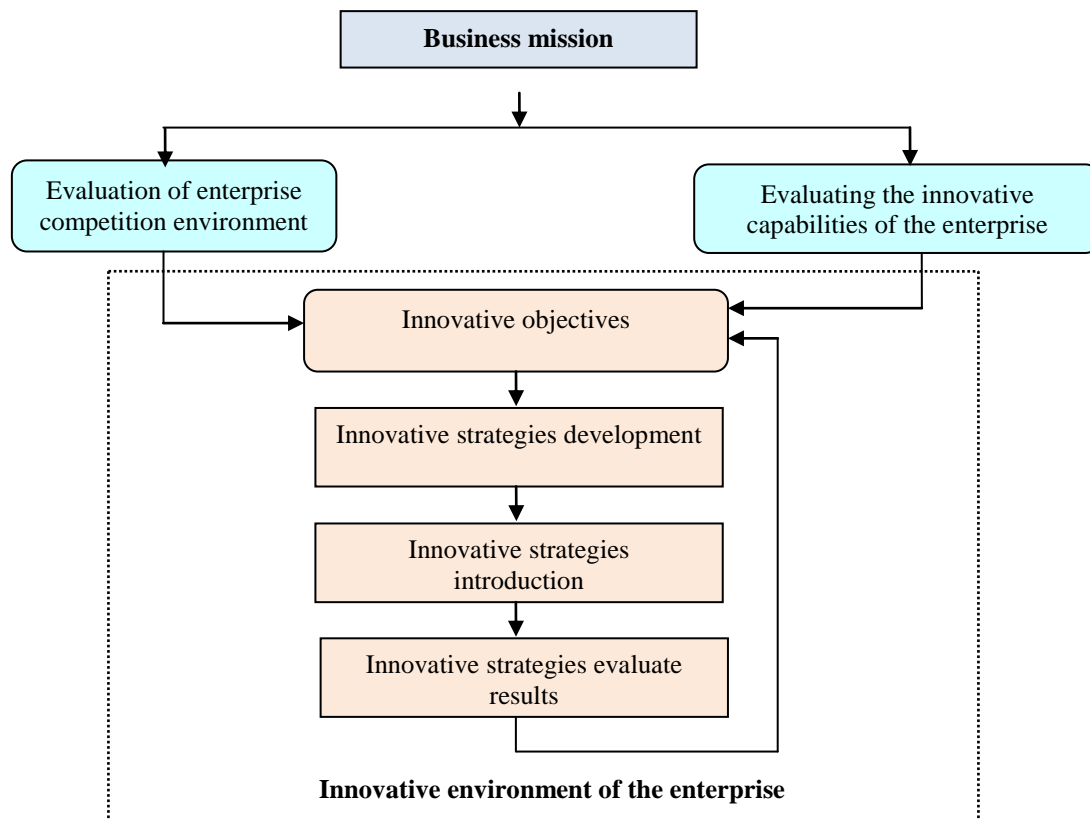


Fig 1. Mechanisms for the formation of enterprise innovation strategy

As it is seen in the picture, the formation of the innovative strategy of the enterprise depends, first of all, on how the mission of the enterprise is presented. The results of our researches,

the results of scientific research by foreign and local scientists in this field, indicate that the success of the company's mission depends primarily on the company's competitive environment and, second, the innovative potential. Therefore, the methodology for evaluating the competitive environment and innovation capacities of the enterprise is important in formulating the enterprise's innovative strategies.

In particular, the forms and methods of demonstrating innovative processes in enterprises' transitional economies are inherent in their transformation, and their effectiveness depends on the decentralization and privatization and liberalization processes in the economy. Businesses need sustainable development on an innovative basis to effectively fulfill their socio-economic mission and goals. This can be expressed in the following elements of the innovative process strategies that will be useful for businesses to support highly profitable innovations and innovations, to deliver innovative technologies and intelligent systems that provide energy, resource-saving. (Figure 2)

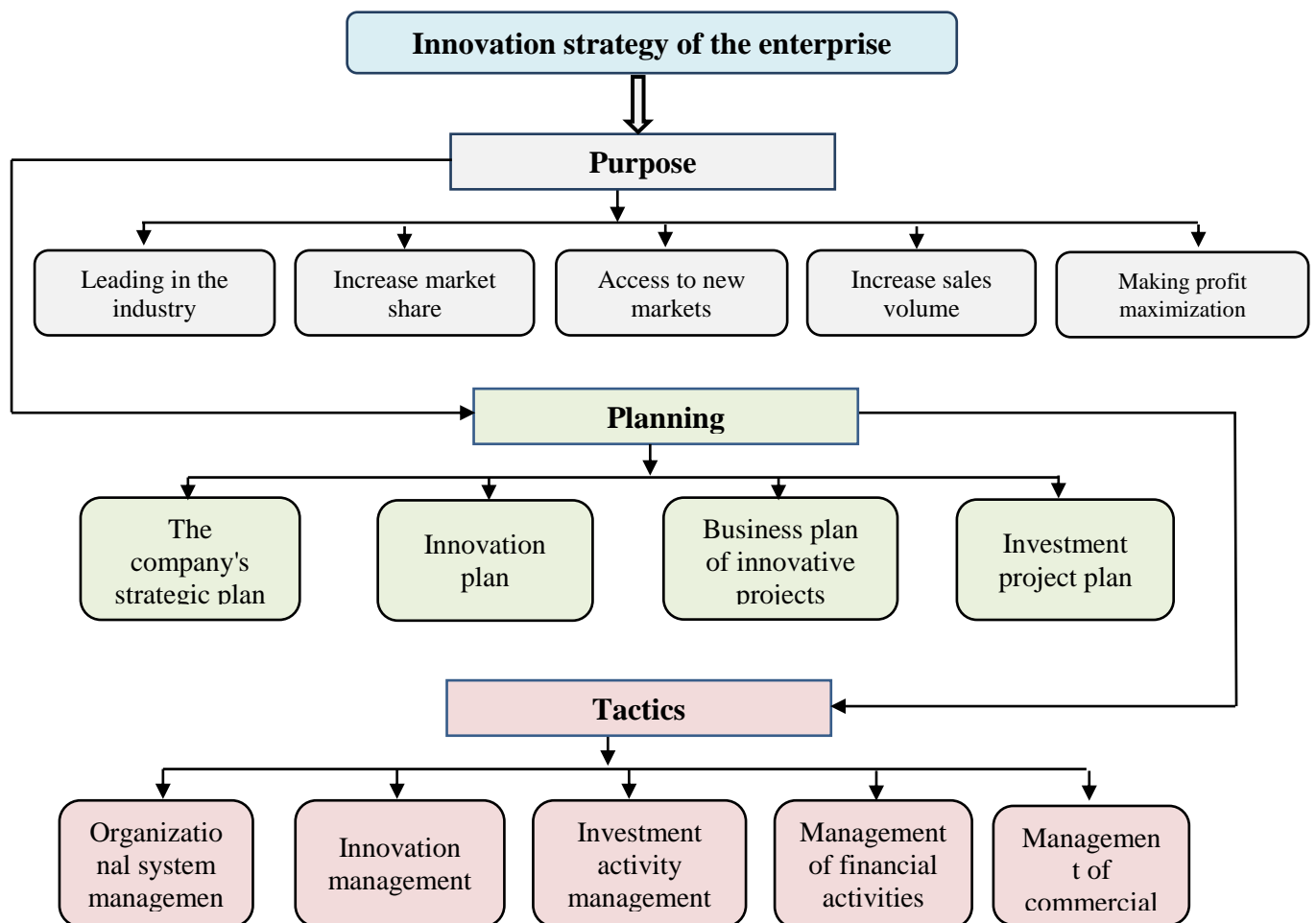


Fig 2. Innovative strategy elements

Fig 2 shows that the elements of an innovative strategy identify the main directions of impact on the efficiency of innovation processes at the enterprise.

In order to address this task, it is necessary to formulate the tactics of the enterprise, the planning of innovation activities, and the complex of tools and methods used to achieve the set goal. This, in turn, will improve the competitiveness of the enterprise.

#### 4. CONCLUSION/RECOMMENDATIONS

The above-mentioned theoretical information, legal frameworks and analyzes provide us with the following conclusions:

For identifying the innovation strategy of the enterprise:

- Leading position in the field;- increasing the share of domestic and foreign markets;- access to new markets;- increase sales;- profit maximization;

From the point of view of planning:

- Development of the strategic plan of the enterprise;formation of an innovative activity plan;preparation of business plan of innovative projects;Implementation of investment project plans;

From a tactical point of view:

- Organizational structure management;innovation management;management of investment activity;financial management;management of commercial activities.

Hence, the above considerations indicate that an important factor in increasing the competitiveness of enterprises is the strategic management of innovative processes. Because the innovative process strategy is a set of interdependent interventions aimed at strengthening the capacity and power of the enterprise against the competitors and achieving the objectives. This creates an opportunity for the right choice of enterprise stewardship, the effective organization of product competitiveness enhancement, and the ability to attract internal and external investments for production. As a result, businesses will be able to increase their competitiveness.

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