

**Dimitrov I.,**

**Doctor of Science, Professor of the Department of Economics and Management**

*«Prof. D-r. Assen Zlatarov» University*

**THEORETICAL ASPECTS OF MANAGEMENT OF INNOVATION**

**PROCESSES IN MODERN ECONOMY**

Modern enterprises operating in a complex international socio-economic environment should constantly create and implement various innovations to ensure effective activity in a market economy. The need for innovation is determined by the general pattern of development and progress of individual and social reproduction [3].

Exit from the economic crisis of any enterprise is impossible without the implementation of innovative activities aimed at updating production on a fundamentally new, competitive basis [4].

Necessary reproduction and technical reconstruction of modern enterprises, which will lead to an increase in the quality level of the production base and the achievement of an innovative level of technology, which will allow enterprises to produce high quality products and ensure its competitiveness in the world market.

Innovation goals should be reasonably timed in terms of delivering results. On this basis, innovation goals can be characterized as long-term, medium-term and short-term.

Development, adoption and implementation of new decisions in the fields of technology, organizational forms and methods of management constitute the content of innovative processes.

Growing internal and external competition increases the value of innovation and change in organizations (enterprises, associations etc.), the implementation of which in new technologies and products (service) provides the necessary level of economic sustainability of economic entities [1].

The terms «novelty» and «innovation» must be distinguished. Innovation is a broader concept.

Innovation is a complex process of creating, disseminating and using a new idea that helps to increase the efficiency of a developing enterprise. Innovation is not just an object introduced into production, but an object that is successfully implemented and generates profit as a result of research or discovery that is qualitatively different from its previous counterpart.

Scientific and technological innovation should be considered as a process of transformation of scientific knowledge into a scientific and technological idea and further into the production of products to meet the needs of the user [2].

Scientific and technological progress – is the interconnected progressive development of science, technology, production and consumption, on the basis of which it is possible to achieve the economic growth and improvement of social production, as well as the solution of practical problems facing the country's economy, industry, association, and individual enterprise.

The manifestation of scientific and technological progress is a fundamental change in the development of productive change based on the knowledge and use of the laws of nature and society. In modern conditions it is the use of microelectronics, robotics, flexible automated productions, biotechnology, genetic engineering, progressive forms of organization of labor, production and management.

Scientific and technological developments and inventions are the use of new knowledge for their practical application, and scientific and technological innovation – is the materialization of new ideas, knowledge, inventions and scientific developments in the production process in order to fulfill them to meet consumer demands. A mandatory requirement for innovation is the scientific and technological novelty, the possibility of industrial application and commercial implementation.

Scientific and technological progress is inherent in both evolutionary and revolutionary forms of improvement of means of production, technological processes, and final products.

The evolutionary form of scientific and technological progress is characterized by the gradual continuous improvement of traditional technical means and technologies of accumulation of these improvements, this process takes a long time.

The revolutionary form of scientific and technological progress is associated with the emergence of fundamentally new scientific and technological ideas and on the basis of this change in generations of used technology and end products; it is a leap into the development of the productive forces of society, their transition to a qualitatively new state on the basis of fundamental changes in the system of scientific knowledge.

The essence of scientific and technological progress is revealed in its main features: the transformation of science into a directly productive force; reducing the time span from new scientific discovery to its practical use; the new state of social division of labor, which is due to the transformation of science into a priority area of activity; quality transformation and production in various fields of science itself.

Scientific and technological progress in any form plays an important role in the development of industrial production as it covers fundamental theoretical research, applied research, design and creation of models of new technology, its development and industrial production.

#### **References:**

1. Gorodetska L. O. Assessing the Impact of Innovation on Enterprise Competitiveness / L. O. Gorodetska, I. G. Shevchenko // *Economy and State*. – 2010. – № 6. – P. 103-105.
2. Kolinko N. O. Managing innovation activity as a basis for qualitative shifts / NO. Kolenko // *Bulletin of the National university «Lviv Polytechnic»*. – Lviv, 2011. – № 12. – P. 43.
3. Tetyana Grynko, Tetyana Gviniashvili. Organisational and economic mechanism of business entities' innovative development management // *Economic Journal* – XXI, 2017. – № 165 (5-6). – C. 80-83.
4. Velychko, O. P. (2013) Innovative development in logistics and its connection with logistical management and management of logistics. *Marketing and Management of Innovations*, Vol. 4, No. 1, pp. 45-52.