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Gulchohra Saleh Salehzade

Senior Lecturer of the UNEC School of Design Email: salehzade.gulya@gmail.com

THE INNOVATION SYSTEM AND THE NEED TO TRANSITION TO AN INNOVATION-ORIENTED ECONOMIC DEVELOPMENT MODEL

Summary

The innovative system is the realization of economic, scientific, technical and other benefits by realizing the innovation progress of the economic system in this field, manifesting itself as a set of innovation activities and the interaction of its components. The innovation system, which creates a model of innovation activity, shows not the components involved in the innovation activity, but their interaction. When investigating the innovation system, the investigation of the features and attributes included in this system is of particular importance. Based on this, it can be noted that the general content of the innovation system is considered to be the main component of the economic activity aimed at the simultaneous combination of the attributes of this activity and the replacement of the overall efficiency and quality of the economic activity with a new one.

Key words:innovation activity, economy, model, technology

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Intradaction

We can give different definitions to the concept of innovation system. In a narrow sense, the innovation system refers to a linear model of innovation activity that combines the activities of most of the private sector, research institutes of public universities and various institutions. In a broad sense, open to innovation, it includes different economic structures and directions of exceptional organization that always influence its investigation. [1. p.147]

The innovation system is not the study of the signs of innovation activity from different research institutions, which manifests itself as an integral part of the economy, but we can also include the activities of the government and the structures based on their interaction, which solve the issues related to information production and distribution among themselves.

We can consider an innovation system as a system that creates and transmits information that feeds into the economy to help implement innovation activities. Gracelli emphasized that the main goal of this system is the production and dissemination of information for economic progress. This system provides the necessary support to the existing companies and

organizations in any country, technological innovations, which are important in innovation activities, in order to increase global competition.

One of the ideas of the innovation system approach is the creation of activities between enterprises on the basis of mutual relations. Institutions under the EU, Organization for Economic Cooperation and Development, UN, SIT benefit from this approach.

Analiz

Improving innovation is the result of the desire to differentiate products. Innovations are of particular importance even in the conditions of mass and large-scale production in large enterprises, as a result of which the goods are balanced in all parameters aimed at long-term maintenance of market positions.

As it is clear from the table, he wants to apply a systematic approach to innovation processes and modern trends in developed countries, which ultimately creates a basis for solving a number of issues. Let's take a look at them;

From the point of view of further progress of innovation activity, the benefit of IT becomes even more relevant at the stage of knowledge sharing;



- in most countries, the main feature of innovation progress, in other words, competition for quality human capital is considered. Based on this, the further increase of highly qualified personnel and the process of knowledge sharing are ensured.
- plobalization forces competing businesses in most countries to benefit from higher levels of technology and incentives to specialize in innovation.

The dynamics of basic and advanced innovations in the organization depends

significantly on the location of the organization in the structure of the industry and its role. Japanese researcher K. Kusunoki, as an example in the production of communication equipment, shows that industrial organizations or large organizations are focused on improving Innovation, while small organizations or industrial fringes often want to create radically new products and technologies. implements radical innovations.

Table 1.

Comparative characteristics of basic and improved Innovations

-	1	
Parameters	Key Innovations	Improving innovation
1. Risks and challenges:		
1.1. Design flaw	likely	It is not possible
1.2. Market failure	likely	average probability
1.3. Project Budget Planning	difficult	easy to apply
1.4. Determine the time characteristics	difficult	easy to apply
of the project		
2. Organization of work:		
2.1. Research group form	a group with a strong	democratic management
	leader	team
2.2. Type of project manager	entrepreneur, pioneer	a specialist
2.3. Curator of the project	general manager of the	middle manager, candidate
	organization	person
2.4. Resistance to innovation	it is very strong	Medium
3. Conclusions:		
3.1. Product Innovation Rate	can be very high,	low and medium
	analogous, cardinal	
3.2. Change in market position	important	small and medium
3.3. Competitive advantages	provides long-term,	short term, low price
	quality leadership	

Source: James C. Van Horn, John M. Wachowicz, Jr. (2008) Fundamental Innovation Management, 13th Edition. - p. 401

The dynamics of basic (radical) and enhanced (incremental) Innovations are also significantly affected by the stage of the sectoral life cycle. As you know, industries are young (for example, electronics industry, software industry, cable industry, etc.) and old (for example, light, coal, forestry, etc.). The stage of the industrial life cycle affects the rate of radical and incremental innovations. A young industry, that is. In the early stages of the sector's life cycle,

fundamental (radical) Innovations prevail. In the later stages, ie. In older industries, the vast majority increase innovation.

Some innovations correspond to each level in the enterprise system:

> strategic level - mission, strategy, Innovations in foreign economic activity, Innovations in negotiation processes;

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- intrafirm level Innovations in the production process, organizational structure, control system;
- personal level Innovations in the method of personal labor, methods of development of individual creative potential, methods of building a business career and learning systems.

According to the scale of influence (impact), innovations distinguish points (units) that affect a certain product parameter and are located as new elements in a known technological system for the purpose of its improvement and complexity, and lead to the reconstruction of the entire technological system (interrelated Innovations and their a technology that allows the purchase of new products, which in turn changes the structure of the production organization management system). and Innovation replacement - Innovations designed to replace existing (old) products or technologies with new or modified ones, preserving their purpose and functions.

Streamlining innovations - presented in the form of a rationalization proposal. Rationalization is a new and useful technical solution for the organization and involves changing the technology that changes or modifies product design, production technology and material composition.

Expanding Innovations - involves deep penetration into various industries and markets of existing core Innovations. Promotion of innovation is characteristic of a situation where the competitive struggle forces a company to produce more expensive, improved products for its main consumers. In such a situation, advanced companies will definitely come forward.

Disruptive Innovation aims to create progressively more successful and affordable products that will increase the interests of less attractive and even new consumer categories. Under these conditions, "aggressors" can defeat the leaders. Moreover, small and medium-sized enterprises can act as "aggressors". Reactive Innovation is seen as a reaction to radical changes made by competitors, focused on company survival. (Coshkun M., Aydın N., Bashar M., (2017): p.400)

Strategic innovation is proactive and means gaining a significant competitive advantage in the future. In practical management activities, common, unified features of the dynamics of innovation implementation by an economic entity are often used.

Thus, our knowledge about the variety of Innovations, the different characteristics of each of them, creates conditions for their development and their successful implementation.

The main foundations of innovation are as follows:

Traditionally the priority of Innovative manufacturing.

Efficiency of innovative production - Resources allocated to innovation are justified only to the extent that it leads to commercial success.

Organizational and structural isolation related to the ability and possibility to create a new idea for an independent Innovation structure that may be completely unsuitable for other tasks.

These principles, together with the periodization of the Innovation process, underpin the concept of the innovation life cycle. The life cycle of innovations is a certain period of time in which the innovation has an active life force and brings profit or other real benefits to the manufacturer and / or seller.

The role of the Innovation life cycle concept in planning the production of innovations and organizing the Innovation process is priority and as follows:

- The concept of innovation life cycle determines the need to analyze the economic activity, taking into account its dynamics, including the development perspective of an economic entity;
- ➤ The concept of the life cycle of innovations requires continuous organized activities to plan the release and / or acquisition of innovations;
- The innovation life cycle concept is the basis for innovation analysis and planning. As a result of the analysis, the stage of the Innovation life cycle, long-term development trend, decline and end of existence were determined.



The innovation life cycle is distinguished by the types of innovations. These differences are, first of all, the total duration of the cycle, the duration of each phase of the cycle, the development characteristics of the cycle itself, different stages. The types and number of life cycle stages are determined by the characteristics of a particular Innovation.

Conclusion

In order to ensure innovation-oriented economic progress, the EU has some different projects, in which interstate institutions operate. At the same time, sustainable progress in the globalization environment within developed countries has been understood and based on this, some basics of the concept of sustainable progress have been determined. Thus, the technological structural innovations taking place on earth require the creation of a new economy. The concept of progress reflects a number of indicators based on a long-term period.

Taking the measures considered in the "Azerbaijan 2020 Future Vision Development Concept" has created the basis for our country to belong to the same classification group as other developed countries of the world according to some indicators. For example, we can show that according to the classification of national income per capita, it belongs to the group of "higher middle income countries" among the countries with "high human progress" and according to the classification of the UN Development Program. According experience of this IEP, the transition to an innovation-oriented model of economic progress depends on the adaptation of the innovation policy to the scientific and technical financing with the industrial and foreign trade policy, as a transition to the knowledge economy.

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Gülçöhrə Saleh SALEHZADƏ

UNEC Dizayn Məktəbi baş müəllimi Email: salehzade.gulya@gmail.com

İNNOVASİYA SİSTEMİ VƏ İNNOVASİYA YÖNÜMLÜ İQTİSADİ İNKİŞAF MODELİNƏ KEÇİDİN ZƏRURİLİYİ

Xülasə

İnnovativ sistem, innovasiya fəaliyyətinin və onun komponenlərinin qarşılıqlı əlaqəsinin məcmusu kimi özünü göstərərək, bu sahədə iqtisadi sistemin innovasiya tərəqqisini həyata keçirərək iqtisadi, elmi texniki və başqa bir səmərənin alınmasıdır. İnnovasiya fəaliyyətinin modelini yaradan innovasiya sistemi, innovasiya fəaliyyətində olan komponentlər deyil, qarşılıqlı münasibətini göstərir. İnnovasiya sistemini araşdırarkən bu sistemə daxil olan özəlliklərini atributlarının tədqiqi xüsusi əhəmiyyət daşıyır. Buna əsasən qeyd etmək olar ki, innovasiya sisteminin ümumi məzmunu sırf bu fəaliyyətə aid atributların eyni vaxtda birləşməsi və iqtisadi fəaliyyətin ümumi səmərə və keyfiyyətinin yenisi ilə əvəz edilməsinə istiqamətlənən iqtisadi fəaliyyətin əsas tərkib hissəsi sayılır. İnnovasiya sisteminin mahiyyəti dedikdə müştərilərin mənfəəti qazanmasına yönəlmiş və davamlı olaraq yenilikləri olan ehtiyacların qarşılanması sahəsində fəaliyyət və onun vacib normativ, resurs, informasiya və metodiki komplekslər sistemi ilə təmin olunması düşünülür.

Açar sözlər: innovasiya fəaliyyəti, iqtisadiyyat, model, texnologiya

Гулчохра Салех САЛЕХЗАДЕ

Школа дизайна UNEC E-mail: salehzade.gulya@gmail.com

ИННОВАЦИОННАЯ СИСТЕМА И НЕОБХОДИМОСТЬ ПЕРЕХОДА К ИННОВАЦИОННО-ОРИЕНТИРОВАННОЙ МОДЕЛИ ЭКОНОМИЧЕСКОГО

Резюме

Инновационная система — это реализация экономических, научных, технических и иных благ за счет реализации инновационного прогресса экономической системы в данной сфере, проявляющегося как совокупность инновационной деятельности и взаимодействие ее компонентов. Инновационная система, создающая модель инновационной деятельности, показывает не компоненты, задействованные в инновационной деятельности, а их взаимодействие. При исследовании инновационной системы особое значение имеет исследование особенностей и атрибутов, входящих в эту систему. Исходя из этого, можно отметить, что общее содержание инновационной системы рассматривается как основная составляющая экономической деятельности, направленная на одновременное сочетание признаков этой деятельности и замещение общей эффективности и качества экономической деятельности. Деятельность с новым. Сущность инновационной системы относится к деятельности в области удовлетворения потребностей потребителей непрерывными инновациями, направленными на получение прибыли и обеспечение ее системой важных нормативных, ресурсных, информационно-методических комплексов.

Ключевые слова: инновационная деятельность, экономика, модель, технология.

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