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MANAGEMENT OF INNOVATIVE DEVELOPMENT OF ENTERPRISES UNDER GLOBALIZATION CHALLENGES

УПРАВЛІННЯ ІННОВАЦІЙНИМ РОЗВИТКОМ ПІДПРИЄМСТВ В УМОВАХ ГЛОБАЛІЗАЦІЙНИХ ВИКЛИКІВ

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The meaning and theoretical aspects of the innovative development of the enterprise due to the peculiarities of the system approach in management and its formation in the agrarian sphere are defined. The innovative development management system itself is a set of interconnected elements that ensure the integrity of this system with their inherent relationships between themselves and the external environment. These relationships are aimed at achieving the goals of activities to optimize risks, costs and work results. In order to stimulate innovative development, it is proposed to join agricultural innovative digital platforms that are aimed at realizing the innovative potential of the agricultural sector by ensuring the functioning of the agricultural value chain through the commercialization of innovations and overcoming institutional barriers, as well as promoting the increase of inclusiveness of agricultural innovations through investments. A typology of the function of innovative development of modern agricultural enterprises has been formed and summarized based on the implementation of European experience, which offers stimulation and support of activities between interested parties through awareness and exchange of knowledge, the involvement of advisory, consultation and support activities, mediation through the management of conflicts between interested parties, technical support for providing advice on economic, social or technical issues, institutional support for niche innovation and fostering scaling mechanisms, building and developing capacity by providing stakeholders with increased/maintained access to resources to stimulate the innovation process.

Keywords: management, innovative development, management of innovative development, innovative activity, competitive advantage, globalization.

Стаття присвячена сучасним глобалізаційним викликам, які вимагають від підприємств активно адаптуватися та інноваційно розвиватися для підтримки конкурентоспроможності так як існуючий стан трансформаційних процесів в контексті глобалізаційних змін потребує активізації всіх учасників аграрного виробництва. Досягнути значних позитивних зрушень можливо лише при ефективному веденні фінансово-господарської діяльності. Довгостроковий успішний досвід країн-лідерів підтверджує, що без інновацій у виробничому процесі досягнення успіху неможливе. Визначено теоретичні аспекти значення інноваційного розвитку підприємства через особливості з позиції системного підходу в управлінні та її формування в аграрній сфері. Сама система управління інноваційним розвитком є сукупністю взаємопов'язаних елементів, які забезпечують цілісність цієї системи з притаманними їм взаємозв'язками між собою і зовнішнім середовищем. Ці взаємозв'язки спрямовані на досягнення цілей діяльності з оптимізації ризиків, витрат і результатів роботи. Запропоновано для стимулювання інноваційного розвитку долучатись до аграрних інноваційних цифрових платформ які спрямовані на реалізацію інноваційного потенціалу сільськогосподарського сектору шляхом забезпечення функціонування сільськогосподарського ланцюга створення вартості через комерціалізацію інновацій та подолання інституційних бар'єрів, а також сприяння підвищенню інклюзивності сільськогосподарських інновацій через інвестиції. Сформовано та узагальнено типологію функції інноваційного розвитку сучасних сільськогосподарських підприємств на основі впровадження європейського досвіду який пропонує стимулювання та підтримку діяльності між зацікавленими сторонами через проінформованість та обмін знаннями, залучення дорадчих, консультаційних та допоміжних заходів, здійснювати посередництво через управління конфліктами між зацікавленими сторонами, надавати технічну підтримку та порад з економічних, соціальних або технічних питань, інституційна підтримка нішевих інновацій та стимулювання механізмів масштабування, розбудова та розвиток потенціалу через надання зацікавленим сторонам розширення/підтримку доступу до ресурсів для стимулювання інноваційного процесу.

Ключові слова: управління, менеджмент, інноваційний розвиток, управління інноваційним розвитком, інноваційна діяльність, конкурентна перевага, глобалізація.



Formulation of the problem. The rapid development of competition and modern challenges of globalization pose new challenges for managers of enterprises in various fields of activity. Special attention deserves the issues of effective organization of innovative activities in the enterprise, not only the implementation of innovations, but even more relevant are the issues of proper management of this type of activity. Because the management of innovative activities is a key element, the efficiency of which determines the increase in the welfare of society as a whole, the development of entrepreneurial activities of an individual economic entity and the well-being of all its employees. Considering this, the problem of managing innovative activities of enterprises becomes particularly relevant.

Analysis of the latest research and publications In existing economic conditions, innovations are highlighted in the form of adapting modern technologies to the enterprise, but often the application of the latest technologies is perceived as the use of innovations in the provision of services and in the organization of management of agricultural enterprises as innovative activities. However, the implementation of innovative technologies in agricultural enterprises into the existing management system will improve the quality of products and services [1; 4].

It is also considered that in order to successfully implement innovations in agricultural enterprises, it is necessary to create an effective management system. This means that innovations should be integrated into all aspects of entrepreneurial activity covered by the management system of agricultural enterprises. The functioning and cooperation of all production and processing units of the enterprise are key to success. This means that all departments and units must work in accordance with common goals and tasks to ensure efficiency and competitiveness in the market for goods and services [3].

Innovations are the main driving force of growth and the primary factor of competitive advantage for many organizations. Achieving innovation requires planned and coordinated efforts of various diverse entities and the implementation of activities among specialized functions, areas of knowledge, and application contexts. Innovation is not just about technologies, it is the process of using ideas (new or otherwise) in new ways and combinations for economic, social, and/or environmental benefit. Innovations can take various forms, including technological (perhaps the most obvious), organizational, business, social, and political [2].

Innovative activity, as Fostolovych V states, "is all scientific, technological, organizational, financial, and commercial steps that are actually or intended for innovation." Some types of innovative activities are innovative by their own efforts, while others are new types of activities but require the implementation of innovations. Innovative activity also includes R&D activities that are not directly related to the development of a specific innovation. Innovative activity can lead to innovations, be continuous, deferred, or discontinued [5, p. 18].

Highlighting previously unresolved parts of the general problem. However, issues related to innovation activities of modern enterprises remain inadequately researched, including the state and impact of macro- and meso-level factors on innovation activity in the face of globalization challenges.

Formulation of the goals of the article (statement of the task) The relevance of solving this scientific problem lies in the fact that the determining factor of the efficiency of the enterprise's economic activity is its innovative development, which is based on the introduction and implementation of innovations that lead to improvement of its activities, impact its market position strengthening, and create favorable conditions for its development. One of the promising directions of innovation is the agricultural sector. The implementation of innovations in the practice across all areas of agricultural enterprises contributes to: increasing labor productivity, reducing costs and production costs, saving various types of resources, increasing the volume and efficiency of agricultural production. It is worth noting that the introduction of innovations in agriculture is associated with the introduction of new resource-saving technologies in production, the use of new adaptive plant varieties, productive breeds of cattle and pigs, energy-saving production equipment, and so on.

Presentation of the main research material. The importance of innovative activities in the agricultural sector lies in the development and implementation of progressive farming methods that contribute to the efficient production of goods. This means that new methods and techniques based on scientific and innovative potential are applied in agricultural production. It is also important to consider a new personnel policy focused on managing personnel with consideration of scientific and innovative aspects. The use of next-generation technology is also crucial for ensuring successful innovative

activities in the agricultural sector [2]. On the other hand, innovation can be defined as the stage where a scientific idea transforms into a technical invention and reaches the stage of practical application, bringing profit. This process involves the practical implementation of ideas that were previously purely theoretical. Therefore, it can be said that innovation and invention are integral components of economic development. Innovation occurs at the level of generating new ideas and inventions, while invention is the process of their practical implementation, bringing financial benefit.

At the state level, such a definition of innovations is provided in the law of Ukraine "On Innovation Activity": "innovations – new (tested) and/or improved competitive technologies, products or services, as well as organizational-technical solutions – production, administrative, commercial, etc., significantly improving the structure and quality of production and/or social sphere" [9]. This means that the definition of the concept of innovation enshrined at the state and legislative levels fully corresponds to generally accepted international standards and practices.

At the present stage, the innovation process in the economic sector of Ukraine has its own peculiarities. In particular, there are significant limitations in the implementation of innovative technologies. Most production practices in agriculture are resource-consuming and oriented towards agribusiness. Currently, the number of domestic agricultural enterprises using cutting-edge global technologies does not exceed 15%.

This indicates that there is significant potential for improvement in this direction. Innovative activity in the agricultural sector is also characterized by the thoughtlessness of leading directions. In particular, the development and implementation of resource-saving and environmentally friendly protection technologies are of great importance, but organized research in this direction is currently insufficient. In addition, biotechnological research is practically absent in agriculture.

This is one of the biggest problems, as biotechnologies can make a significant contribution to the development of the innovation process in this sector.

It is also worth noting that the organizational structure of the innovation process in the agricultural sector is not properly formed. The lack of a cohesive vision and coordination in this area complicates the implementation of innovative projects and leads to missed opportunities for development. Analysis of scientific research on supporting investment projects in agriculture and innovative activities of agricultural enterprises shows that farmers have utilized various forms of support. According to studies by foreign scientists, Figure 2, six main functions that provide such services have been identified.

Taking into account these functions, it can be argued that innovation support services in agriculture and the innovative activities of agricultural enterprises play an important role in ensuring the success and stability of these enterprises.

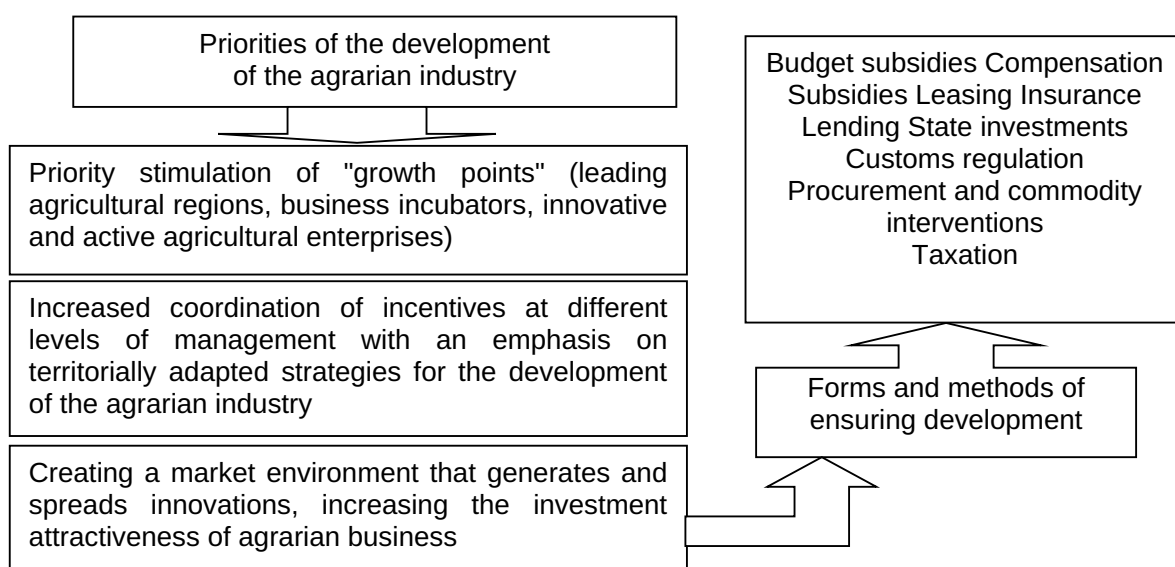


Figure 1. Forms and methods of ensuring the implementation of priorities in the innovative development of the agricultural sector

Source: created by the author for [8]

However, it is clear to us that effective innovative and investment activities of the enterprise must be purposeful, carefully planned and bring the desired results. In this regard, it is necessary to create an appropriate management system that is able to develop and improve, responding to changes in both internal and external transformation processes.

Attracting investments in the agro-industrial sector, namely for our company, is one of the strategic directions of its development, but at the same time it is necessary to take into account important criteria of safety and results to ensure the sustainable development of agriculture and food. We understand that improving the technological base, implementing effective agronomic methods, developing biotechnology and data processing, providing access to modern equipment and materials, providing state support for innovative projects, promoting the creation and active implementation of new varieties and hybrids, developing new methods of plant growth regulation, increasing the efficiency of the use of water resources, managing productivity and reducing the impact on the environment,

assessing the social and economic impact of innovative projects.

1) Guaranteeing the safety and quality of food products, in particular in the context of innovations in the production of products based on GMOs, the use of chemical plant protection products, etc.

2) Maximum preservation and restoration of natural resources of the agrosphere in order to ensure their availability for future generations.

3) Formation of favorable conditions for the health and well-being of farm animals, as well as preservation of their biodiversity.

4) Improving the management of agricultural resources in order to minimize the negative impact on the health of people, plants, and animals, as well as the quantity and quality of natural resources.

5) Guaranteeing the minimization of risks in the implementation of innovations in the agricultural value chain, in food safety and quality control systems, means pursuing the goal of ensuring safe and high-quality production of agricultural products.

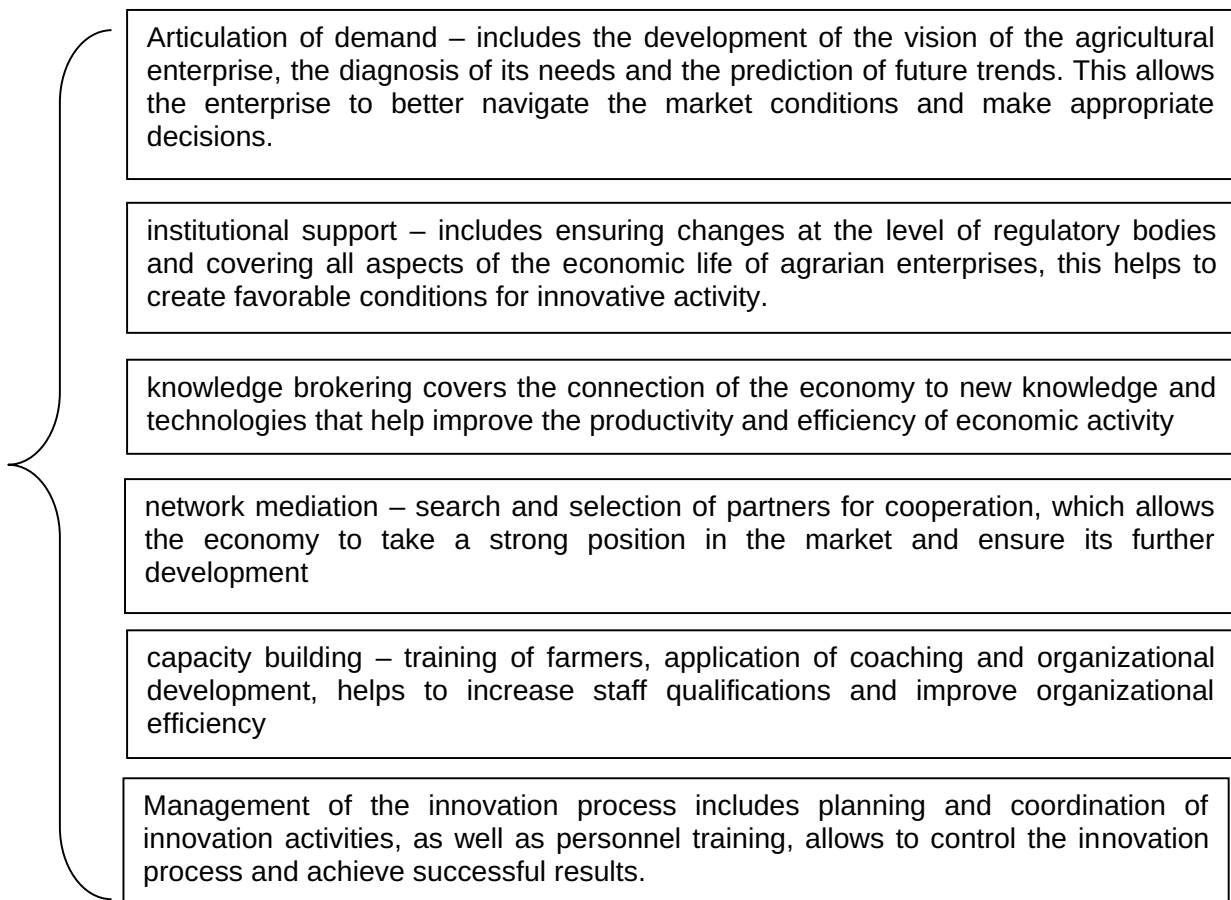


Figure 2. Functions of support for innovative projects in agriculture

Source: created by the author for [3; 8]

6) Ensuring equal and fair opportunities for all participants in the innovative agricultural process in terms of access to resources, markets and value chains, including the creation of equal conditions for consumers to obtain access to affordable, high-quality and safe food products [11].

Innovative digital platforms can become a promising tool for realizing the innovative potential of business entities in the agricultural sector in Ukraine. These platforms represent a virtual space that brings together stakeholders who seek to acquire new knowledge, products, technologies, or solutions. They are a new form of organizational model that promotes stimulating innovation activity of business entities and ensures accessibility of innovations for agricultural producers.

Digital innovation platforms facilitate the exchange of knowledge, ideas and information, creating a single value chain, facilitating the emergence of new innovative products and facilitating their path to the end consumer and business use. Agricultural innovation platforms function with the aim of creating new agricultural technologies and socio-economic mechanisms for their implementation, as well as increasing the level of access to innovations for all subjects of agrarian business, regardless of size and financial capacity. Through the partnership mechanism, equal and fair access to innovative products and their inherent properties, agrarian innovation platforms ensure the functioning of the production value chain and contribute to increasing the efficiency of the development of the agro-food sector [8].

A comprehensive review of literature [7; 10] on agricultural innovation support services and innovative activities of agricultural enterprises shows that farmers use various types of services. Foreign researchers have identified six functions: demand articulation (vision building, diagnostics, forecasting), institutional support (institutional changes and boundary coverage), knowledge brokerage (connecting to knowledge and technologies), network brokerage (partner selection), capacity building (training, coaching, organizational development), and innovation process management (agenda setting and training).

We have developed and generalized the typology of the function of innovative activities of modern agricultural enterprises based on the implementation of European experience presented in Table 1. Stimulating and supporting the process between stakeholders for improving

the quality of interaction, strategic network for fostering network development and support, mediation through conflict management between stakeholders, technical support for providing advice on economic, social, or technical issues, advocacy for informing policymakers and key stakeholders to support policy change, building capacity by enabling stakeholders to perform their roles and documenting learning to stimulate reflection on the innovation process. Many participants can provide services to support innovation. Service providers are typically classified according to their type: public sector, private sector (companies), and third sector (farmer organizations).

To enhance the efficiency and competitiveness of various industries, products, or services, it is necessary to develop and implement intellectual property. The choice and use of a specific evaluation method should be based on an analysis of legal, economic, technical, and other aspects. Since investment projects have their specific characteristics that change over the project's lifecycle, it is necessary to develop theoretical foundations, methods, and practical recommendations for the formation and management of these projects.

Conclusions. Based on the processed scientific and economic sources, it is established that innovation management can be defined as a management decision regarding set innovative goals and tasks for the use of innovative resources, intellect, ideas, motivations of employees of an enterprise in order to increase its technological level, competitiveness of production, and ensure stable positions in markets. The system of innovation management, its elements, and a methodology for assessing the effectiveness of innovation management are considered.

Management must provide themselves with training in the field of innovation, as well as the tools necessary to achieve the state of self-control that they expect from their employees regarding all other processes. Innovation decision management is used to describe the overall effort required to achieve innovative solutions as well as effective outcomes. If the management wants to ensure the survival and prosperity of the enterprise, it must strive for quality and excellence in the management of decisions, and in order to conduct an effective assessment, it is necessary to constantly change the analysis methods that are implemented in the enterprise with the adaptation of the modern development of information technologies due to the current conditions of the external environment.

Table 1

Functions of innovative development of modern agricultural enterprises

Innovative development	Characteristics
Awareness and knowledge sharing	Dissemination of scientific knowledge or technical information for participants and hybridization of knowledge. Providing knowledge based on information dissemination forums (website, flyers), meetings or demonstrations and exchange visits.
Advisory, consultation and support activities	The focus of the activities is on addressing intricate issues, such as the development of innovative farming methods or the creation of novel value chain structures. This involves offering various consultations (technical, legal, economic, environmental, social, etc.) throughout the innovation process as per the participants' needs, and collaboratively crafting solutions.
Articulation of demand	offers services that assist users in effectively communicating their requirements to various parties such as researchers and service providers. This targeted support aims to improve innovators' capacity to articulate their needs to the appropriate stakeholders..
Networks, Facilitation and Mediation	Offering assistance to enhance networking, improve relationships among participants, and align services to create mutual support and complementarity. This involves implementing strategies to enhance collaboration and collective efforts.
Development of potential	Providing services that enhance the capabilities of individuals, groups, or organizations involved in innovative activities. These services may involve offering traditional educational methods as well as hands-on learning experiences.
Expanding/supporting access to resources	Providing services for innovators to enhance resource acquisition support, including facilitating access to resources such as seeds, fertilizers, facilities, equipment like technology platforms and laboratories, and financial options such as credit, subsidies, grants, and loans.
Institutional support for niche innovations and stimulation of scaling mechanisms	Offering organizational backing for specialized innovations (incubators, experimental facilities, etc.), as well as for increasing and broadening the innovation procedure. This involves providing assistance for creating and implementing standards, regulations, funding methods, taxes, subsidies, and more, which enable the innovation process or the spread of innovations.

Source: created by the author for [6]

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