

## Organizational and Economic Support of the Process of Forming of Intellectual Potential of Enterprise

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### Abstract

*The article deals with the economic and organizational support of the process of forming of innovative potential of industrial enterprise. It has concluded that innovation potential becomes the most crucial element of strategic enterprise management in an industrial enterprise under the influence of increasing internal and external competition. New products, advanced technologies, which defines the success of business activities, ensure long-term functioning and financial stability of enterprises. The innovative orientation of economic and organizational support of the strategy and tactics of production development poses new requirements for the content of management activities, and it is causing the need to improve specific forms of innovation management.*

**Keywords:** *Economic and Organizational Support, Innovative Potential, Activity, Formation, Enterprise.*

### INTRODUCTION

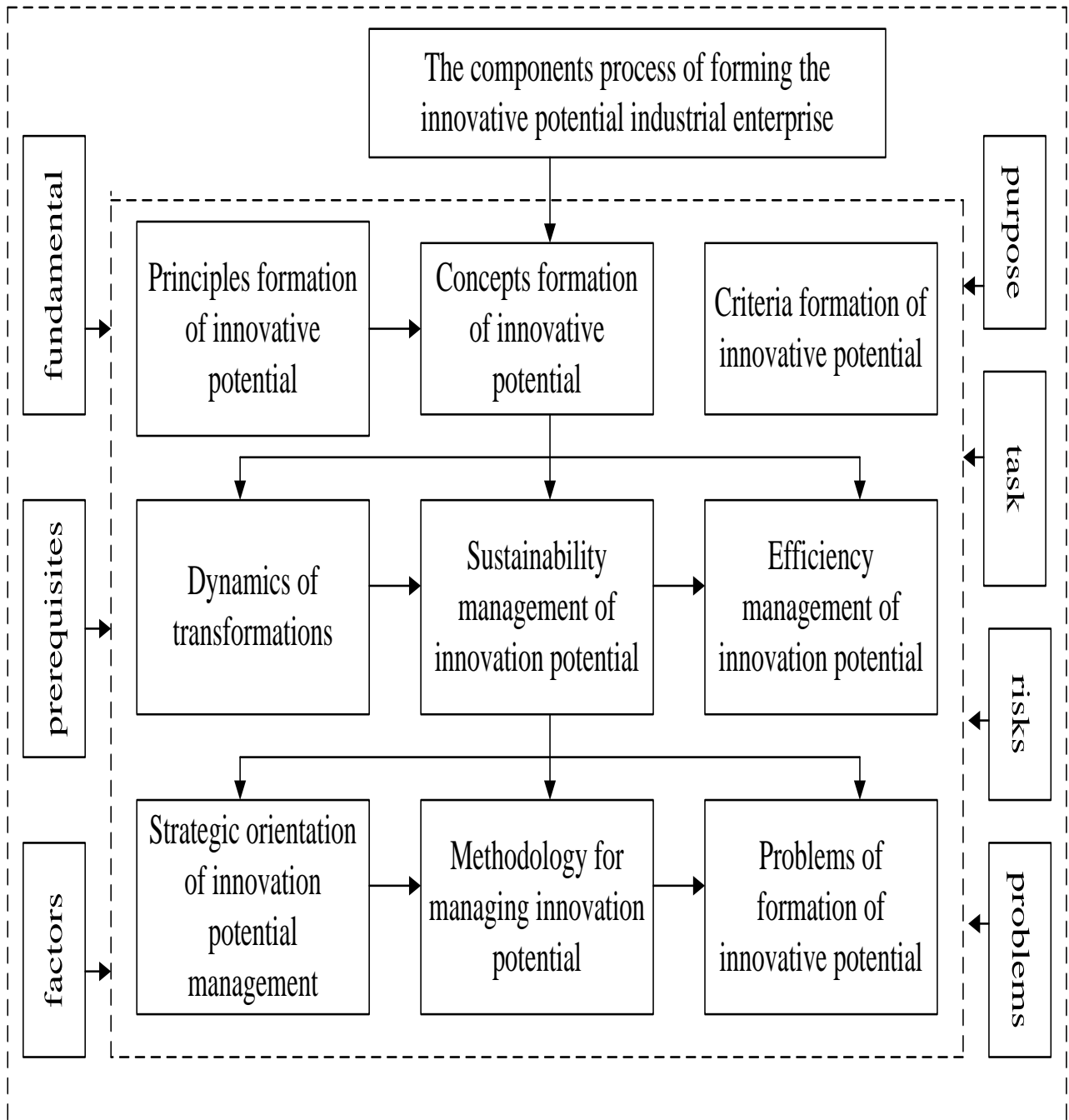
The current operating conditions of innovative-active entrepreneurship require the creation of adequate economic and organizational support for the process of formation of innovative potential of industrial enterprises, which ensures the development of human resources, contractual and financial activities. Innovation-active enterprises are enterprises engaged in the development, implementation, maintenance and use of innovations both in the functional spheres and in the sphere of providing their activity. Their further activity has aimed at the development, implementation and support of innovations, which are the dominant factor influencing the economic and organizational support of industrial enterprises. In most cases, the level of innovation potential management does not meet the requirements of an aggressively competitive market environment due to imperfect economic and organizational mechanism, which becomes a critical factor for the effective functioning of entrepreneurship and support of strategic positions in the market.

### METHODS

To solve these problems, we used methods of comparative analysis, structural decomposition and semantic analysis; method of logical and systematic approaches, methods of generalization, comparison, analysis and synthesis; method of system-structural analysis.

## **RESULTS AND DISCUSSION**

Features of the concept of economic and organizational support for the process of formation of innovative potential of industrial enterprise include the use of achievements in scientific and technological progress (especially in the field of information technologies and systems in terms of management) and the development of new types of products and services, improving the methods of their production and use. Innovation is not limited to research and development of new products and services. It applies to all structural units of industrial enterprises, their functions and activities. The main feature of such management is non-linearity that is why there is a need for active use of prognostic tools and economic and mathematical methods for selecting the priority direction for managing innovative potential. The properties of non-linearity and uncertainty imply the need to use those techniques that rely mostly on people's intuition, logic and experience. Due to the high value of creativity in the management of innovation potential, methods of searching for innovative ideas have also received, since the idea is the starting point of the creative process of production of potential (Pic. 1).



Pic. 1. The components of the process of forming the innovative potential of an industrial enterprise

There are three main directions of state influence on the process of formation of innovative potential of enterprises. The first is the creation of institutional and regulatory conditions for favourable changes in the field of innovation (in particular, the formation of scientific and innovation infrastructure; the development and improvement of regulatory legal support for innovative activities, especially the system of protection of intellectual property and copyright). Second, it is the stimulation and state support of the existing innovative potential (in particular, the introduction of tax incentives; the realization of the right to accelerated depreciation; the improvement of mechanisms for attracting bank loans; the development of leasing systems; the allocation of direct government loans for the implementation of projects of national importance). Third, it is foreign economic support for innovation activities (in particular, the promotion of international transfer of innovation; the promotion of international investment cooperation; the improvement of exhibition activities).

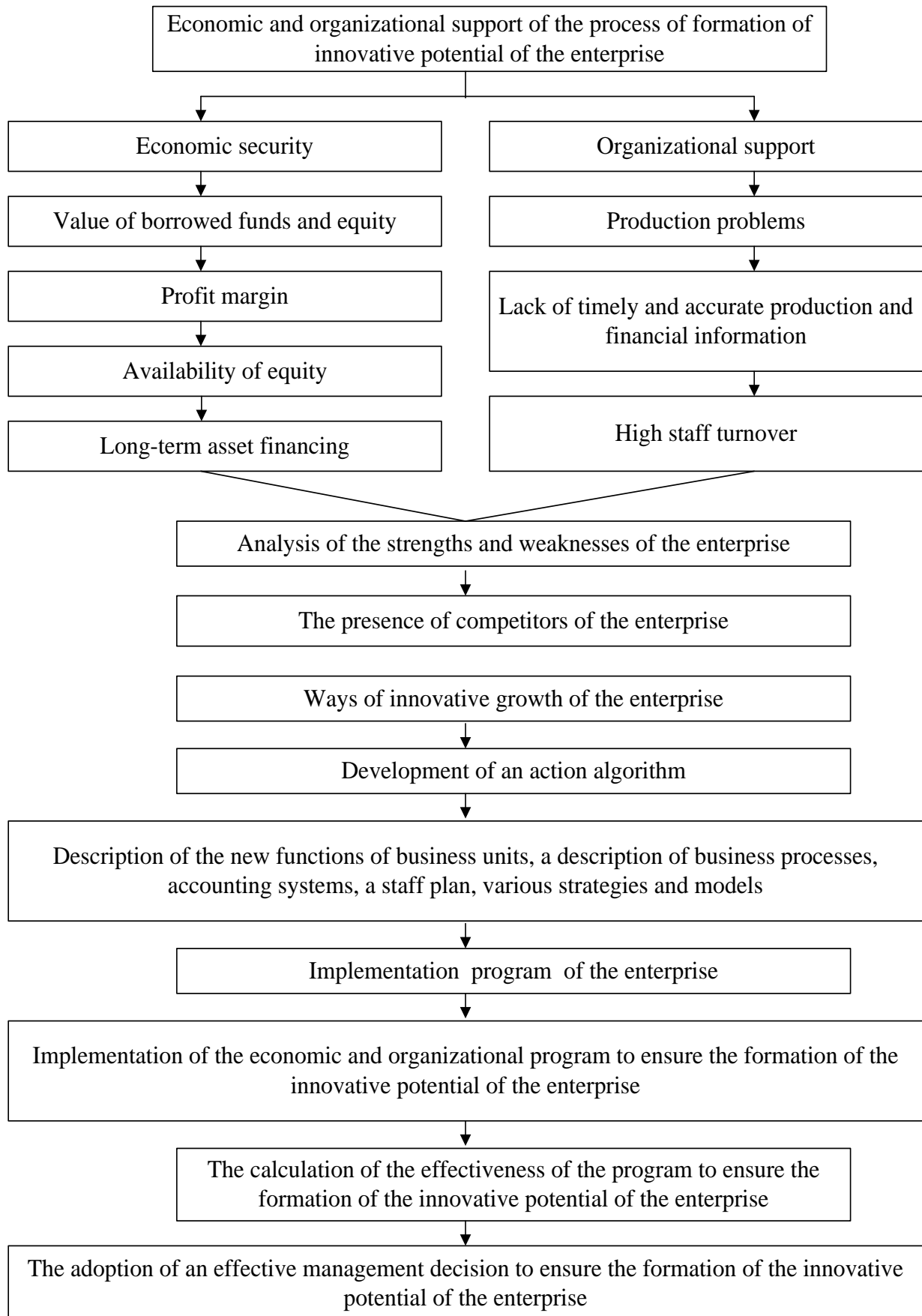
Organizational and economic strategy for managing the innovation potential of enterprises should consider as a purposeful program of action to create and implement a socio-economic mechanism that can influence the processes of production, storage, promotion of products to improve its quality, affordability, lower cost and ensuring other competitiveness criteria through commercialization of innovations to meet the state's food security requirements.

Thus, in order to successfully integrate an industrial enterprise into a complex, competitive environment, its management must continuously monitor and evaluate the innovative changes taking place outside it.

The efficiency of management of innovative potential of the enterprise depends on internal factors, among which the most significant are technical and technological equipment, the use of modern information technologies, and qualification of personnel. (Pic. 2). Of particular importance to internal factors in management is that they determine the relationship between employees of the innovative and active enterprise and have a decisive influence on the system of interaction with the external environment in the formation of organizational support. Internal factors determine the degree to which the innovation strategy and goals correspond to each functional area: general management, economics, finance, research and technological development, production, marketing, human resources.

Thus, the principles of intellectualization of the Economy have based on the modern paradigm of the enterprise's innovation potential. The current stage of economic development has closely linked to the use of intellectual resources, including intellectual capital, intellectual labour and intellectual products, which in turn can also use as innovative means of production.

Availability, qualitative and quantitative composition of the intellectual resources of an industrial enterprise, the form of their involvement (own or borrowed), the ability of the enterprise as an open system to generate, use and timely attract the latest intellectual knowledge and products - this is what ensures the use of intellectual resources for onward, continuous innovation development of the enterprise. That is, intellectual resources (also called intangible), as well as material resources, need to be managed, to create an appropriate system for organizing innovative activity and developing innovative potential.



Pic. 2. Economic and organizational support of the process of formation of innovative potential of the enterprise

Reasonable combination of vectors of innovative development with components of innovative potential and intellectual capital of the enterprise will provide income in the process of its economic growth. Complex processes related to technological development occurring in the development and application of innovative technologies, types of products, services and business models are non-linear and have accompanied by irreversible changes. From the process approach, innovation is the nature of initiated and controlled changes that occur based on rational volitional action. In other words, it is an artificially organized process aimed at achieving a particular result. Innovation is the system of change that occurs under its influence in the enterprise; that is the result.

Namely, the enterprise is being an open system and consisting of relevant elements, can accept or, on the contrary, be not susceptible to such innovation. The innovation here acts as a management object, requiring appropriate management decisions and actions to consistently qualitatively change the system at all levels and monitor the implementation and control of changes at all stages of implementation. The result of innovations is qualitative changes in the enterprise as a system and obtaining economic, social, scientific and technical or another kind of effect.

Modern scientific opinion on the system of managing the innovative potential of an industrial enterprise is an idea of the specific apparatus of mutually agreed relations of management processes aimed at regulating the relationship of the enterprise with all subjects of interaction during the innovation process, the implementation of both current operating activities and adherence to the target landmarks.

There are the following approaches to managing the innovation potential of an industrial enterprise: process, system, life cycle, marketing and project. It is considered appropriate to use a process approach to manage the development of industrial enterprises because it ensures the balance and coherence of all processes, functions and activities. Financial and organizational support for managing the innovation potential of the enterprise is realized through targeted innovative programs.

Given the purposeful management of innovative development of the enterprise, ensuring the effective achievement of both strategic and tactical goals of enterprise development, it is necessary to define the priority areas in the dedicated business processes clearly. It was evident that the development of innovation over time, the presence of a precise stage and stage of innovation, coherence in program objectives and resources, as well as consistent value creation and its growth in the long term are reflected in the project approach.

In other words, innovative projects are being developed within the dedicated business processes. The management system should ensure the transition from the project approach in the organization of innovations to the regular management of innovation activity, its transformation into a system component of operating activities. At the same time, it is essential to define the "volume" of innovation adequately and to create such a system for managing the innovation potential of an industrial enterprise, which would allow taking into account the whole complex of factors and results related to innovation changes.

Such tasks are only possible if all the components of the enterprise's innovation potential are mobilized, the adaptive mechanisms of environmental challenges are active, the organizational resource is formed at all levels of management of the scientific and technological and innovation process. The basis for innovative development is based on the principles of intellectualization of the Economy.

Enterprise intellectual resources include intellectual capital, intellectual labour, and intellectual products, which in turn can also be used as a means of production. Intellectual resources are transformed into intellectual capital, which in turn acts as an intellectual resource for the new capital turnover. Intellectual resources are the basis for determining intellectual potential.

The development of the innovation potential of an industrial enterprise should be facilitated by its innovation system, which is a complex, open, dynamic model of innovation activity, combining in

space and time a set of elements, reflecting the nature and directions of their relationships in the process of achieving the set goals between all subjects of innovation activity. And participants in the innovation market.

That is why the essence of the innovation system lies in the harmonious space-temporal integration of a set of elements of innovation activity, taking into account their micro and macro environment for the development and implementation of innovative projects and programs in order to achieve the cumulative effect and qualitative change of economic activity. The innovative system includes a functional, extensive, process and execution unit. Extensive - involves the expansion of production and sales of products.

Occurs in an unsaturated market. In the absence of intense competition, in the conditions of the relative stability of the environment. They are associated with rising resource costs. Nowadays, in most regions of the world, this approach has practically exhausted itself, because the existing markets are already filled with goods. Intensive scientific and technical - involves the use of the achievements of science and technology to improve the designs and technologies of production of traditional (upgraded) products in order to reduce the cost of their production, improve quality, and ultimately - to increase competitiveness.

The transition to this direction of development occurs as the saturation of markets, the depletion of scarce resources, and increased competition of producers. Innovative scientific and technical, which provides continuous updating of the range of products and technologies of its production. Improvement of the production and sales management system.

## CONCLUSIONS

Thus, under the influence of increasing internal and external competition, innovation potential becomes an essential element of strategic enterprise-oriented management in an industrial enterprise. New products, advanced technologies, defining the success of business activities, ensure long-term functioning and financial stability of enterprises.

In turn, the innovative orientation of economic and organizational support of the strategy and tactics of production development poses new requirements for the content of management activities, causing the need to improve specific forms of innovation management. Management of innovation potential is an integral part of innovation management and solves the issues of planning and implementation of economic and organizational strategies that ensure sustainable, innovative development of the enterprise.

Development of innovative strategies is carried out based on an assessment of the potential of the enterprise and its innovation potential. The analysis of the external environment of the enterprise allows identifying risk factors in the market, the analysis of innovative potential allows evaluating the resources of an industrial enterprise in terms of the strategic possibility of their use.

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