



TYPES OF THEORETICAL APPROACHES TO THE TERM "INNOVATION"

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Article history:	Abstract:
Received 10 th February 2022 Accepted: 10 th March 2022 Published: 26 th April 2022	Today, one of the indicators of the company's potential is the modernization of production, the renewal of the material and technical base, and the adaptation of the assortment to market requirements. This process is called innovation activity. Assessing the scope, value, and benefits of innovation presents many challenges. First, there is no generally accepted definition of innovation; economists of each era have expressed their understanding. Secondly, the lack of reliable statistical data on its main components and aspects. This article discusses various interpretations of the term "innovation".
Keywords: Innovation, innovation activity, innovation potential	

One of the main goals of the national economy is to ensure that the external environment of industrial enterprises is stable and resistant to change. In recent decades, there have been significant changes in the lives of ordinary people and in the field of specialized professional activity. These changes are the result of scientific and technological progress and fierce competition. Economic growth has allowed enterprises to increase the concentration of capital, develop the process of consolidation, and gain a competitive advantage. The innovative economy is based on new technological possibilities and non-standard forms of doing business.

First, if we explain the term innovation, then in all textbooks on economics, the explanation of this term begins with the opinion of the American-Austrian economist J. Schumpeter. The term "innovation" was used in 1912 in Schumpeter's Theory of Economic Development.¹ He was the first to use the concept of innovation to illustrate the impact of the technological revolution on uneven economic growth and unsustainable social development. In the modern sense, "innovative thinking is a way of thinking that goes beyond traditional thinking habits and rules of logic and uses new ideas to identify problems and solve them." In his opinion, the production of innovative achievements is not a quantitative accumulation, but a qualitative growth. This fact is related to the continuous and random characterization of innovations since economic development requires "the study of dynamic analysis" (Innovation is not a purely economic accumulation of data - it is a qualitative growth in the process of development).

"Innovation" is the introduction of a new product, i.e., the implementation of an unprecedented combination of production factors and production conditions. Innovation is not just a technological invention, but a mechanism that works stably.

According to Schumpeter, innovations and phenomena in economic life are not subject to external influences, and changes occur spontaneously from within. This really shows the initial speed and baseline status of the application in innovation. However, the rapid development of technological innovation is increasingly dependent on knowledge.

OECD Oslo, which was used in conjunction with the Frascati Manual. The Frascati leadership is engaged in scientific and technical activities focused on research work throughout the country. The guide for the systematic description of innovations is based on the recommendations of international standards, the practical application of which was adopted in Oslo in 1992 and is called the Oslo Guide. According to him, system-wide innovation can be divided into four main types of innovation:

- products
 - technical or technological process
 - marketing
 - institutional (organizational and managerial).
- the manual was revised in 1997 and 2005.

Everett M. Rogers believes that the diffusion of innovations is influenced by the specific characteristics of innovations, communication channels, time, and social system, and provides an in-depth analysis of many factors that affect the speed of innovation and the formation of distribution networks. Rogers described innovation as "an idea, practice, or object that is accepted by a new individual or other host association".² According to Alan Altshuler and Robert D. Becks, "Innovation involves original invention and creative use and defines innovation as the creation,

¹ Yu. Schumpeter Theory of economic development. M. _ - "Eksmo", 2007.

² Rogers, Everett M. Diffusion of innovations. New York: Free Press. 2003. ISBN 978-0-7432-2209-9. OSLC 52030797

adoption, and implementation of new ideas, products, services, and processes".³ The two main dimensions of innovation are the level of innovation (i.e. innovation for a company, market, industry or the world) and the type of innovation (i.e. innovation in the processing system of a product or service).⁴

Peter Dulac writes: "Innovation is a unique function of entrepreneurship, whether in an ongoing business process or in a new venture started by one person in a home kitchen at a government agency. It is a tool for entrepreneurs to create resources or provide more opportunities to create wealth from existing resources".⁵

Our domestic scientists also conducted various studies in this area. According to G.D. Jumanazarova, "Innovative activity is not a type or field of activity, but its description. There will be no sphere of innovation, because any activity and any sphere if innovations (such as knowledge, technologies, manuals, approaches) are introduced to achieve a result characterized by high demand (for example, social, market, defense), can be an innovation".⁶

Sh.I. Otazhonov notes that "when developing the infrastructure for innovation, it is important to analyze the results of economic and innovation activities of small innovative enterprises, draw appropriate conclusions to assess the activities of each entity and determine further development strategies".⁷

According to A. D. Akhmedov, "innovation is the process of introducing new or improved products, technologies, new services into civil circulation or the process of using them for their own needs, production, management, commercial or other organizational and technical solutions". In our view, innovation is the development of ideas that are different from ordinary ideas, using existing knowledge and raw materials to meet modern needs in a particular environment or to meet and improve social needs using this existing way of thinking.⁸

Practice is the basis of innovation. Innovation is the rejection of repetition and simplicity, as well as going beyond the limits of everyday human practice. The essence of innovation is to think the old way, think the old way, and give up old habits. In fact, the core of innovation is the "new" - designing or changing the structure of the product, its operational and external features, creating forms and means of expressing the content, enriching and improving the product.

Innovative resources will be involved in the implementation of innovative activities. They are understood as the completeness of the financial, intellectual, and physical resources necessary for the implementation of their innovations. However, they have only potential value and can only give a certain result when they are combined.

An important sign of the effectiveness and intensity of innovation processes is their innovation potential. Innovation capacity is a company's ability to innovate or improve, reflecting the maximum number of innovative products that can be obtained by making full use of all available innovation resources.

It is the "readiness" of the enterprise to implement innovative strategies aimed at the introduction of new technologies, the organization of operations, and the introduction of "new lines" of products. I Components of innovative potential is innovative resources.

The lack of specialists capable of analyzing the MMO system, and the absence or availability of information about the organization remains a problem for assessing innovative opportunities.

- this is an activity aimed at using the results of scientific research and development in order to expand and update the range of products (goods and services) and improve their quality, the introduction of production technology, and their effective implementation in the domestic and foreign markets.⁹

is the practical use of innovative, scientific, and intellectual potential in mass production to create new products that meet consumer demand.¹⁰

In our opinion, innovation is the planning and implementation of innovative processes. Such activities include the use of fundamental and practical results, research, development and solutions, various innovations, or new or improved technological processes used by the enterprise to create or improve a product that can meet new demand.

Innovation in enterprises is a complex process. Different types of innovations are interconnected in terms of goals and results of implementation. Theoretically, the focal point of innovation is the normal operation of the enterprise. Without them, there is no business. As a result of technological development, it has become common for many businesses to adapt to constant change. This is one of the main features of the modern innovation process at the enterprise level.

Japanese researcher K. Kusunoki established using the example of the communication equipment industry that large industries do not want major innovations that will radically change the entire production scheme, but will focus on improving the existing material and technical base and improving innovations that lead to effective changes.¹¹ On

³ Internet Archive. Innovation in American Government: Challenges, Opportunities, and Dilemmas. Washington DC: Brookings Institution Press. 1997. ISBN 978-0-8157-0358-7.

⁴ Edison H., Ali N. B. & Torkar R. (2014) Towards Measuring Innovation in the Software Industry. Journal of Systems and Software 86(5), 1390–407.

⁵ Drucker, Peter F. The discipline of innovation. Harvard Business Review. 08/01/2002. ISSN 0017-8012

⁶ Khasanova G.Zh. Increasing the efficiency of innovative activity of industrial enterprises. Specialty 08.00.04 --- "Microeconomics". - I.ph.s. written thesis for a degree. 2006

⁷ Otazhonov Sh.I. Increasing the efficiency of organizational and economic mechanisms for managing the infrastructure of innovation activity. Specialty 08.00.13.-management of i.f.d. written diss for a degree. 2018

⁸ Akhmedov A.D. "Improving the legal regulation of innovation activity", specialty 12.00.03-civil law. i.f.d. thesis 2017

⁹ G.A. Maksovikova. Innovation management: Eksmo; M.; 2010

¹⁰ Muksamedyarov M.A. Innovation management: Proc. allowance. - 2nd ed.: INFRA-M; Moscow; 2008

¹¹ Kusunoki K. Failure to Seize Technological Opportunities: A Case Study of Product Innovation in the Japanese Fax Machine Industry // J. of Product Innovation Management. 1997. Vol. 4. 1997, pp. 368–382.

the contrary, we believe that small and young businesses and targeted small projects quickly adapt to innovation. The development of organizations in society occurs through the adoption of various innovations affecting all aspects of their activities.¹²

Thus, the main feature of the innovative activity of any enterprise is the introduction of innovations based on the available material and spiritual resources. An important role in this is played by the use of innovative technologies.

In conclusion, innovation should be used to solve socio-economic problems. Thus, they should contribute to the improvement of the country's economy, stimulate the innovative potential of the enterprise and increase efficiency. However, a positive result of the development and application of innovations is not guaranteed. The final result will depend on the level of development of countries and their economic entities and their readiness to introduce innovative technologies. This will also depend on the policies adopted and implemented at the national, regional, and international levels. The impact of innovation on value creation can be seen in terms of various economic indicators, namely productivity, employment, value-added tax, income, and trade, as well as various economic actors, i.e. workers, and government.

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¹² Ergashkhodzhaeva Sh.D. Innovative marketing. Textbook. -T .: TDIU, Iktisodiet, 2014. p.16