



## **INNOVATIONS AND RENEWAL IN ENTREPRENEURSHIP PROCESSES**

**Berdiev Jasur Kuldashevich \***

**Nazarova Gulruh Umarjonovna**

Karshi Institute of Engineering and Economics, Department of Business and Innovation  
assistant, Uzbekistan

<b>Article history:</b>	<b>Abstract:</b>
<b>Received:</b> 2 <sup>th</sup> April 2021 <b>Accepted:</b> 17 <sup>th</sup> April 2021 <b>Published:</b> 30 <sup>th</sup> April 2021	In a traditional, rational approach to management, the limits of responsibility of the various divisions are clearly defined. Legal promotion is prohibited by law. Proponents of the innovation management form view the activity as a frontier from the divisions placed on the field, even beneficial to the organization. Such a situation encourages informal relationships between different service employees and increases the likelihood of new ideas being created.
<b>Keywords:</b> Innovation, entrepreneurship, management, renewal processes, development of new products.	

Management is, first and foremost, management based on constant input of innovations. Innovation is an important organizational part of management and is a process that is constantly updated in all areas of entrepreneurship. Innovation includes not only technical and technological developments, but also the opportunity to improve all aspects of the firm's activities. The process of innovation is to organize the balance of activities of different sectors of the enterprise by controlling the profitability of activities in each component of the enterprise. All innovations are introduced not by comparing the results obtained on the basis of a comprehensive systematic analysis of the firm's activities, but by comparing them with the potential (size) of the market at the time. The purpose of such an analysis is to determine how a firm is using market opportunities in each period.

It is necessary to consider the analysis of various aspects of the firm's activities. These are:

- assessment of the market situation in the market of products and services currently offered by the firm, depending on the demand of the business;
- creation of favorable conditions for daily production of the entrepreneur in new markets;
- evaluation of the product, provided that the decision to stop production as a result of a decrease in demand for voluntary goods and services;
- availability of new goods and services in new markets;
- sales of products for innovation and other restructuring.

The following issues are facing entrepreneurs in the field of innovation costs:

- mechanization and automation of secondary operations;
- Attracting highly qualified staff to the company and creating good financial conditions for workers.

To manage these tasks, the entrepreneur must:

to be a supporter of a new idea;

- provide each employee with brief instructions without providing a sufficiently wide range of activities, a detailed plan that will make them proactive;

- encourage employees to innovate;
- creation of a special information fund of innovation in the firm;
- Ensuring a continuous centralized study and training of staff.

- Innovation is a key tool in keeping the firm out of the market in the current context. When introducing innovations, according to market requirements, the entrepreneur must know in advance the need for innovation and understand that it is appropriate. To do this, the following is recommended:

- it is necessary to find goods and services that will provide the required amount for the market;
- identification of goods and services that replace the old ones;
- introduction of innovations in all spheres of activity of the firm (office advertising, etc.);
- balancing short-term and long-term innovation programs (how to increase profits, how to effectively use available funds, etc.).

Innovations are necessary in the organizational divisions of a regular firm, which must adapt to changes in the market. Given the competition between managers and its future, a simple and clear structure of the company should provide the firm with high profitability and training of managers and reduce the number of intermediate links.

In the current market economy, it is becoming increasingly important to change the work of the firm and its employees on the basis of innovations, so it is necessary to dwell on it. During the scientific and technological revolution, the achievements of science, the expansion of technical and production capacity of industry, the development of productive forces have a significant impact on the economic activity of the enterprise. The acceleration of research and development testifies to the fact that the company seeks to maximize the existing scientific and technical capabilities to expand production and increase profits.

The purpose of investing in research is to maximize profits, just like any other activity. In this case, the description of the final goal is mainly determined by the volume and nature of research, primarily the direct demand of the market for products sold by the firm and the sharpness of competition, as well as the capabilities of the relevant departments. Expansion of research on new technologies, products and services will lead to the creation of a new network of activities within the firm.

It is known that the introduction of innovations takes into account the subsequent stages of research from the inception of the idea - the development, design, preparation of a new sample and analysis of sales in the market and the analysis before the sale of new products to the market. From a purely economic point of view, innovation is the useful use of scientific, technical and other achievements through the production of new value. The introduction of innovation will be one of the main sources of economic growth of the firm and increase its competitive position in the market. The most important element of market strategy is to accelerate the process of production and sale of new goods. At present, a certain amount of goods and services on the market by the firm is carried out only on the basis of renewal.

Today, the importance of innovation is recognized, but that does not mean that it is being implemented adequately. Often the introduction of innovations does not find the necessary economic basis. The process of comprehensive renewal of the firm's activities cannot be carried out without innovation management. The description of innovation management is solved not only within the framework of research, but also within the framework of product innovation management by being more precise. The following description of the most important problems will be considered. These are the research needs of new products for the market, market capacity, the flexibility of expected demand for product prices, customer attitudes to product quality parameters, price-based service in terms of delivery, replacement and substitution of new products with other goods and ect.

### **In the development and implementation of a new product should pay attention to:**

- creation of a target market segment for new products and other types, as well as the choice of strategy for the delivery of products to the consumer (development of product research methods, product certification, advertising, customer service);
- forecasting the activity of the descriptive and life cycle of a new product, on this basis to decide on the size and description of production capacity corresponding to the product, to determine the optimal amount of capital investment, depreciation of special technological equipment, purchase or lease of equipment, recruitment the form and duration of labor contracts with employees, further training, etc .;
- determination of the method of selling new products (selling the product on its own or through intermediaries);
- study the market situation through the resources necessary for production and new services (tools, software products, etc.) (in order to determine the availability of these resources), predict the level of stability of the situation, its potential for disruption, rising resource prices;
- finding entities to develop and supply the necessary tools, software products for new services (if necessary, look for special ways to compete with subcontractors: add them to share, create joint ventures, partner with them, etc.);
- study of possible ways of cooperation with competitors for the production and development of technically complex and risky products;
- cost-benefit analysis of sales of new products, long-term and short-term plan sales prices of optimal volume planning, control figures of resource sales prices and analysis of operating costs;
- evaluation and planning of the effectiveness of innovation as an investment project (return and recovery of capital investment using the time criteria of the innovation phase);
- risk analysis, identification of ways to reduce it and insurance;
- selection, development and marketing of an organizational form of creating a new product (planning, budgeting of an innovative project).

In the process of creating a new product, it is advisable to plan, study and find the right technology for it (licenses, transfer payments to subsidiaries, sending employees for exchange of experience, allocating or ordering research and development, research cooperation in the field of technology, etc.).

Performs innovation management, similar management problems and practical issues related to the process of innovation (technology, production organization, management processes). It is not about opening new markets for new products, but about saturating the market with existing products using more efficient technology, mainly in innovation management, where innovation is approached from the perspective of the future of the market.

It is now important to encourage the search for innovation and create conditions for its development. The current situation is characterized by the intensification of competition. In this context, innovation is a key element of the economic activity of the enterprise and the main driving force and its development. News plays a crucial role in strategic management to ensure that the survival of the enterprise maintains its position in the market in the long

run. But so far, the ability to take an innovative approach is often underdeveloped and under-staffed within the organization at the individual and group levels. Good suggestions and ideas are not submitted for consideration by management for fear that they will not be recognized or accepted by bureaucrats. As a result, many firms do not draw the necessary conclusions from their pursuit of innovation.

If an organization sees it as a situation that contradicts the natural course of innovation, it will never happen. Innovation activities should be an integral part of a routine, simple affair. To do this, innovative activity requires the creation of a creative environment in the community. It does not arise on the basis of an order, directive orders have the opposite effect. An employee can be forced to work five days, eight hours a week. The activity is effective only when the employee feels responsible. As a result, imperceptible confidence, responsibility, attention give a significant result - benefit. This means that the environment of innovation is the emergence of a certain state in which a person feels free, ready to work creatively on a fully justified basis. The pursuit of creativity is an important characteristic of man. Usually, the employee expects them to take a creative approach. But it operates in a system that requires direct or indirect obedience to administrative orders. In some cases the requirements of the system are conscious and understandable, the employee accepts it easily, in other cases the causal link is not clear or contradicts his or her decisions and interests. An innovative environment is necessary if a firm wants to produce a new brand to succeed in the market. Such an environment can be created through the use of innovative management principles: to encourage a sense of responsibility and courage to achieve a married goal, to clarify the issue before the team, to express the full scope of the problem to the team and its individual employees (what they do and what they strive for) creating conditions, creating alternative conditions for the task at hand, supporting and encouraging the team when a problem arises.

The new principles of management are the elements that make up the systems of the innovation process, taking into account its chaos and continuity, given the difficulty of predicting the results. The reorganization of innovative activities involves the creation of organizational relationships that allow employees to make fuller use of their creative potential. The following general features of such relations can be distinguished:

- unconditional support of innovation activities by management, setting valuable guidelines for the leaders of the firm, in many cases, allows you to create an innovative environment in the organization, a separate environment for creative research and innovation;

- provide comprehensive assistance to interns at all levels and in all departments of the organization. Entrepreneurs are given every opportunity to introduce advanced ideas into development (in products, processes, organizational methods). Managers of such firms see a censorship that presents new ideas, an effective approach to rigid ideas;

- high level of communication and continuous improvement;

- when problems are attacked from all sides, new combinations of information and connections are formed at each level of management, resulting in a solution at each stage of management. They therefore seek to enhance the information flow between innovation units and individual employees;

- a set of motivations, including various forms and methods of financial incentives for innovative activities, as well as the use of a wide range of measures of physical and mental impact on workers. This experience is based on the fact that the most creative activity is increased only when the leaders of the organization realize the responsibility for the socially necessary protection of people, the opportunity to grow their profession and career;

- use a method called participatory management. Employees need to be involved in all stages of the innovation process and decision making. Such participation prevents employees from resisting the introduction of technological and organizational innovations, allows to improve the performance of production activities;

- continuous improvement of knowledge of employees, innovation and quality of service in the face of growing competition, high professionalism of employees, their ability and desire to creatively adopt new technologies, the development of new products will be an important factor in commercial success. Therefore, training and retraining of employees is supported by top managers in all respects, and an important part of the enterprise's work is considered to be the main means of gaining the current rapidly changing priority.

The support of creators by managers is crucial in providing an innovative environment in organizations. A manager can be called a manager who gives people the freedom to fully implement their actions, which allows them to demonstrate the potential that they can employ by setting an example. A true manager is one who gives people the freedom to fully implement the actions that create the conditions for them to function until they are able to demonstrate the potential they employ by word or example.

The main task of the manager is not only to make the right decisions on his own, to take on all the tasks, but also to create an environment for creative research for the team he leads. It makes a lot of sense, because all employees are involved in the development process, and most importantly, decisions are made that are personal or the best of them all.

Factors that stifle creativity usually include: distrust of new ideas proposed by managers below and the need to agree on them; risk of dismissal due to error and prompt criticism; the involvement of other departments in the evaluation of creative proposals and informal decision-making on them; control of every step of the creator, loading commands with threats to subordinates; the emergence of "all-knowing expert syndrome" in top managers.

Factors that drive creativity include providing the necessary freedom to produce innovations, providing creators with the resources and equipment they need, being debated by top executives, and being replaced by "angry and fearless" ideas; effective communication with colleagues, other departments, universities and foreign research organizations; is to deepen mutual understanding between employees. Factors that enhance creativity include: supporting employees' aspirations to continuously improve their knowledge and skills, combining specialized knowledge and multidisciplinary training in the education system; the opportunity to express an opinion on the changes; overcoming barriers to encouraging joint work and "washing the line" between different jobs and responsibilities, providing information that is relevant to meaningful work, a regular meeting of working groups; rationally justify the need for change and reorganization; constant support of a climate of mutual trust and a propensity for change; to create a creatively conducive environment, it is important to encourage the implementation of experiments in different divisions of the company. The importance of this factor for innovation management is assessed by management experts as follows: "An entrepreneur will not be an entrepreneur without a support system with a multi-faceted system supported by his / her managers." Without entrepreneurs, there will be no news. Today, management theorists and practitioners alike think that it is narrow-minded to think that innovating is the work of individuals or departments. With the proliferation of new products in the market and the shortening of their life cycle, the flow of entrepreneurial ideas must be highly concentrated in order to maintain the efficiency of the organization. That's why management routinely puts the issue of "mental attack" in front of the majority and ultimately all employees in a general way.

A unique and officially recognized form of innovation is experimentation at all levels and divisions of management, which can be used to understand changes and new ideas: improving services and technology, developing a wide range of products, finding resource-saving resources and quality customer service, labor organization and improvement of conditions, in short, the right of citizens to the most beneficial things, the right to basic innovations. While innovation gives real results in business, small innovative units help inventors and ordinary entrepreneurs to show their potential, to consider themselves creative, to express themselves outside the organization.

The implementation of innovations is associated with a certain degree of risk, and a common feature of the innovation process is failure. Therefore, it is necessary for senior managers to be ready to take risks, to be patient with failure, not to tarnish the image of the idea of initiative in the eyes of employees. The initiative is not "unpunished" but will be rewarded if it does not lead to success or cover production costs. Of course, such a situation is an objective reason for the failure of such initiative projects. Organizations rely on a variety of methods to create an environment of tolerance for failure. For example, in some companies, their initial status and salary are retained in risky business units.

In the process of creating innovations in organizations where the innovation strategy is aimed, special attention is paid to the existing relationships between employees in creating the conditions for dynamic relationships. This is determined by the following situation: First, it becomes more complicated due to the expansion of workers' powers and the restructuring of labor responsibilities. Second, the effective collaboration of workers into formal relationships will change in an important resource environment, as well as the relationship between groups and operating departments.

In a traditional, rational approach to management, the limits of responsibility of the various divisions are clearly defined. Legal promotion is prohibited by law. Proponents of the innovation management form view the activity as a boundary from the divisions it places on the industry, even beneficial to the organization. Such a situation encourages informal relationships between different service employees and increases the likelihood of new ideas being created.

### REFERENCES

1. Ricky W.Griffin. Fundamental of management. 8 th Edition. 2015
2. Richard L.Daft. Management. Ninth edition.2010. y.
3. Meskon M.X. and dr. Fundamentals of management. 3- e edition: Per. s angl.- M.: OOO «I.D. Williams », 2008.
4. Andrew Kren. Business ethics. Dirk Matten; Sarah Glozer; Laura Spence. 11.07.2019