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THE ESSENCE OF INNOVATIVE ACTIVITY AND ANALYSIS INDICATORS

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ABSTRACT

The main way of successful socio-economic development of the country is the development of innovative activities of enterprises, the production of competitive products and economic growth in production. The article highlights the adoption of various normative and legal documents on the development of innovation in Uzbekistan, the work being done in this regard and the indicators. Also, the content and essence of innovation, innovative activity, the scientific approaches of scientists in this regard are presented. In recent years, the indicators of innovative activity in the economy of Namangan region, the existing problems have been highlighted. The parameters of the development of innovative activity in our country are reflected. In our research, the methods of observation, generalization, comparison, logical approach were used, as well as recommendations for existing problems.

KEYWORDS: *Innovation, Innovative activity, types of innovation, Financing of innovation activities.*

INTRODUCTION

The reforms carried out in our country require the introduction of modern innovative ideas, developments and technologies that will ensure the rapid and high-quality advancement of our

country on the path to becoming one of the leaders of world civilization. An analysis of the sectors of our economy shows that technical and technological innovations, the production of products that are competitive on foreign markets have not yet been fully implemented and the degree of utilization of available opportunities is low. As a result, it was not included in the Global Innovation Index rating which in recent years was made up by influential and authoritative international organizations.

As a result, a number of regulatory documents in the field of innovation have been adopted in our country, and attention is being paid to finding solutions to a number of issues in this area. In particular, the creation of effective mechanisms for the promotion and implementation of promising achievements of research and innovation in the country, including scientific and experimental specialized laboratories, high technology centers, establishment of technoparks and other innovation-oriented structures, especially with the participation of foreign investors, and strengthening the material and technical base[1]; carrying out fundamental, applied scientific researches and implementation of innovative developments in advanced technologies; implementation of targeted scientific, technical and innovative programs at the level of world requirements and standards, assistance in research and development in manufacturing enterprises[2]; development of human capital as a key factor in determining the level of international competitiveness and innovative development of the country, Achieving the Republic of Uzbekistan to be among the top 50 countries in the world according to the Global Innovation Index by 2030, innovation, scientific research, strengthening the inflow of public and private funds for experimental design and technological work, introduction of modern and effective forms of financing of measures in these areas[3]; to organize their public procurement in order to ensure the guaranteed implementation of science-based products and advanced technologies; assistance in training, retraining and skills development in the field of innovative activities[4] and a number of similar normative documents.

Thus, the development of educational institutions, research institutes, manufacturing enterprises to work with them is one of the main ways of innovative development, since it develops knowledge and skills associated with the economy entering new stages of development.

Analysis of the relevant literature.

In the course of the literature review, it was revealed that: innovation is a revolution and alteration; application of new knowledge to the production or marketing of a product, as a result of which the investor and his company gain an advantage over competitors. By using patents, a successful innovator can secure a temporary monopoly. Innovation plays an important role in the economy: it contributes to the growth of labor productivity, reducing production costs, improving product quality, as well as increasing the opportunities for competition, stimulating sales, maximizing firm profits and ensuring economic growth[5].

Innovation (eng. Innovationas – introduced transformation, invention) - 1) funds spent on the economy to ensure the replacement of equipment and technology generations; 2) innovations in areas such as engineering, technology, management and labor organization, based on scientific and technical achievements and best practices, as well as their application[6] in various fields and activities.

Innovation is a new or significantly improved product (product, service) or process introduced for use, a new method of sales or a new organizational method of work practice, job creation and external relations.

The concept of "innovation" in the early twentieth century in the scientific work of the Austrian and American economist J. Schumpeter illuminated his new life as a result of the analysis of "innovative combinations", changes in the development of economic systems. Schumpeter was one of the first scientists to introduce the term into scientific use in economics in the 1900s. The specific content of innovation is, in the words of J. Schumpeter, "change", and the main function of innovation is the “change management function”. This is the most general and broad view of innovation.[7]

According to V. I. Prikhodko, F. E. Lyashko “... the management of innovations in the organization should be considered as a system that includes the development and implementation of an innovative strategy, as well as constant updating of all internal and taking into account changes in external factors of the functioning of the organization in consistent with this strategy. Management of innovations involves the solution of complex multicriteria problems in conditions of initial uncertainty and in constantly changing external conditions. As an example, consider a situation in which only three parameters of innovation management are taken into account: products, technology (internal factors) and the market (external factor)”[8].

According to A.V. Tychinsky “Innovation is a product (product or service) of scientific activity, as a result of the application of which fundamental changes occur in production, entailing cardinal organizational, administrative and production and technological transformations. Innovation is the improvement of a certain part of the technological or production process, which does not require stopping production and significant economic costs. The innovation does not change the organizational and production-technological processes. It is aimed at both improving the manufacturing process and improving the final product (product or service).

The strategic importance of state policy is acquiring the innovative activity of companies, the content of which is the development and launch of new products on the market, the development and implementation of new technologies, the creation and application of new knowledge”.[9]

The innovation process is the process of transforming scientific knowledge into innovation, which can be represented as a sequential chain of events during which innovation matures from an idea to a specific product, technology or service and spreads in practical use.[10]

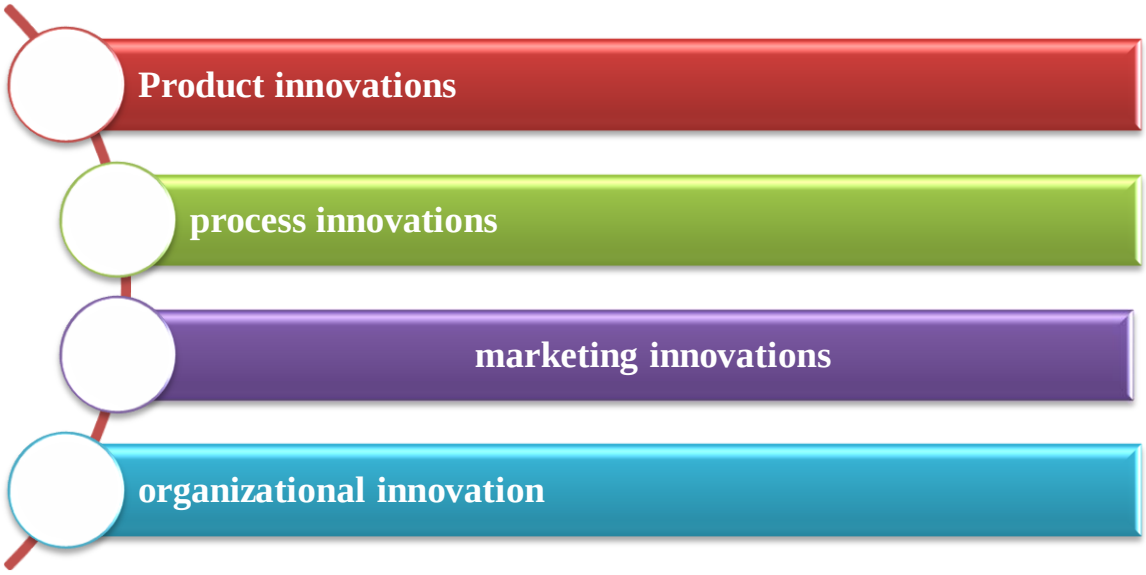
Innovation activities are activities aimed at using and commercializing the results of research and development to expand and update the range and improve the quality of products (goods, services), improve their manufacturing technology, followed by implementation and effective implementation in domestic and foreign markets. Innovation activity associated with capital investment in innovation is called investment activity.[11]

Theoretical bases of innovation activity are studied by economists of our country F.M. Matmuradov, B.E. Tashmuradova, N. Jiyanov, D.X. Suyunov, M.N.avshanov, M.Sh. Butaboev, A.T. Akhmedova, G.K. Tarakhtieva and studied in the scientific work of others.

According to B.E. Tashmuradova and N. Jiyanova, the concept of “innovation” includes not only technical research, but also to mastering innovations in enterprise activities.[12]

Innovation ensures technological development of the enterprise, which allows modernization, new processes, product, and service diversification due to the integration of new ideas. Optimization of existing or planned activities is aimed at introducing new ideas and scientific and technical activities into business through constant updating, explains G.I. Tarakhtieva.[13]

In general, innovations can be divided into the following types:



1st Picture Types of Innovation

Product innovations are innovations aimed at the development and introduction of technically and technologically new or improved products (works and services). Process innovations are innovations aimed at the development and implementation of technically or technologically new or improved production or training methods, as well as the transfer of technology. Marketing innovations are innovations aimed at introducing new or improved methods, including changes in product design and packaging, the use of new ways of selling and providing products (works and services), the formation of new pricing strategies. Organizational innovations are innovations aimed at introducing new or improved ways of organizing and running a business, creating jobs and establishing external relations.

Consequently, innovation is about - 1) a new set of innovations in the field of implementation, management and organization of scientific and technological achievements; 2) investment in the economy, ensuring the change of generations of technology and technology; 3) new technology, technology, which are the result of scientific and technological progress. The development of invention, the emergence of pioneering and major inventions is an essential factor of innovation.

Innovation activities are all scientific, technological, organizational, financial and commercial steps which actually, or are intended to, lead to the implementation of innovations. Some innovation activities are themselves innovative; others are not novel activities but are necessary for the implementation of innovations.

RESEARCH METHODOLOGY

The research has formed, studied and analyzed data, statistics on innovative activities in our country, in particular in Namangan region. Based on the collected data, the methods of generalization, observation, comparison, logical approach were used.

ANALYSIS AND RESULTS

In recent years, the country has been taking targeted measures to develop innovative sectors of the economy and social sphere, to provide comprehensive support and improve the effectiveness of science and research. A strategic program was approved, aimed at including the country in the list of 50 most advanced countries in the world ranking of innovations, new mechanisms for financing research projects were introduced, and additional conditions were created for material incentives for highly qualified personnel in science.

The main criterion for the effectiveness of reforms is the timely implementation of innovative ideas in practice, including science and industry, in the development of the economy of our country. Innovation is an innovation introduced to ensure the quality growth efficiency of processes and products based on market demand. And any kind of innovation must be influenced not only by innovation, but also as a factor that significantly increases the efficiency of the existing system. Innovation is the transformation of knowledge and ideas into capital. In this regard, it is important to study some aspects of the evaluation of products produced in enterprises, which are applied in practice.

Innovation is the result of the creative activity of an enterprise or organization designed for marketing (implementation). In recent years, special attention has been paid to the development of innovative activities in Namangan region. The share of enterprises and organizations producing innovative products, works and services is growing.

TABLE 1 NUMBER OF ENTERPRISES AND ORGANIZATIONS PRODUCING INNOVATIVE PRODUCTS, WORKS AND SERVICES IN NAMANGAN REGION (*In quantity*)

Naming	**Year 2017**	**Year 2018**	**Year 2019**	**The rate of change, the ratio of 2019 to 2017 in percentage**
Enterprises and organizations that produce innovative products, works and services on their own	117	192	184	157.3

According to the table, the number of organizations engaged in innovative work in 2019 was 184, which is 67 more than in the previous 2017, or 57.3%. In recent years, a certain amount of money has been spent on the development of innovative activities, focusing on technological, marketing and organizational innovations. In particular, in 2017 and 2018 for technological innovations, respectively, 52668.2 and 134051.7 million uzbek sums; 2585.2 and 2582.7 million uzbek sums for marketing innovation; Expenditures on organizational innovations amounted to 354.8 and 89.2 million uzbek sums.

Of particular importance in the development of innovative activities is financing, which is carried out from several sources, including in 2020 at the expense of own funds of enterprises

and organizations 127312.1 million uzbek sums, foreign investments 16457.3 million uzbek sums, 133412.8million uzbek sums from loans of commercial banks and 67.8 million uzbek sums from other sources.

In 2020, the financing of innovative activities increased by 5 times compared to 2017.

TABLE 2 SOURCES OF FINANCING OF INNOVATIVE ACTIVITY IN NAMANGAN REGION

(Million soums)

#	Source of financing	Year 2017	Year 2018	Year 2019	Year 2020	The rate of change, the ratio of 2020 to 2017, in percentage
1	**Own funds of the enterprise and organization**	49769.4	120604.5	152954.6	127312.1	2.5 times
2	**Foreign investment funds**	1112.2	12456.4	14328.6	16457.3	15 times
3	**Loans from commercial banks**	3614.5	3141.0	165081.2	133412.8	37 times
4	**Other funds**	1112.1	335.5	55.9	67.8	6.1
	Total	**55608.2**	**136723.6**	**332420.3**	**277250.0**	**5 times**

Funding from foreign investments is also growing from year to year. One of the fastest growing sectors in Namangan region is light industry, in which innovative development plays a significant role. With this in mind, it is planned to implement new projects for the innovative development of the industry.

TABLE 3 PROJECTS TO BE LAUNCHED IN NAMANGAN REGION IN 2021 IN THE FIELD OF LIGHT INDUSTRY

#	Project	Product type	Production capacity	Project cost	New jobs (person)	Start date
1	"Aminjon Xalima Tekstil" LLC	Terry towel products	1500 million units	13.5 million USD	800	01.11.2021
2	“OQTOSH TEKSTIL” LLC	Terry towel products	3200 metric tons	9.5 million USD	600	01.11.2021
3	"Shofirkon ekvatorial teks“LLC	Denim products	3 million units	11.2 million USD	1500	01.12.2021

4	"ART SOFT HOLDING" LLC	Terry towel, bed sheets	22.5 million units	8.6 million USD	1000	20.10.2021

Using the table above, we have listed the indicators of some projects to be implemented in 2021 in the light industry in Namangan region. We can see from the data that this will increase the level of economic development and employment in the region. In addition, the regional economy will receive additional foreign exchange inflows from exported products.

As a result of research, we can see that there are cases of non-implementation of innovative activities, problems and risks in the development of these activities:

-There is no perfect method and methodology for the development of innovative activities;

-Incomplete use of scientific, technical and educational potential, production capacity;

-The development of innovative activities is lower than world standards; lack of experience;

-The need to identify contradictions that negatively affect the development in this area;

-The need to pay more attention to the innovative development of education, the continuous development of teachers and continuing education, which promotes the development of innovative activities; import of new technologies in education for the development of science; the need to learn from experience;

-Increase the attitude of the population to science, scientists and their activities in social life;

-Probability of non-implementation of the innovative project; this includes unexpected political changes, organizational conditions, the possibility of changes in the environment being an obstacle, and so on.

Overcoming the above problems, the development of innovative activities in the future, large-scale reforms at the current stage of development of the country, improving the mechanisms of public administration in science and innovation, increasing transparency in the formation of state programs of scientific activity and scientific achievements and innovation In order to accelerate the introduction of technologies, development indicators have been identified. It envisages a number of indicators - funding for research and innovation projects, training of scientific and technical personnel, increasing the share of funds allocated to science in GDP and other indicators.

TABLE 4 PERFORMANCE INDICATORS OF THE MINISTRY OF INNOVATIVE DEVELOPMENT OF THE REPUBLIC OF UZBEKISTAN FOR 2020-2021[14]

#	Name of indicators	Unit of measurement	The current figure for the beginning of 2020	Indicator on the results of 2021 (plan)
1	The average amount of funding for a single research and innovation project	Million uzbek sums	530	600

#	Name of indicators	Unit of measurement	The current figure for the beginning of 2020	Indicator on the results of 2021 (plan)
2	Training of highly qualified scientific and scientific-technical personnel (per 1 million population)	person	950	977
3	The total cost of conducting research and preparing developments	Billion uzbek sums	570.0	780.9
4	The share of funds allocated to science in relation to GDP	Percentage	0.2	0.5
5	Funds raised from abroad to finance research and innovation projects	Billion uzbek sums	7.2	12.0
6	Young scientists sent abroad for internships	person	242	500
7	Number of international joint research projects	Units	21	55
8	Number of participants in startup project acceleration programs	units	60	200
9	Production capacity of products based on commercialized scientific developments	Billion uzbek sums	35	70
10	Introduction of new technologies, innovative products	Units	60	400

According to the table, in assessing the effectiveness of the Ministry of Innovation Development of the Republic of Uzbekistan in 2021 compared to 2020 to increase funding for science from 0.2% to 0.5% of GDP; increase the number of introduced new technologies and innovative products by 6.5 times; increase the number of participants in the acceleration programs of startup projects by 3.5 times; doubling the number of commercialized scientific developments; It is planned to double the number of international joint research projects.

Innovative activity and its development is first of all directly related to the development of science, in this regard, the concept of development of science in our country until 2030 has been developed.

TABLE 5 TARGETS AND INDICATORS OF THE CONCEPT OF SCIENCE DEVELOPMENT UNTIL 2030[15]

#	Targets	Unit of measurement	Indicators						
			year 2021	year 2022	year 2023	year 2024	year 2025	year 2027	year 2030
1.	The share of funds allocated to science in relation to GDP	%	0.5	0.8	1.0	1.1	1.2	1.6	2
2.	The share of funds allocated by the private sector for research and development in the total funding of science	%	12	15	17	18	20	25	30
3.	The share of innovative products (goods, works and services) in the total volume of products (goods, works and services) sold in the field of research and development	%	3	5	7	9	10	15	20
4.	Proportion of the value of machinery and equipment up to 5 years in the total value of machinery and equipment available in research and development organizations	%	15	20	24	27	30	40	50
5.	The share of expenditures on self-implemented technological innovations in the total cost of technological innovations in the field of research and development	%	11	15	17	21	25	35	65
6.	The share of the cost of purchasing machinery, equipment and software in the total cost of technological innovation	%	52	50	48	45	40	30	15
7.	The share of new markets for innovative goods, works and services in the volume of innovative products (goods, works and services) in the field	%	6	7	8	9	10	12	15

	of research and development								

Increasing the share of innovative products (goods, works and services) in the total volume of products (goods, works and services) sold in the field of research and development in Provard, innovative goods in the volume of innovative products (goods, works and services) in the field of research and development, It is planned to increase the share of new sales markets for works and services and raise the development of innovative activities to new levels.

TABLE 6 EXPANSION OF FUNDING AND DIVERSIFICATION OF FUNDING SOURCES FOR SCIENCE AND RESEARCH IN 2021 - 2023 TARGET PARAMETERS[16]

#	Name of expense items	Currency type	Source of funding	total	Including by years:		
					2021	2022	2023
#	Total expenses	Million uzbek sums		8715309.1	1592137.1	2508927.6	4614244.4
		Thousand USD		284515.4	30 283.1	102542.3	151690
	Including:						
1.	Financing the implementation of the program to strengthen the material and technical base of scientific organizations in 2018-2021	Million uzbek sums		116019.4	32352.1	29905.3	-
		Thousand USD		32270.8	8713.1	7422.3	-
2.	Funds allocated for the development of infrastructure of scientific and innovative activities on the basis of the implementation of the second stage of the program to strengthen the material and technical base of scientific organizations in 2022-2025	Million uzbek sums	State budget funds	250000	-	-	250000
		Thousand USD	State budget funds	50000	-	-	50000
		Thousand USD		960	-	320	640
3.	Funds allocated for the needs of the Fund for Support of Innovative Development and	Million uzbek sums	State budget funds	331000	100000	110000	121000

	Innovative Ideas						
4.	Attracting funds of international credit organizations on favorable terms for the development of science and innovation	Thousand USD	Funds of international credit organizations	113000	3000	55000	55000

It is known from the target parameters for the expansion of funding for science and research in 2021-2023 and the diversification of funding sources that the financing of science and research is mainly funded by the program to strengthen the material and technical base of scientific organizations, innovative development and For the needs of the Fund for Support of Innovative Ideas, it is planned to take measures to attract funds from international credit organizations on favorable terms for the development of science and innovation.

CONCLUSIONS

In order to overcome the existing problems in innovation in our country, as well as in Namangan region, and to develop this area, we recommend the following:

-In the direction of exports of industrial products, focus on reducing the export of raw materials, in particular, the export of semi-finished and finished products;

- Membership in the international insurance system "Green Map";

- Placement of orders of international brands in enterprises;

-Implementation of cooperation in innovative activities, conclusion of agreements with interested foreign organizations, funds and investors;

-Implementation of joint innovative activities, development and implementation of international innovative programs and projects, creation of favorable legal, economic, financial and organizational conditions for their implementation;

-Organization of joint training, retraining and advanced training in the field of innovative activities and mutual exchange of experience;

-Holding international conferences, seminars, symposiums, innovation fairs (exhibitions) and events in the field of innovation, etc.

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