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Innovative potential as a framework of innovative strategy for enterprise development

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Abstract

The article discusses enterprise innovative potential management as well as building innovation strategy of its development. Innovative potential is a measure that characterizes the company's ability to implement the processes of innovation. It is a basic criterion for determining the effectiveness and efficiency of the process of creating and using innovations [Fatkhutdinov, 2010].

Under modern competitive environment, few organizations are paying attention to the innovation potential management. Therefore, in connection with the transition of the Russian economy to an innovative way of development and a demand for innovations, a modern firm capacity to innovate allows it to be significantly ahead of its competitors.

Innovation potential management allows to transform the organization's strengths in its effective competitive advantages. The transition of the economic entity on the rails of innovation development in itself determines the success in the competitive market.

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Keywords: innovation, innovation potential, enterprise innovative potential level, innovation potential management, innovation climate, innovation strategy, innovation policy, product innovation, innovative product strategy.

1. Introduction

Sustainable development of the production and maintenance of its long term competitiveness depends on innovation. Innovation in the economy occurs as a major factor to improve production efficiency, since it is innovation that plays a key role in increasing production and sales volume. According to the estimates of foreign specialists, increase in national income through the use of innovation potential accounts for 80-90% [Bortagaray, 2000].

Innovation has become an integral feature of modern enterprises. In this regard, the importance of

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innovation management along with Russian companies' innovative development management is increasing.

Public innovation policy is the form of state participation in the innovation process. It includes a set of established objectives and priorities of the national innovation system development, as well as ways and means of achieving them due to interaction of government bodies at all levels. In general in the strategic plan the innovation policy goal can be defined through the development and effective use of scientific, industrial and financial potential of the country in order to improve the quality of life. [Semenov, 2013]

Innovative activity of the company is the source of development only in case of active, and sometimes "aggressive" promotion strategy, and granted the creation of favorable environment for new products, technologies and services initiation. A company with high innovative potential, found itself in an advanced information space, it possesses patents, research developments, inventions, new ideas, new technologies, undeveloped needs, etc. Considering all these, there is a multi-alternative interactive and expert approach to decision making.

The main difference of an innovative organization, is first and foremost its goals – to develop corporate and personnel innovative potential, to ensure long-term viability, to meet potential needs of consumers and to develop one's own market.

Innovation potential management is an integral part of innovation management and resolves the issues of innovative strategies planning and implementation for the enterprise sustainable development. Innovative strategies development is based on the evaluation of company potential opportunities and innovative potential, analysis of enterprise external environment for their possible implementation in strategic decision-making.

The growing role of innovation makes new demands on the question of choosing effective mechanisms for the innovative potential use and evaluation, and for the company innovation management. Therefore, more and more attention of domestic and foreign scholars is focused on the role of innovation in the company's development.

The Russian economy sees a disproportion between the availability of innovative features and their translation into actions. Few enterprises in Russia have a strong potential for innovation, but even fewer can effectively use it.

2. Theoretical review

Modern economics does not clearly define the concept of "innovation potential" and, consequently, there are no reasonable approaches to quantifying it.

The concept of "innovation potential" for the growth of the system at the expense of innovations was firstly introduced by K.Frimenom in 1970-80s. He believed that innovation was a system of measures for the design, development, exploitation and depletion of economic, social and institutional capacity of underlying innovations.

The practical aspect of "innovation potential" concept is reflected in the works of P.Drukera where he explores the sources of modern industry development [Drucker, 2009]. For instance, he noted that innovation started with an analysis of the existing potential in order to use it effectively.

In most cases, the authors concentrate on the analysis of innovation potential individual aspects; there are definitions which are not consistent and not focused on methodological essence of the concept. A group of authors led by V.N. Baranchev [Gunin, V.N., et al.1999] defines the organization innovative potential as a measure of readiness to perform tasks that ensure the achievement of company innovative objectives.

B.K. Lisin and V.N. Fridlyanov [Lisin, B.K., 2002] give the following definition of the enterprise innovative potential: a set of scientific, technical, technological, infrastructural, financial, legal, socio-cultural and other opportunities to provide innovations perception and implementation.

The research team, led by M.N.Titova [Titov, et al. 2010] considers that innovation potential is the ability of the real sector unit to ensure a sufficient updating degree for production factors, their combinations in the production process, organizational and management structures, as well as corporate culture.

B.A.Pateev [Pate, 2002] believes that company innovative potential is a mixture of information, technical and technological, intellectual, spatial, financial, organizational, managerial, legal and business resources, forming a unified system for the emergence and development of ideas to ensure the competitiveness of end products or services in accordance with the company purpose and strategy. S.V. Courts [Kortov, 2004] considers innovative potential as complex of resources containing human resources, material and technical facilities, finance, management, which is sufficient to implement a full innovation cycle and to meet the identified needs in innovation.

Company innovation potential is often viewed as a set of resources with varying degrees of detail.

Summing up the discussion of the innovation potential methodological essence it can be concluded that innovation potential is not only the resources available for innovation, but also the innovation mechanisms, which

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