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**SECTION 31. Economic research, finance,
innovation, risk management.**

ANALYSIS OF THE ORGANIZATION AND MANAGEMENT OF INNOVATION ACTIVITIES IN UZBEKISTAN

Abstract: In the paper analyzed trends in the development of innovative activities in Uzbekistan. In particular, statistical material was collected for 2010-20216 for the production of an innovative product in the country. In addition, the costs of organizational, technological and marketing innovations by source of funding were thoroughly analyzed. At the end of the article, the author developed a conclusion and recommendations.

Key words: innovation, industry, technological innovation, marketing innovation.

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INTRODUCTION

In today's world of globalization and sharp competition, more than 65 percent of all furniture industry worldwide accounts for more than 50 percent of all industrialized countries, of which more than 50 percent of manufactured furniture products are from the seven countries - USA, Italy, Germany, Japan, Canada and France, and the remaining 35% share in developing countries. In the current period, due to the active participation of Latin American, South East Asian and Eastern European countries, the future growth of furniture production by developing countries is expected, in particular, in recent years, furniture production has grown rapidly in China and Poland. About 86% of the total furniture is household, of which 20% are soft furniture, and 14% are enterprises, offices, hospitals and restaurants. [1]

Based on the positive experience accumulated in world practice, scientifically-based recommendations and recommendations on improving the scientific basis for increasing the efficiency of innovation capacity management mechanisms at the enterprises of the Republic of Uzbekistan on the basis of the experience of foreign countries on the basis of experience of foreign countries in the local furniture manufacturing industry development is one of the most pressing issues of today.

A number of positive steps have been undertaken in Uzbekistan to improve the national furniture industry, develop the markets for furniture production and sales, actively attract foreign investments and innovations, deepen the processes of modernization and diversification of production. Today, furniture and woodworking industries are one of the fastest growing industries in the country. If 5-8 years ago 65-70% of the domestic market was formed by foreign manufacturers, today almost 90% of the market is satisfied by our high quality local products [2]. One of the most important priorities of the Strategy for socio-economic development of the country for 2017-2021 is the increase in the share of the national economy, accelerated development, modernization and diversification of high-tech industrial sectors, complex and Effective access to information [3]. Effective implementation of these tasks requires the improvement of innovative management capacities in the furniture industry of our country.

LITERATURE REVIEW

The assessment and management of innovation capacities of industrial enterprises, socio-economic aspects of innovation potential and theoretical-methodological aspects, and management mechanisms have been explored in the work of many economists and politicians.

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M.Dodgson from foreign scientists [4], G.Grossi, J. Genri, D.Uolker, P.Druker, M. Porter, X. Mintsberg, T. Burns [5], G. Stalker, B.Taker [6], Y. Schumpeter [7], F.Vestley [8],

A. Afuax [9], A. Gomeringer [10], L. Libutti et al. Has widely covered the issues of modern theory of innovation management, strategies, use of innovative management technologies in ensuring competitiveness of small businesses.

I.Afonin from the CIS scholars [11], E. Theoretical and methodological problems of innovation management in the work of Balatsky [12], G.Gamidov, P.Zavlin [13], S.Ilenkova [14], A.Trifilova and other scientists have been studied, theoretical and practical analysis of innovative potential, innovative capabilities and their types, classification, structure and structure, concept of authorship and other problems of V. Barangheeva, V.Gunina, G. Jitsa, D.Kokurina, O.Korobeynikova, V. Moseyko, R.Fatkhutdinova, I.Shlyaxto scientific studies of scientists.

The work of scientists such as A. Trifilova, T.Gileva, V.Anshin, A.Bovin, R.Fatkhutdinov, V.Barancheev, I.Shylaakhto, V.Abramov to evaluate the problems of innovative potential development directly at industrial enterprises, as well as influence of various factors in its development .

Taking into account the national peculiarities, the scientific and theoretical bases of the development of innovative potential in the economy of Uzbekistan, in particular, direct industrial enterprises, have been accumulated by B.Khodiev, S.Gulomov, N.Yuldoshev, A.Bekmuradov, M.Ikramov, Sh.Zaynutdinov, M .Makhbova, R.Nurimbetov, Sh.Mirsaidova, Y. Goldman's works are widely covered.

Also, Sh.Mustafakulov [15], a researcher from one of the republic's researchers, analyzed the existing methods of evaluating the socio-economic and innovative potential of the regions, Kh.Mukhitdinov's institutional approach to the analysis of innovation potential development and development, U.Gofurov's contribution to the introduction of innovative ideas , I.Umarov, S.Saidkarimova, Sh.Oblakulova, analysis of innovation potential of industrial enterprises, A.Kakhhorov - innovation in automobile transport

enterprises and its assessment, B.Ro'ziev studied some theoretical-methodological issues of innovative development in the system of higher education.

However, in the above-mentioned authors' scientific works, theoretical aspects of the evaluation and management of innovation capacities are presented, but the inadequacy of this situation prevents the application of the theory in practice. Also, despite the studies in many areas of the theory of innovation, insufficient attention has been paid to the analysis of criteria for innovative capacities and methods of evaluation, factors that determine innovative capacities, and the effectiveness of innovative enterprise management mechanisms.

In addition, there are no fully-fledged and well-defined methods for assessing innovation capacities in industrial enterprises directly in the country, and there is a need to explore the innovative potential of the furniture industry and to explore the socio-economic essence of the industry, and develop innovative methods of assessment in the industry, The innovative capacities of the enterprise's enterprises have been studied as independent research objects unsold.

ANALYSIS AND RESULTS

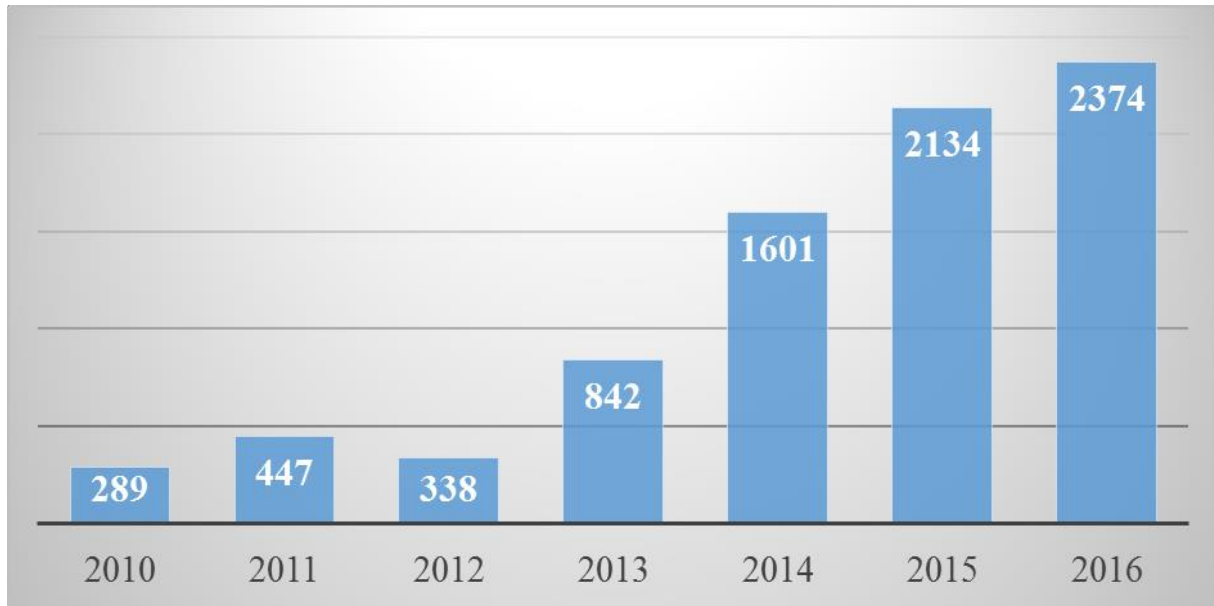
One of the important directions in the country is the modernization of economy, technical and technological re-equipment of production, development of entrepreneurship on the basis of localization, filling the domestic market with import-substituting and export-oriented goods, increasing the incomes and employment of the population.

In turn, this contributes to the development of innovative activities and capacity building in our country. As a result, the number of enterprises and organizations producing innovative products and services is increasing every year. However, the modernization of production requires not only modernization of existing technologies, but also an innovative approach to management.

Taking into account the above, we will analyze the development of innovation activity in the country on the basis of statistical data. The dynamics of the enterprises producing goods, works and services for the overall assessment of the process in 2010-2016 (Fig. 1).

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Picture 1. Total innovative products, jobs, services manufacturing enterprises.

The number of enterprises producing innovative products, works and services has increased 8.2 times over the last 7 years. That is, in 2010, there were 289, and by 2016 we could see 2374. The first stage of innovation development, that is not very high in 2010-2012, can be observed, however, in 2013-2016.

In the recent years, innovation in our country has a quantitative growth trend, but for a more in-depth analysis of this process, we will analyze the change in the number of first-time enterprises in the reporting year and their ratio to total number of innovative products, works and services (Figure 2).

The number of first-time enterprises in the reporting year

In 2012 and 2016, there was a steady upward trend, with an increase from 229 to 925. However, it reached the highest level in 2015 and reached 1207. These indicators testify to the development of innovation in our country. However, if we make comparisons with our analysis, we face a different situation.

For this purpose, we have identified the share of first introduced enterprises in the reporting year and their total number of innovative products, jobs and services. If we look at the dynamics of this indicator, it is 79.2% in 2010 and 39% by 2016. The major downturn here has been in the past three years, and we can observe a sharp decline in 2016.

This can be natural, since the increase in the total amount has led to a relative decline despite the quantitative increase in the number of first-ever-

assembled enterprises in the reporting year. However, the decline in comparison with the previous year in 2016 can not be explained, as the decrease is also relative.

We will consider the dynamics of innovative products, jobs, services and costs for 2010-2016 to further explore this situation. Using these two figures, we estimate the relative indicators. In order to evaluate the effectiveness of innovative spending, we look at the amount of innovative products, jobs, services, and the amount of products produced for each unit.

This computed figure is shown in Figure 2.1.3, indicating the higher the efficiency. Our calculations show that despite the steady growth trend in innovative products, jobs, and services, the amount of expenses has changed. As a result, the costs were minimal over the years when the amount of products produced at each cost was high. In particular, in 2012 this figure was 11.7 thousand soums, which provided a sharp increase in production and a reduction in the cost of the unit.

In spite of the fact that in 2012 the volume of expenses decreased by 16% compared with the previous year, the growth in the volume of innovative products, works and services was 2.7 times higher than in the previous year. By 2013, there is a sharp change in the amount of expenses, which is 14.9 times more than the previous year. As a result, the amount of innovative products per unit cost was equal to 1 soum.

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Picture 2. Additional innovative products, jobs, service cost ratio.

This indicator allows for a thorough analysis of the efficiency of innovative activity. The indicator reached its peak in 2012 and resulted from the sharp increase in the number of innovative products, works and services compared to the previous year. Except for 2009 and 2016, it can be seen that this indicator is smaller than 1 in all years, and it is equal to -1.3 in 2013.

Another problem in our country's innovation activities is the uneven distribution of innovative products, jobs and services across the region. The main factors contributing to this are the costs of innovative activity and regional development differences. However, we are currently implementing a number of practical work and programs aimed at reducing the level of development in the regions.

Particularly, it is based on a comprehensive and balanced socio-economic development of regions, districts and cities, their optimal utilization, and excellent estimates of this problem in the five priority directions of the development of the Republic of Uzbekistan in 2017-2021 targeted and concrete measures, programs and projects are a reflection of the government's challenge to the problem.

Based on the above, we will analyze the existing problem based on the information from 2016. Statistical data show that there is a disproportion in the distribution of innovative products, jobs, services in the regions (Figure 2.1.5).

In the country, in 2016, 48% of innovative products, works and services account for Tashkent city - 18.3%, the Republic of Karakalpakstan - 9.3% and Tashkent region.

As it is seen, the share of provinces is 24.4%. The share of innovative products and services produced in Surkhandarya, Jizzakh, Navoi, Bukhara, Khorezm and Syrdarya provinces does not exceed even one percent.

However, Andijan and Samarkand regions are quite high. In sum, the volume of production of innovative products and services is directly related to the development of the industry in the region. As our analysis shows, this indicator is high in the industrial regions.

Given the fact that innovative products and services are directly related to production, we want to pay special attention to the analysis of the structure of funding sources (Table 1).

Table-1. Costs of technological, marketing and organizational innovation by sources of financing, billion UZS (2010-2016)

	2010 y.	2011y.	2012 y.	2013 y.	2014 y.	2015 y.	2016 y.
Technological, marketing and organizational innovation costs	264,4	372,6	311,9	4634,2	3757,4	5528,3	2571,4
Including sources of funding:							
the organization's own resources	184,3	263,2	213,4	2501,5	1381,5	1251,8	1180,0
foreign capital	48,3	24,9	39,9	1228,7	32,3	156,6	314,9
commercial banks	30,0	63,7	26,8	533,5	262,5	280,1	157,3

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loans							
other funds	1,8	20,9	31,7	370,6	2081,0	3839,7	919,1

In 2010, 264.4 billion soums were spent on technological, marketing and organizational innovation, while in 2016 it reached 2571.4 billion and resulted in an increase of 9.7 times in the next 7 years. From the point of view of the source, the sources of funding have been formed by means of the organization's own funds, foreign capital, commercial banks loans, and other means. Their

share in 2010 was 69.7, 18.3, 11.3 and 0.7 percent respectively, and by 2016 it was 45.9, 12.2, 6.1 and 35.7 percent respectively. As a result, the share of own funds of the organization, loans of foreign capital, commercial banks decreased in the financing of innovative products and services, and the share of other funds increased.

Table-2. Type and review of innovations implemented number of issues is 2016

	Overall	Included have been studied:				
		By his own power	Cooperated with other organizations	Улардан:		Other organizations
				In collaboration with research institutes	Cooperated with higher education institutions	
Technological innovations	1816	1523	117	41	5	176
Including:						
by product	1118	973	73	15	4	72
processes	698	550	44	26	1	104
marketing	51	39	-	-	-	12
organizational	39	29	-	-	-	10

Most of the innovations introduced in Uzbekistan are made by enterprises themselves, including 1816 innovations in 2016, of which 1523 (84%) are made by enterprises themselves. Innovations introduced in collaboration with other organizations are 117, with a share of 6.4%. The number of innovations implemented jointly with research institutes and higher education institutions is only 46 (Table 2).

The cooperation between production and service enterprises, research institutes and higher education institutions is not sufficiently shaped.

Of the technological innovations, 61.6% had the innovation in the process, with the remaining 38.4% of the product. The number of enterprises and organizations involved in introducing the above mentioned technological innovations is equal to 893. The role of small businesses and micro-firms in this process is also high enough, with 44% of total technological innovation, or 799 in total. By 2016, every innovation-based organization has introduced an average of 2 innovations. In terms of regions, the highest value was in Andijan region - 3.4. Next place is Tashkent city and Ferghana region. Their indicators are 2.7 and 2.5 respectively.

The lowest indicator is in Jizzakh Province, where 41 organizations have implemented 44 innovations and have an average of 1.1 per organization. Based on the results of our analysis, we can conclude that the elimination of disproportional economic development at the regional level will contribute to the further development of innovation activities in the country. We believe that the development of innovative products and the development of cooperation with research institutes and higher education institutions will contribute to the further development of innovative capacities.

Conclusions

Our analysis shows that in spite of the fact that in recent years, the country has made significant progress in the production of innovative products, jobs and services, a number of problems have been identified. Particularly, the share of newly introduced enterprises in the number of enterprises producing innovative products, works and services has a tendency to decline, and there is disproportionate economic development at the regional level. In our view, overcoming these problems will serve to further advancement of innovation in our country. In

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addition, developing cooperation with research institutes and higher education institutions in the development and implementation of innovative products will contribute to the further advancement of innovative capacities.

The proposed structural analysis methodology includes indicators and calculations for personnel, financial, scientific and technical, production, technological, organizational and management

capacities and innovation capability and readiness of the enterprise. This will allow not only to evaluate factors affecting the innovative potential, but also to identify the more important factors that have a strong impact on the system. It also simplifies calculations, covering a small number of indicators, and at the same time, provides sufficient coverage of the enterprise's innovative capabilities.

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