

## METHODS OF MANAGEMENT OF INNOVATIVE DEVELOPMENT OF THE REGION

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**Abstract:** The development of innovative activities aimed at the development and implementation of its products is typical for enterprises of all industries. In the Russian economy, focused on innovative development, a special system of relations between enterprises, society, and the scientific environment is formed, where innovations play the role of the basis for the development of subjects of economic relations, and they, in turn, contribute to the development of innovations themselves. Innovative development of both the regional economy and enterprises face problems that impede the development of innovative activities. Identification and analysis of these problems contribute to the possibility of developing mechanisms for the development of innovative activities of enterprises and the region as a whole.

**Keywords:** innovative development, region, management methods, sources of financing, innovative strategy, cluster policy, innovative activity.

### 1 Introduction

Together, the state, business, science, and society are able to form a mechanism of innovative development of the country, so it is necessary to speak about the transition to an innovative type of development not only in the center of Russia but also in other regions of the country (Polyakova, 2015).

In the scientific environment, there are different approaches to the representation of the essence of the concept of "innovative development". A significant contribution to the study of the theoretical issues of innovative processes is made by foreign economists (drucker p., straight ahead, ben g., castells m., b. Tviss, b. Santo, schumpeter, etc.) And domestic economists (kondratiev n., anchishkin a., nikolaev i., blekhman l., kokurin d., etc.).

The most complete definition of the category of innovative development was given by kokurin d. I., who proposed its following essence: "a special innovative orientation of the goals, ways to achieve them, a special innovative "adjustment" of the mechanism by which the state influences economic processes and market self-organization, which is due to the fact that the orientation of the links of all sectors of the economy is mainly carried out taking into account the integrated use of innovation in the production of goods and services, as well as redistributed forms and methods of regulation taking into account the effectiveness of the impact" (Kokurin, 2001).

### 2 Methods

The core of innovative development of the enterprise is, first of all, the availability of financial, material, technical, human and information resources. Nevertheless, the effective use of these resources, focused on the implementation of innovative projects, depends on the level of organizational and managerial development, as well as the formation of economic, financial and institutional mechanisms (Chernova & sadovnikov, 2015).

It is important to note, the higher the innovative activity of the enterprise, the more favorable the socio-economic and institutional conditions in synergy with internal incentives and orderly innovation processes in the economic system.

The methodological approach to the management of innovative development at the regional level is designed to provide a combination of methods of state economic management and management methods, tested on micro-and meso-level systems - enterprises and corporate structures

The activity of any organization should be based on a well-developed development strategy that does not contradict its

mission. The innovative strategy is part of the overall long-term strategy of the company. Management activity of the company corresponds to its goals and objectives. It includes management at all levels of management, following local acts in the development of the enterprise (charter, job descriptions, regulations, regulations, etc.). Management activity is the part of the production process. Its result is associated with the efficiency of the formation of resources of industrial enterprises (Boyko, 2015).

The choice of sources of financing (own or borrowed), personnel, technologies, information, as well as the formation of the material and technical base are integral elements of management.

Marketing research is also an element of the mechanism for the development of the innovative activity. The level of influence of marketing on all spheres of activity of the enterprise predetermines its competitiveness and efficiency of functioning as a whole.

On the basis of marketing, the future creation and implementation of innovation are determined. With an insufficiently developed marketing strategy, the enterprise needs to develop a new innovative idea or adjust the sections of business planning already available on the basis of comparison of planned and actual indicators.

With the successful commercialization of innovation within the framework of the mechanism of development of the innovative activity of industrial enterprises, continuous monitoring is necessary. In this aspect, it is understood to coordinate the actions of all services and departments of the enterprise, control over financial indicators, assessment of market needs. In the process of monitoring, it is possible to return to the previous stages of the algorithm in order to further develop the directions of development. Based on the illustrated mechanism, it is easy to understand that innovative activity contributes to the accumulation of innovative capital.

### 3 Results and discussion

Since the state is interested in the successful activity of enterprises in the regional market, as well as in the development of their innovative activity in order to increase the competitiveness of the region, the innovative policy of the state is an external innovative mechanism for the development of the activity of companies in the field of innovation.

State and regional innovation policy are implemented with the help of modern tools to manage innovation development, which include (Ksenofontov & Sobolev, 2010):

- regional investment, innovation, and industrial policy are considered three basic elements of regional economic policy.
- regional cluster policy as a system of government measures and mechanisms to support clusters that improve the competitiveness of regions, enterprises belonging to the cluster, as well as ensuring the introduction of innovations.
- regional innovation foresight - should be an analytical forecast that allows formulating a vision of the future development of the region.
- using the experience of creating poles of competitiveness. The poles of competitiveness are innovative clusters that unite research organizations, educational centers, and industrial enterprises. At the same time, the task is to form enterprises that are attractive for the implantation of private initiative in the field of research and development, competitive from the standpoint of the international division of labor, and at the same time to provide an effective solution to regional and social problems.
- participation in the activity of Russian and cross-border technology platforms. It is the basis (format) for the interaction of participants in a particular sector of the economy in order to determine the priority areas of research

and development, time frame and action plan in those strategically important areas where future growth, competitiveness, and sustainable development depend on scientific and technological achievements in the medium and long term.

The creation of clusters is one of the promising methods of innovative development of regions. An innovation cluster is understood as a purposefully created group of organizations that operates on the basis of centers: activation of scientific knowledge and business ideas, training of highly qualified specialists.

The structure of the innovation cluster includes not only intellectual capital but also money. The infrastructure of intellectual capital in the structure of the innovation cluster include state educational institutions, technology parks, and business incubators, research centers and laboratories, research institutes, innovative business incubators. The infrastructure of monetary capital includes credit and non-credit organizations, private investors, venture funds, mutual funds, investment and innovation organizations.

The application of the cluster approach has a number of advantages, which are characterized by external cluster effects (at the level of the regional economy), and internal, based on the synergetic effect (Afuah, 2003).

External cluster effects include an increase of revenues to budgets of all levels; improvement of indicators of socio-economic development of the regional economy; increase of investment attractiveness of economic entities of the region; inflow of investments; improvement of the environmental situation; increase in the number of enterprises participating in the cluster.

Internal cluster effects are caused by growth of scale of production and expansion of area of activity; differentiation of costs and risks; increase of efficiency of productions; increase of a position in the market; decrease in costs for acquisition and distribution of knowledge and technologies; high level of adaptation to changes of environment; growth of a share of an intellectual product in production of the formed cluster formation; improvement of the main indicators of production, economic and financial activity.

The increased development of the innovative activity of organizations on the example of the republic of Tatarstan has increased due to the activation of the cluster approach by the government of the republic.

Application in practice of all internal and external elements of mechanisms of innovative development of the organizations is the developed integral system, some kind, algorithm on implementation of the mechanism of development of the innovative activity of the region.

#### 4 Summary

Thus, innovative development should be based on the knowledge of standard management techniques, the ability to quickly and competently assess the political and economic situation in the country, the state of the market, the place and position of the enterprise, as well as the professional ability of management structures to find a solution in various situations. The practical application of such a mechanism for the development of innovative activity in industrial enterprises will strengthen the innovative component of business and the transition to an innovative type of economic growth. It is the innovation cluster that is the basis for the development of investment and innovation activity of the region and leading enterprises (Ksenofontov & Sobolev, 2010).

#### 5 Conclusions

In conclusion, we can say that regional innovative economic development is appropriate to analyze in the integrity of activities that are aimed at fulfilling the existing tasks in relation to the socio-economic development of the country. As a result of

changes in government guidelines, the development of the region's economy is also subject to changes. It is no secret that sometimes the implementation of tasks depends primarily on the construction of relations between the subjects of the federation and the federal center, as well as on the situation on foreign markets.

Regional development can be managed through a wide range of very specific measures by which the administration of the region mobilizes the economy, encourages the creation of new jobs, expands the tax base and horizons for those areas of business activity that are of interest to the local community.

In the current difficult conditions, a competitive, high-quality economy at the regional level is a fundamental factor and even the basis for sustainable development, not only in the region but also in the state as a whole (Afuah, 2003).

Tatarstan has the potential to increase regional competitiveness. This is undoubtedly facilitated by progress in the institutional environment: measures, including a flexible system of private-state support for smes, have been developed and effective coordination of large businesses with smes has been established.

A fundamentally important financial institution in Tatarstan is the non-profit state organization "investment and venture fund". It plays a major role in sme promotion policy in the republic. Microcredit initiatives, and even more – crediting the economic agents from the real sector, the compensation of interest rates on bank loans, support for small business through the investment in fixed assets by leasing, programs of implementation of innovative projects in the past, not easy years, have given the opportunity:

- a) provide support to almost 3,000 small businesses for more than 3 billion rubles;
- b) provide surety in the aggregate for more than 500 billion rubles;
- c) attract small business funds from commercial banks in the amount of more than 1.5 billion rubles;
- d) prevent the reduction (during the crisis) more than 16 thousand jobs and even create more than 4 thousand new ones.

The innovative foundation of the economic system of Tatarstan is made up of such cities: kazan, neb. Chelny, nizhnokamsk, but first of all elabuga (as the most successful sez in our country) (Sitenko & yerzhanova, 2016).

Today the institutional environment of the domestic economy faces a lot of administrative barriers to the real competitiveness of economic agents. In spite of this, recent actions have been taken to change the structure of production in Russia, the transition to an innovative development scenario.

If effective laws on the protection of property are adopted at the state level, they will undoubtedly be effective at the regional level. The institutional environment in the regional aspect should be focused on the protection of the implementation of contracts, mechanisms, implementation of rules and regulations that ensure the accountability of the executive authorities of the public and the search for and implementation of management, economic mechanisms to promote the market entry of innovative and competitive products.

Institutional factors of development of regional economic systems of competitive advantages are as follows.

1. The presence of the developed innovation strategy (or program of regional, urban socio-economic development, including swot-analysis, scenario development planning, innovation activities, as well as mechanisms for their implementation).
2. The existence of certain priority regional projects that would cover the level of Russia with access to the international level.
3. Maintenance of high-quality infrastructure of the market economy, and not so much banks, insurance companies,

technoparks, and industrial sites, as effective power, transport, energy supply).

4. Development of entrepreneurship and innovation.
5. Modernization of the legal and regulatory framework, especially the legislative framework, which would contribute to regional innovation development and stable formation, sustainable development and quality implementation of the competitive advantages of the region.

Regional economic development at the present stage is heavily dependent on investment. The solution to this problem belongs to the competence of the region. Economic efficiency of regional development is impossible without the establishment of appropriate institutional frameworks and the scope of application of this policy.

The republic of Tatarstan is constantly working to ensure interaction with investors from abroad and to implement potentially promising regional projects. At the moment, the republic is taking a leading position in the volga federal district in terms of total investment.

The transition to an innovative development trajectory involves, first of all, large-scale investments in human capital. It is human development that is the main goal and a necessary condition for progress in modern society. And today it is an absolute national priority, as well as in the future (Freeman, 2007).

An important area of innovation development is the creation of innovative infrastructure. Technoparks and innovation and technological centers of various organizational and legal forms have been established in Tatarstan. They will be discussed in more detail below

To create a positive investment and innovation climate, consultations on the management of special economic zones of the republic of Tatarstan are held with the Russian government.

A particularly significant contribution to the economy of the republic of Tatarstan is made by the progress of the information and computer technologies sector, which is the most profitable and fastest-growing in the economy, creating grounds for increasing competitiveness and reducing it in all other sectors.

If we analyze the income as a result of the intensification of innovative activity of the business in Tatarstan, the region planned to receive additional income to the federal budget in the region of 106 billion rubles, but additional revenues amounted to 342 billion. We can say that the combination of all financial instruments for development has been effective.

In general, Tatarstan is purposefully and consistently implementing the strategy of transition to innovative development from the export-raw material economy. Developed oil production and petrochemical industry is the basis of competitive advantages, acting as the basis of innovative and technological development of the region (Nelson & winter, 2009; Grigorieva et al., 2018).

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