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DOI: 10.30857/2415-
3206.2020.2.14**INNOVATION AND INVESTMENT VECTORS
TO ENSURE BUSINESS DEVELOPMENT IN
UKRAINE****V. HOTRA¹, O. GANUSHCHAK¹**¹ *Uzhhorod National University, Ukraine.*

Introduction. The conducted research testifies to the limited possibilities of the state in the field of financing of education, basic researches and innovative activity of development of business.

The hypothesis of the research is to substantiate the recommendations and proposals for improving the efficiency of innovation in business with the possibility of multi-vector investment.

The purpose of the study is to substantiate the innovation and investment support for business development.

The methodology of scientific research is general and special research methods: dialectical – for analysis and understanding of the essence and content of the categorical series, monographic – in highlighting the views of scientists on the research issues; strategic analysis – to determine the priority areas for intensifying the innovative development of entrepreneurship.

Conclusions and prospects for further research. The formation of vectors of cooperation based on the unity of science and education, business and

government, namely: integration of developed strategic vectors of education; science; purposeful state policy of innovative development; bridging the institutional gap between science and education, government and business. It is determined that investment activity is one of the most important factors of sustainable growth and dynamic development of the Ukrainian economy, as it is the basis for reproduction and expansion of production and innovation potential of domestic enterprises, increasing their competitiveness and efficiency. However, the lack of a comprehensive high-performance system of innovation and investment management, adequate to the changing market environment and aimed at ensuring the rational use of investment resources, highlights the problem of improving and developing scientific and methodological approaches and tools to ensure business development, which will accelerate its social development. economic development through the investment mechanism.

Keywords: innovation and investment support of business development; competitiveness; innovation cycle.

NUMBER OF REFERENCES	NUMBER OF FIGURES	NUMBER OF TABLES
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ІННОВАЦІЙНО-ІНВЕСТИЦІЙНІ ВЕКТОРИ ЗАБЕЗПЕЧЕННЯ РОЗВИТКУ ПІДПРИЄМНИЦТВА В УКРАЇНІ

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Вступ. Проведені дослідження свідчать про обмежені можливості держави в області фінансування освіти, фундаментальних досліджень та інноваційної діяльності розвитку підприємництва.

Гіпотеза наукового дослідження полягає у обґрунтуванні рекомендацій та пропозицій щодо підвищення ефективності інноваційної діяльності в підприємстві з можливістю різновекторного забезпечення інвестиційної діяльності.

Метою дослідження є обґрунтування інноваційно-інвестиційного забезпечення розвитку підприємництва.

Методологією наукового дослідження є загальнонаукові та спеціальні методи дослідження: діалектичного – для аналізу та осмислення сутності і змісту категоріального ряду, монографічного – при висвітленні поглядів науковців на досліджувану проблематику; стратегічного аналізу – для визначення пріоритетних напрямків активізації інноваційного розвитку підприємства.

Висновки та перспективи подальших досліджень. Обґрунтовано формування векторів кооперації на основі єдності науки і освіти, бізнесу та влади, а саме: інтегрування розроблених стратегічних векторів

розвитку освіти; науки; цілеспрямовану державна політику інноваційного розвитку; усунення інституціональних розривів між наукою і освітою, владою та бізнесом. Визначено, що інвестиційна діяльність виступає одним із найважливіших факторів стійкого зростання та динамічного розвитку української економіки, оскільки становить підґрунтя для відтворення і розширення виробничо-інноваційного потенціалу вітчизняних підприємств, підвищення їх конкурентоспроможності й ефективності функціонування. Проте відсутність на багатьох з них цілісної високоефективної системи інноваційно-інвестиційного менеджменту, адекватного вимогам мінливого ринкового середовища та спрямованого на забезпечення раціонального використання інвестиційних ресурсів, актуалізує проблему вдосконалення і розвитку науково-методичних підходів та інструментарію забезпечення розвитку підприємництва, застосування яких сприятиме прискоренню його соціально-економічного розвитку через механізм інвестування.

Ключові слова: інноваційно-інвестиційне забезпечення розвитку підприємництва; конкурентоспроможність; інноваційний цикл.

Problem statement. The constant lack of financial resources is accompanied by special requirements for innovative projects subject to state funding, a limited list of areas for research and innovation, rigorous selection of projects and control over innovation activities of enterprises.

The lack of public funding for innovation must be compensated by private capital (Hanushchak-Efimenko & Shcherbak, 2016).

But investment support for innovation in business development from non-state sources is complicated by a number of problems related, firstly, to the lack of own funds of enterprises implementing innovation, and secondly, to difficult access to borrowed and attracted sources of investment resources.

Analysis of recent research on the problem. The issue of determining the sources of investment is devoted to many studies of various economists, whose views have changed significantly depending on the stages of economic development of society as a whole.

The purpose of the study is to substantiate innovation and investment support for business development.

Presentation of the main material. Consideration of financial support of various activities, including investment, is inextricably linked with the formation of the resource base. In this case, despite the fact that real investment is the basic beginning for the activities of economic entities, it is important to study the flows of investment activities.

This is due to the fact that:

first, financial flows are inextricably linked to the exchange of goods and money carried out in the production of goods and services;

secondly, the normal functioning of the economy requires stable and systematic work of relevant financial institutions that regulate and control independently all financial flows;

thirdly, the implementation of any type of investment activity (for the extended process of reproduction) is impossible without the involvement of borrowed funds, which are financial flows between the lender and the borrower.

The importance of using borrowed funds in the process of investment is reflected, in particular, the following data: according to statistics, the share of equity in large Japanese corporations is – 36.4% (in the US a similar figure – 40.5%); share capital accounts for one quarter of equity for Japanese corporations (28% in the US); other means – borrowed capital (bank loans, international credit, bonds, mortgages). The share of equity for domestic enterprises is about 60% (Yermoshenko & Hanushchak-Iefimenko, 2010).

Ukraine lacks "normal" sources of financing for the investment process, the capital structure is extremely distorted, and there are no mandatory sources of investment financing for a developed market economy. As a result, investment

activities are virtually blocked. In such conditions, it is important to stimulate the formation of "normal" sources of financing the investment process.

However, the consideration of the financial security of investment activities would not be complete without taking into account at least the following two aspects.

The first aspect. It is necessary to take into account the innovative orientation of investment activities.

This is due to the fact that in the context of accelerating STP, most investment projects have an innovative focus (Ganushchak-Efimenko, Shcherbak & Nifatova, 2018).

In this case, the system of investment in innovation contains a certain number of interdependent elements and must include at least the following components: sources of investment resources for innovation; developed structure of mobilized capital investment taking into account its value; hedging mechanism and investment risk prevention

At the same time, the features of the innovation process create conditions for the mutual influence of innovation and investment cycles in the process of creating innovations and opportunities for their interaction.

Thus the task of definition of their mutual influence consists in necessity: first, optimization of volumes of additional investment resources and rational use of available means; secondly, reducing the duration of investment and innovation cycles; third, achieving the effect (scientific, technical, economic or social) as a result of the origin, implementation and realization of an innovative idea.

In addition, the innovation cycle is characterized by the movement of money capital, risky in the form and purpose of providing, which is expressed in the following characteristics: in the purpose and nature of the use of funds in the innovation process – high risk of losing advanced capital for a number of reasons: innovation; possible erroneousness of the idea underlying the innovation project; difficulties of technical implementation of the project; unpredictability of the market reaction to the appearance of a novelty, etc.; investments in innovations are characterized by a significant time lag from the moment of advancement of financial and credit funds in innovations, to the moment of receiving commercial return from them; high uncertainty of the results of innovation activity denies the guaranteed nature of repayment of borrowed funds, which naturally implies an increase in the "price" of invested capital, as well as the entry of the lender in the right to co-own the innovation.

In this regard, the following trend is observed: borrowing funds to invest in innovation is possible only if the financial return from the use of the created innovation will be greater than from alternative areas of investment. The second

aspect is related to the need to take into account the fact that different stages of innovation use different sources of funding.

Thus, the financing of basic research and applied work is carried out mainly at the expense of budget funds, as well as at the expense of the customer. Since the result of applied research is not always predictable, at this stage there is a possibility of a negative result.

Research and development works and experimental developments can be financed both at the expense of budgetary funds, and at the expense of own means of the enterprises. To finance the stage of serial production, as a rule, use the resources involved. At the stage of commercialization of the invention, usually use the funds of venture investors.

Creation of a new specialized enterprise for the implementation of an innovative project is recommended in the following cases (Gryshchenko et al., 2019):

1. The parent multi-product enterprise allocates a specialized subsidiary for the development of innovations and operations with the new product, because it does not want to be directly responsible for the obligations arising in connection with the development of technically and commercially risky innovations.

2. A company specialized in innovation is founded by the authors (developers) of innovations that need outside investors, but share the risks of innovation with private founders-owners of relevant intellectual property, requiring them to participate in the company with real property contributions. The main factors that determine the possibility of using a source of investment innovation, it is proposed to consider the following:

- size and type of enterprise that implements innovations;
- creditworthiness of the enterprise, its financial position and financial management indicator;
- radical innovation;
- the size and nature of the potential effect of innovation;
- the level of risk associated with the implementation of innovation;
- the degree of dependence of the enterprise (whether the innovative enterprise is independent or it is founded by a corporation);
- time reserve for innovation development. According to this list, you can determine the following conditions for choosing sources of investment in innovation:

The size and type of enterprise that implements innovations.

Large enterprises tend to have more powerful financial and production potential and the ability to allocate funds to invest in innovative development. Small start-ups do not have the required amount of own funds. Therefore, such a source of investment as self-financing is mostly unacceptable for them.

Creditworthiness of the enterprise, its financial position.

Also, an important indicator of financial management – the ratio between own and borrowed funds, which forms an indicator of the weighted average cost of capital.

Radical innovation.

The radical nature of innovation also determines the possibility of its investment by the capital of venture investors, as for the development and implementation of radical innovations are often created specialized enterprises – ventures. This determines the features of investing in such innovations.

The size and nature of the potential effect of innovation.

The greater the potential effect of innovation, the higher the interest from private investors. In this case, if the implementation of innovation ensures the presence of social, environmental, budgetary effect, its financing may be partially or fully carried out by the state.

The level of risk associated with the implementation of innovation.

Development and implementation of innovations is quite a risky business. The risk may be related to the unsuccessful result of research, as well as to the fact that the innovation will not find commercial use. Thus, for example, the high level of risk associated with the implementation of innovations will make it impossible to obtain long-term loans.

The degree of dependence of the enterprise (whether the innovative enterprise is independent or it is founded by a corporation).

For most companies specializing in innovation, self-financing as a source of funding for innovation is unacceptable, because the innovative business is often a start-up and does not have the appropriate funds. When a new enterprise is established by a large corporation, which is able to invest in the authorized capital of the subsidiary large monetary or tangible assets, self-financing is able to make a significant contribution to the overall financing of the innovation project. The use of complex sources of innovation funding is quite complex and expensive for a small innovative enterprise. The most realistic for such enterprises is innovative credit, although this method of financing is often very complex and expensive for the lender.

Reserve time for the creation and development of innovation.

In the case where the decisive factor influencing the choice of source of innovation investment will be the time during which the innovation will be developed and launched on the market, the use of borrowed funds mobilized on the open market and self-financing funds, if they have not accumulated in the required amount, are not taken into account.

Thus, the sources of funding for innovation of enterprises are quite limited. The main ones, in fact, are two:

- funds of the founders themselves, which is created for the development of innovation, as well as related persons. For example, a subsidiary is created in the form of a new venture business;

- funds of third-party specialized investors and creditors, who deeply and on the basis of additional information provided to them analyze the possible degree of confidence both in the initiators of the innovation project and in this project.

Conclusions A well-established way to increase competitiveness is to build a knowledge-based economy. The country's ability to create knowledge, including scientific knowledge, its dissemination and effective use for the development of production are becoming the main factors of growth in such an economy, along with traditional sources – investment and labor resources.

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