INNOVATION CULTURE AS A COMPONENT OF THE INNOVATIVE ENVIRONMENT ECONOMIC CULTURE

Gennadi Dmytrenko
Doctor of Economics, Professor, Head, Department of Personnel Management and Labor Economics
Interregional Academy of Personnel Management

Anhelina Spitsyna
PhD, Associate professor, Department of economics
National Transport University
UKRAINE

The history of human civilization shows that society has always needed people who possess high intellectual and creative potential and extraordinary analytical abilities. Today, a great role in social progress is played by the intellectualization of society, when the whole world uses new information technologies, which undoubtedly expands the cognitive capabilities of man.

New technologies are being developed, new phenomena and facts are being discovered, new theories and knowledge, new sciences are appearing, and their study is accompanied by the development of new research tools. Such intensive development of scientific potential affects the intellectual culture of society, which promotes the invention, innovation and development of fundamentally new technologies for research and dissemination of knowledge in the socio-economic space to ensure competitive advantages of enterprises in a market economy.

The innovative activity of Ukrainian enterprises is determined not only by their innovative potential, but also by the innovative environment, in which the leading role is played by innovation culture. This is due to the fact that the growing complexity of technology and the dynamics of the technical process require the creation of innovation culture, which promotes change making and production of customer-oriented innovative products. Such a culture is characterized by clear goals, innovative energy, willingness to take risks, and courageous technical solutions. The definition of innovation culture as a component of innovation potential, "which characterizes the level of educational, cultural and socio-psychological readiness of individuals and society as a whole to perceive and implement the idea of economic development on an innovative basis" is given in the Law of Ukraine "Priority Areas of Innovation in Ukraine" [3]. Innovation culture is believed to be a functional subsystem in the innovation system of the enterprise, and it has its own potential and is able to stimulate the use of innovation potential of both the enterprise and its individual worker. Innovation culture is formed by means of an effective system of incentives, transparent and accessible information and communication flows, the development of modern organizational structures for competence and knowledge management. Innovation culture is able to direct the development of innovation potential for social purposes, which shows its humane nature, which is in line with the global trends in labor socialization.

Innovation culture also harmonizes the interests of all innovation process participants throughout the innovation chain, as the technical capabilities of the enterprise do not always coincide with its social intentions, and the economic
efficiency of innovation is not always complemented by its social effectiveness. The role of culture is to balance interests, goals and effects. Innovation culture acts as a regulator and informal controller of the innovation potential realization based on the system of cultural values, informal prescriptions, and rules of conduct that guide the innovation process participants, as well on the innovation culture’s economic nature, which reflects the relationship between the innovation process participants. Innovation culture is a result of socio-economic interaction of the agents of innovation, and it covers the relationships that develop throughout the origin, development and commercialization of innovations. These relations are mediated by an appropriate system of values, ethical orientations and responsibilities, so the innovation culture is characterized by qualitative certainty as a special feature of the system. Innovation culture is characterized by duality, because it is both a special kind of culture and, at the same time, an essential element of each type of culture.

Economic culture is formed in general economic practice and leads to the development of stable norms and rules of economic interaction, which facilitate experience sharing. This is why economic culture is a mechanism for the reproduction and development of economic relations of society and the individual in a variety of activities and forms. Economic culture is dissolved in the whole set of economic relations, which are not only culture manifestations, but also ways of culture existence. Therefore, the essence of economic culture is not in the level of economic development of people or their activities, but in economic relations that determine the nature of people themselves and their activities [6]. High economic culture will allow professionals to enter easily into any organizational culture, quickly determine the content and essence of culture in the new organization, make the right decisions in any situations, and self-realize.

Economic culture is a multidimensional phenomenon that consists of both rational and irrational components and contains basic economic values and norms, socially approved economic stereotypes and ideas, concepts and beliefs, economic traditions, as well as attitudes towards and preferences regarding the existing economic system, certain important "rules of the game" and the relationship between the individual and economic institutions [6].

Market leadership and competitive advantages can be gained through the use of knowledge, intellectual capital and intellectual assets. The formation of the intellectual and knowledge-based economy has stimulated scientists to expand scientific research and consider knowledge management in a single paradigm of intellectualization of society, economy and management.

Since the complex categorical system "man - knowledge - economy - society" has a cultural dimension, there is a need for scientific research into the culture-related factor. Innovation culture combines intellectual potential and creative management. From the perspective of innovation, innovation culture can be interpreted as an interconnected set of aspects: a process aspect as a way of functioning of innovation culture parts; a subject aspect as a result of activity; a genetic aspect as a constant source of organizational change. Given this, the use of innovation culture as an internal source of innovative development is maximized at any risk, and therefore, its potential value is very significant. Innovation culture is the basis for the development of creative thinking and creative approach to solving management problems and it is itself subject to transformation due to the same creative impulse.

Innovation culture can be considered as a functional subsystem, which is characterized by a life cycle with its pace and rhythm, which are not always consistent with the life cycle of the innovation system of the enterprise. Innovation culture develops either in phases or in a spiral. The phased life cycle of innovation
culture is based on the gradual formation of innovation culture elements and their inclusion into a single system. This model is good for the command management system, but strict regulation of processes restricts freedom of action and creativity. A changing environment and uncertain external factors go well with the spiral life cycle innovation culture, which organically integrates innovation culture into the innovative system of the enterprise and stimulates its evolutionary development more naturally.

According to scientists, "the multiplicity and diversity of links between innovation culture of the enterprise and other tools and methods of the enterprise innovation activities management require a clear definition of the role and place of innovation culture in creating an innovation-friendly environment" [1]. In this context, the main tasks of innovation culture in the enterprise innovation system include: support for innovative ideas development; encouragement of social and economic processes at the enterprise; optimization of all components of the innovation potential of the enterprise; activation of talents, generation of ideas and their commercialization; harmonization of relations between all innovation process participants and innovation process infrastructure; increasing the responsibility of innovation process participants, as well as the quality and effectiveness of the innovation process.

Innovation culture plays an important role in innovation activities because it stimulates creative thought, optimizes all components of the enterprise's innovative potential and affects the relationships that develop throughout the innovation cycle including weak links. Besides, innovation culture organizes and regulates the innovation cycle and its relevant procedures, significantly reduces resistance to innovation through a culture of change and transition, streamlines the innovation process due to its institutional nature as well as optimizes the entire innovation of the enterprise on the basis of accepted values and the work for the future.

The world economic system of the late XX - early XXI centuries is characterized by a new paradigm of economic development based on a significant reduction in the role of material and resource components of social production and increased role of the intellectual component. As the production, distribution and use of knowledge now form the basis of a knowledge-based economy, it is characterized by the growing interconnectedness of capital markets and new technologies, and the global scope of the creation and use of knowledge and technology. In the new economic conditions, the purposeful formation of innovation potential, increase of intellectual capital and their competent use becomes the basis of economic growth.

The future of economic culture depends on the consciousness and behavior of people as well as on the institutional conditions, which included the political stability of society, reorientation of old and creation of new management structures to support market relations, creation of legal regulators to protect various forms of ownership, new economic structures, and capital investment, as well as moral recovery of the population.

The economic culture of society, which is a synthesis of the material and spiritual, integrates economic behavior, combines material, economic and spiritual aspects of human life and is the result of creative activity of people in production, exchange, distribution and consumption of material and spiritual goods.

References:
The development of territorial communities is impossible without adequate resource provision, first of all - financial. At the same time, local self-government bodies of most territorial communities, especially small ones, do not have the amount of financial resources that would correspond to the functions provided by the legislation that impedes full implementation of the European Charter of Local Self-Government, the Law of Ukraine “On Local Self-Government in Ukraine” and concepts of sustainable development of territories [1; 2].

The issue of financial support for local government is also relevant to the need to optimize relations between budgets of different levels in connection with the coherence of the distribution of expenditure powers between executive authorities and local governments, the inadequacy of territorial development and community resource potential.

The process of formation of the institution of local self-government in our country, strengthening of its financial bases takes place in the conditions of transformation of the economic system. These processes have led to an increase in the functions of local self-government, which requires strengthening the effectiveness of the system of financial support of local communities to maintain a balance between functions and their financial capabilities. The powers of territorial communities in Ukraine are determined by Article 143 of the Constitution of Ukraine [3]: territorial communities of villages, settlements, cities directly or through the local self-government bodies formed by them manage the property which is in communal property; approve programs of socio-economic and cultural development and control their implementation; approve the budgets of the relevant administrative-