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THE BUSINESS SYSTEM OF MANAGEMENT OF INNOVATION RESOURCES AS AN ECONOMIC CATEGORY OF THE INSTITUTIONAL COMPONENT OF THE AGRARIAN SECTOR

Abstract. The necessity in the transition of agrarian sector of economy on innovative model of development of the application of the theoretical foundations of institutionalism in the institutional system of innovation, formulated the inseparable connection of institutional support “of the Business system of management of innovation resources” General technological process of production of high-tech products in accordance with the law of interaction.

Keywords: business system, innovation, institution innovation resources, intellectual product, competition, conceptual category

Business management system of innovation resources as an economic category of institutional system includes a significant list of current strategic and creative tasks that need to be addressed in the creation of technology demanding products and business. In particular, that is development of business ideas, market research, information collection and processing, promotion and advertising technology demanding products and services. And then a whole range of issues – like steps to success: business management and staff, overcoming competition, working with partners, negotiation, pricing, financial activity, business planning, legal and regulatory foundations of business monitoring and so on [1, 95]. It should be noted that activation of businesses in the production development on the basis of innovation requires, first of all, creation of competitive market environment. Competition as market institute, on the one hand, determines efficient functioning of other institutes, on the other hand, helps economic agents to react correctly to market signals when choosing innovative development strategy. Growing competition in conditions of innovative economy stimulates investments in scientific, re-

search and scientific-engineering studies, innovations use, improves intellectual products quality and leads to lower costs.

Competition development of is the most important factor in shaping the innovation behavior of innovation generators and agricultural businesses on the market: changing competitive relations necessitates the development and implementation of innovative products by innovation process' subjects: finding new research methods, new ways of implementing innovative ideas, new incentive mechanisms for transition to innovative changes.

Scientific institutions of NAAS, universities and research institutions of the Ministry of Agrarian Policy and Food of Ukraine from year to year receive around 700–900 protection documents for creation of new products, technologies, plant and animal breeds, which usage in agricultural production allow production of 50 million tonnes and eventually 70–80 million tonnes of grain, 10–15 million tonnes of oil-seeds, almost double production of livestock industry, to ensure the image of Ukraine as the breadbasket not only in Europe but in the world, the leader of oil exports, barley and corn [6, 321].

When using in production objects of intellectual property, the latter have a unique feature: if they are used more intensively, they not just reproduce, but can accumulate material resources, increase efficiency of natural resources use. In fact, the transformation of scientific knowledge into innovation and the latest into high-tech products occurs in conditions of effective functioning of business-management system for innovation resources, cooperation of all innovation process institutes. It follows the belief that reserves lie in all phases of the innovation cycle, from generating knowledge – creating innovation – forming the basis for an innovative resource to be included in the manufacturing of technology demanding products.

However, until now innovative resources are not widely applied in the agricultural production of Ukraine. In 2013, with 57 thousand units of existing agricultural organizations NAAS signed contracts for innovations implementation in production with 1420 agricultural organization. If in future the boosting of the creation and application of competitive innovation will not be activated, economic growth and agro-industrial production remain uncertain [10, c. 15].

One way of solving this problem is to create a viable institutional configuration of business systems development of innovative resources that combines different types of institutions (subsystems), developing effective relations between institutes (subsystems) with different functional properties, which has each one of the institutions (subsystems). The experience of highly efficient foreign and domestic business groups, operating on the market of technology demanding products, shows that profit and results in significant new business development is mainly achieved by the additional use of more efficient or additional innovative resources, and for that business management innovation resources should include number of these institutional structures (subsystems): “Marketing innovation”; “Research and development”; “Maintenance and transformation of resources”; “Production”; “Management” with methodological tools development (large set of consulting and training services).

Institute (subsystem) “Marketing innovation” directs its activity to:

- study the requests and needs of consumers in innovation, paying market segments of scientific production, the formation of inter-connected internal and external flows;
- testing methods of innovative resources transfer of research groups on the basis of market mechanisms to create scientifically demanding production;
- institutions’ capability estimation (franchising, engineering structures for the production of high-tech goods and services on contractual basis, the intellectual property rights transfer for usage in science-demanding sphere);

- assistance to organizing scientific and production cooperative formations on a contractual or proprietary basis for manufacturing of high-tech products.

Institute (subsystem) “Marketing of innovations” summarizes and monitors:

- state of filling science demanding market with innovations, its solvency innovative segments of the market orientation of resources and their structure;
- information flow, direction of innovation strategy [2];
- subjects that form and implement technological resources, facilities and technical consulting services;
- sales shaping by agents of high-tech products, volumes and pricing palette.

Institute (subsystem “Research and development”) is aimed at creating competitive innovation, obtaining added value from their development.

Institute (subsystem “Maintenance and transformation of resources”) includes institutions that provide resources for production. It defines the resources, revenues from outside, suppliers organizational structure and the amount of involvement of its own resources.

Institute (subsystem “Production”) directs organizational units, operating in production field, to involvement of optimal process parameters to convert resources involved in high-tech products, programmable quality of high-tech product and maximum efficiency at minimum cost.

Institute (subsystem “Management”) – provides optimal functioning of business system based on:

- definition of the sales market;
- clarification of conditions of different investing methods and optimal decision making;
- study of conditions and possibilities of attracting foreign investments;
- creation of optimal conditions for innovations management brought about by the formation of innovative business projects with defined parameters and business results, cash flows (revenues and expenses) [5];
- reliability justification of technological level of production base;
- avoiding technological dependence.

These unbreakable connections of institutional provision “Business-systems management of innovation resources” define constant movement and elements’ change of the overall production process of science-demanding production in accordance with the law of interaction.

And in these precise relations one element of the process stimulates the growth of another. The functioning of such connection creates conditions, when institute “Marketing”, having information about the market’s state, development trends, knowing about ideas of institute “Research

and development”, enables the company to design science-demanding products and services that will be accepted by consumers [4, p. 24].

Meanwhile, institute “Marketing” predicts profitable market segments. Such information – big find for “Maintenance and transformation of resources” institute. In order to become even more effective, institute “Marketing” urges institute “Management” to address issues of optimal production organization in terms of its sustainable operation under conditions of limited resources, causes institute “Research and development” to search for creative innovative solutions for the production of science-demanding products.

Usage of business-management innovation resources when a competent institution provides innovation support, tends to achieve multiplier effect of added value, linked to so-called mutual reinforcement loop of production processes.

Precisely increasing added value with simultaneously increasing investments in scientifically demanding production is stimulated by effective management of innovative, investment and material flows of innovation process in scientifically demanding production and development of financially healthy market segments.

To ensure successful operation of innovation resources’ management business-system in agricultural production, formal and informal institutions are shaped with transferring to them wide range of functions, in particular: designing, testing and distribution of knowledge and skills; intellectual property protection, patent law; innovation process organization; providing certain level of production stability; risk management; conflicts resolving and cooperation strengthening, etc.

Conceptual categories of institutional theory in economics, institutional structure (a set of formal and informal institutions) of innovation activity in agricultural production, the current state of institutional support for innovation in agricultural production of Ukraine were reviewed. The reasons that influenced preserving of inefficient institutions’ structure of science and innovative branch activity were revealed. The necessity to make agricultural sector function on the basis of innovative model of institutionalism’s theoretical achievements application in shaping the institutional system of innovation activity, unbreakable links of institutional support for “innovation resources’ management business-system” of general technological process of scientifically demanding products according to interaction law.

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