

## Foreign Experience of Achieving Efficiency through Improving Innovation

*Igamova Shaxinya Zikrilloevna*  
Teacher Bukhara State University

### ABSTRACT

*This article describes the importance of innovation today, the need for it, and the conditions for achieving efficiency of enterprises through it. In addition, the opportunities provided by the state for the development and implementation of innovations in Uzbekistan and the experience of foreign countries in this regard are also analyzed. In the conditions of the market economy, the individual's freedom of entrepreneurship, his knowledge in the field of economy, business acumen, the use of advanced technologies in the production of new competitive products are becoming the basis for solving the most complex issues in the development of many countries.*

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In the Address of the President of the Republic of Uzbekistan to the Oliy Majlis, it was recognized that our country has entered the stage of innovative development in order to achieve modern progress. "Innovation is the future. We must start building our great future... precisely on the basis of innovative ideas. It is not for nothing that we are moving to the path of innovative development and digital economy. Because in today's fast-paced world, who wins? A country that relies on a new idea, a new idea, and innovation will win."

Innovation, research, new ideas and activities in accordance with the requirements of the times are the most important issues in the modernizing Uzbekistan. As the President noted, in this period of rapid development, the country that relies on new ideas, new ideas and, of course, innovation will win. The adoption of the Law of the Republic of Uzbekistan "On Innovative Activities" on July 24, 2020 was an important step in creating the appropriate legal basis provided for in the State Program "Year of Science, Enlightenment and Digital Economy Development". This law is extremely important by strengthening the effective legal mechanisms of creation and implementation of new ideas, new discoveries, scientific developments, guaranteeing our progress and accelerating it.

According to the definition expressed in the law, innovation is a new development introduced into civil circulation or used for personal needs, the use of which in practice ensures the achievement of great socio-economic results. Innovative activity is the activity of organizing new developments, as well as ensuring their transfer and implementation in the field of production.

Innovation is a new or significantly improved product, service or process. The term "innovation" comes from the Latin word "novatio" which means "renewal" (or "change"). In this case, the prefix "in" is translated from Latin as "in the direction", if it is translated literally, it can be understood as "Innovation" - "towards change". The concept of "innovation" is "newness", "discovery"., create synonyms with the words "invention", and although they differ in meaning, in any case, all these concepts are related to the result - creative activity, creativity. At the same time, according to experts, if creativity is a new if it refers to the promotion of ideas, then the hallmark of innovation is its implementation.

In the conditions of the market economy, the individual's freedom of entrepreneurship, his knowledge in the field of economy, business acumen, the use of advanced technologies in the production of new competitive products are becoming the basis for solving the most complex issues in the development of many countries.

In the modernization of the country's economy, it is necessary to pay attention to the fact that in most countries of the world, the volume of production increases, mainly due to the use of scientific innovations, increasing the innovative competitiveness of the industry. For example, in Germany, 100 percent of GDP growth is due to innovation, and in Taiwan, 78 percent of employment and 45 percent of national GDP growth is provided due to the innovative entrepreneurship of enterprises. Now it is possible to evaluate the countries of the world as rich or poor, industrialized or agrarian countries, to evaluate them as producers of raw materials or producers of goods, producers of technologies, creators of knowledge (including high technologies). Those who belong to the last group are the leading countries in the world.

The implementation of technologies is constantly improving and is implemented differently in different countries. In particular, the results of scientific research and experimental construction work carried out at the federal level in the USA are carried out through non-state enterprises. They are the main link in the system of scientific research and experimental design work. The federal government thereby provides employment to the best scientific research organizations, talented scientists, and assigns to them the tasks of scientific research and experimental design work.

In Germany, the experience of the USA was first used, and later, it adopted the scientific research experience used in England, France, and Japan. Japan and newly industrialized countries in Southeast Asia focus their modernization and innovation activities on acquiring promising high-tech innovations before they reach the final market. For example, Japan spent 100 times less than the USA on scientific research to create these innovations by purchasing 1,500 licenses per year, and reduced the production of many types of imported products through these licenses.

The role of innovation programs based on fundamental and scientific research, aimed at the perspective of target programs of states aimed at technological and technical modernization, will increase in the improvement of the efficiency of innovative management of networks. Production enterprises should independently decide on the introduction of scientific products. The second side of the issue is that even when the scientific product is ready for introduction, the organizations that finance the innovative process should work in the modernization of the network.

Scientific research institutions are ready to offer their scientific solutions, but the problems of financing the introduction of innovation are a pressing issue today. It is necessary to develop a mechanism for commercializing scientific products. One of the unique features of innovative processes is its multidisciplinary nature. The main sources of financing the innovation process are the republican budget and the regional budget. It should be noted that in recent years, the share of budget funds has been decreasing in the republic, while financing from the funds of economic entities has been increasing.

It is known that it is important not only to make full use of available resources, but also to use the possibilities of high technology by combining the improvement of the mechanism of financial interest of scientific workers and executives participating in the innovation process, with the results of the implementation of innovative ideas. Action on the innovation process should develop in two ways. On the one hand, the state should direct more budget funds to scientific directions, to encourage credit organizations for innovative activities, as well as to coordinate innovative activities with regulatory documents, on the other hand, enterprises, including product manufacturers, should be innovative. should accelerate the implementation of projects. In this case, the availability of mechanisms that make sure that the banks will benefit from the innovative project and return the loan resources is of great importance.

Studying the activities of enterprises shows that they have a desire to introduce high technologies, but due to the lack of knowledge and experience in using their own funds and bank loans, the possibility of introducing an innovative process is decreasing. Therefore, they always need qualified advice. It would be expedient to form a single integrated system in agreement with the advisory service system, scientific research, educational and experimental enterprises. Therefore, first of all, it is necessary to develop a mechanism for the organization of consulting services and to strengthen its legal basis. The basis of

sustainable development of production enterprises and product competitiveness in the country is the modernization and innovation of the industry.

Today, the following factors hinder the development of modernization and innovative activity in the republic:

- lack of participation in the selection of projects, lack of funds, difficulties in using loans;
- that entrepreneurs do not have enough information about financing options for innovative programs and projects;
- that the system of training and retraining of innovative marketing and managers engaged in innovative activities is not well developed;
- Such as the lack of a system of innovative ventures and insurance companies that assess the level of risk of innovative projects and insure them.
- Lack of contacts with foreign innovation partners, etc.

In short, the process of innovation requires the development of various forms of ownership, private production and service provision, which operate on the basis of the competition mechanism in the country, on a continuous basis.

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