



SYSTEMATIC MANAGEMENT MODEL TO INCREASE THE EFFICIENCY OF INNOVATIVE SERVICES

Jurayeva Dilnoza*

Researcher, Bukhara State University, Republic of Uzbekistan

Abstract

In this research article, the theoretical foundations of the content of the development of innovative activity as an object of management in the service sector has been analyzed. The problems of developing the transfer of innovative developments and technologies in improving the efficiency of managing innovative activity in the service sector, and developed a methodological approach for the development of innovative activity in the service sector. The method of assessing the impact of innovative management methods and technologies is also proposed, which will make it possible to determine the degree of influence of the taken management decisions on the introduction of innovations and on this basis determine and implement measures, will help to improve the management system of the service sector enterprise during the transition to an innovative economy.

Key words: Digital economy, Activity, Social networks, Telecommuting, TCP and IP protocol.

1. Introduction

It should be emphasized that as a result of the adoption of two new Laws and other regulatory acts governing science and innovation, the industry has developed an environment of competition, interest and responsibility. As a result, a startup ecosystem was founded that aimed at developing scientific and small-scale volume products, new innovative production structures and technoparks were created.

2. Literature Review

Modernization and intensification of agriculture in the republic of Uzbekistan were investigated by Yuldashev *et al.* (2020), empirical research on causal relationship between export and foreign investments in the economy of Uzbekistan based on granger test Mustafakulov *et al.* (2019), issues of factors effecting net actives of investment funds were

studied by Burkhanov *et al.* (2019), aspect of financial security of industrial enterprises under influence of global crisis were researched by Tursunov (2017) and Tursunov (2020).

3. Analysis and Results

As a result of innovative reforms in recent years, the Republic of Uzbekistan was again included in the International Ranking of the Global Innovation Index in 2020 after a five-year, which rose by 29 points compared to 2015. It ranked 93 among the 131 countries, 12 among the 29 middle-income countries and 4 among the 10 countries of Central and South Asia. Uzbekistan in the Global Innovation Index has shown positive results in indicators that are Institutions, Human capital and research, Infrastructure, Knowledge and technology outputs and Creative outputs (Annual Statistical Collections of the State Statistics Committee of the Republic of Uzbekistan, 2017 - 2020).

*Corresponding author: Jurayeva Dilnoza

Received: 28.08.2021; Accepted: 22.09.2021;

Published: 15.10.2021.



In general, the results of reforms in the field are also positively evaluated in international indices. The Republic of Uzbekistan in the ranking of the Global Innovation Index in 2021 rose by 7 positions and took 86th place among 132 countries, while the republic entered the top 10 countries with the highest rating (Otajonov, 2010). The analysis shows that the share of services in GDP in the world averages 61 per cent. In our country, this figure is 36 percent. But 86 percent of value added will be created in this area. Continuing this analysis on the scale of the republic, the volume of services per capita in the Republic of Karakalpakstan, Kashkadarya, Namangan, Surkhandarya regions is 2 times lower than the national average indicator. Only by improving the roadside infrastructure can additional services be created for 700 billion sums. In particular, more than 10 thousand kilometers of roads in more than 150 districts and cities have needs more than 400 large service facilities. At

the same time, with the participation of investors, many services can be established by providing entrepreneurs with a free part of trade, catering and entertainment facilities of a light design on part of parks and squares, education, culture, sports and health care (Drucker, 2008). Measures are being taken to continue the procedure of quarterly payment of value added tax for entrepreneurs with an annual income less than one billion soums. This will allow more than 8,000 entrepreneurs to have a turnover of 220 billion soums in a quarter.

The concept of marketing development in the field of innovative services includes: Marketing system model → independent variables (causes) → offering services' products in specific market conditions. Related variables (efficiency) ↔ Perception that the proposed product corresponds to the potential of consumer services (Table - 1).

Table – 1: Creating of an Optimal model of Organization Management and Marketing System in the Provision of Innovative Services

Variable factors (causes) affecting development	Directly variable factors (efficiency)
Marketing complex	Consumer attitude
1. Market status	1. Consumer awareness
2. Decision about product	2. Awareness
3. Decision about price	3. Interest
4. Decision about sell	4. Preference
5. The decision to market the product	5. Buy
Marketing environment	Profit for the organization
1. Demand	1. The quantity of sell
2. Competition	2. Market share
3. External factors	3. Profit
4. Internal resources of the organization	4. Image

Nowadays, there are 135 higher educational institutions in the Republic, of which 109 are domestic and 26 foreign higher educational institutions and their branches. 28 universities, 37 institutes, 3 academies, 1 conservatory, there are 9 non-governmental higher educational institutions and 26 branches.

Currently, there are more than 104 academic and sectoral scientific institutions in the science sector of Uzbekistan, including 65 scientific institutes, 31 scientific centers (14 of them specialized scientific and practical centers)

and 8 other scientific organizations. In addition, research work is being carried out in more than 120 universities (Zaynutdinov, 2000). In the Republic, 31,285 employees are engaged in research and development work, of which 10,726 or 28.8% have a scientific degree, of which 2,553 are doctors of sciences, 7,472 candidates of sciences (PhD) work in various research institutions and scientific centers. The most popular area of economic activity is "professional, scientific and technical activities", including 177 organizations engaged in research and development (Table - 2).



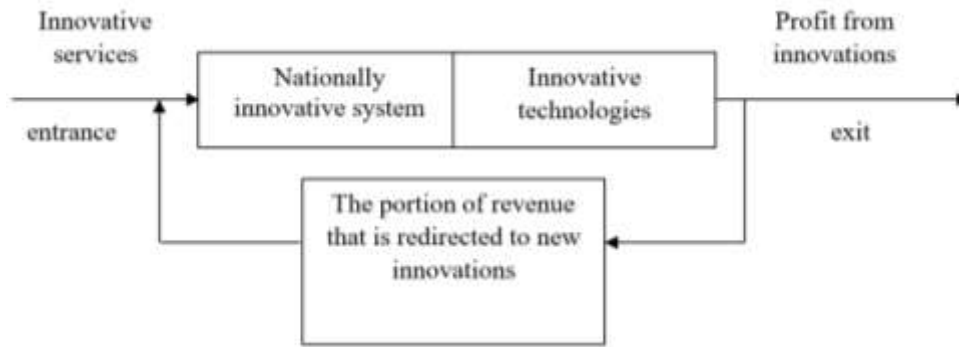


Figure – 1: A systematic model for improving the efficiency of innovative services

Table – 2: The number of organizations that have carried out research and development work in the main areas of economic activity in the Republic of Uzbekistan

Type of Economic Activity	Years		
	2017	2018	2019
Total	389	668	304
Type of Economic Activity			
Agriculture, forestry and fisheries	14	18	7
Mining industry	2	4	-
Manufacturing industry	12	21	11
Information and communication	4	6	4
Professional, scientific and technical activity	219	390	177
Education	87	156	67
Provision of health and social services	9	20	8
Arts, entertainment and leisure activities	32	45	19
Other types of economic activities	9	8	2
Other types of economic activities			

The simultaneous decline in the number of organizations engaged in research and development work and the increase in the total number of such work mean that scientific

organizations are more engaged in scientific projects and research from year to year. Consider the distribution of research and development by activity in Table - 3.

Table – 3: The number of research and development activities carried out by type of economic activity and years in the Republic of Uzbekistan

Indicators	Years		
	2017	2018	2019
The number of scientific research and experimental-constructive works	30447	13876	17845
Scientific research (research works)	7001	6195	13793
Fundamental research	1013	738	1986
Applied research	5988	5452	-
Design, engineering and technological work	515	1142	406
Production of prototypes, batches, products	381	166	71
Design work for construction	1915	625	134
Scientific and technical services	20635	5818	3441

The centralization of scientific organizations in the around the capital and the lack of modern scientific laboratories among people, currently 90 percent of research

laboratories are formed in the city of Tashkent and its environs, which leads to the restriction of scientific research in people (Tursunov, 2017). Currently, 37,185 researchers (with professor



and teachers at universities) of higher educational institutions are engaged in research and development activities, of which 16,863 or 45.3 % work in Tashkent. If we analyze the scientific researchers who work in scientific organizations, then 59.4 % (8,054) of 13,566 scientific workers work in Tashkent. In 2020, 75.1 % or 960 out of 1278 scientific projects implemented under the state programs of scientific activity correspond to the share of scientific organizations in Tashkent. Other 318

(24.8 %) are performed by scientific institutions in other regions of the country, including: the Republic of Karakalpakstan - 23 (1.8 %); Andijan region - 14 (1.1 %); Bukhara region - 12 (0.9 %); Jizzakh region - 5 (0.4 %); Navoi region - 9 (0.7 %); Namangan region - 12 (0.9 %); Kashkadarya region - 16 (1.2 %); Samarkand region - 51 (4.0 %); Syrdarya region - 1 (0.08 %); Surkhandarya region - 6 (0.5 %); Tashkent region - 147 (11.5 %); Fergana region - 10 (0.8 %), Khorezm region - 12 (0.9 %).

Table – 4: The analysis of influencing factors to develop innovations in the field of services

Group of factors	Obstructive factors to the activity	Service factors to the activity
Technical and economic factors	Lack of funds to finance risky projects; weakness of material and scientific-technical base, lack of reserve capacity; the predominance of current production interests	Reserve of financial and logistical means; necessary economic and scientific-technical infrastructure; availability of financial incentives for innovative activities
Legal	Legal restrictions by antitrust, tax, depreciation, patent-license legislation	Legislative measures to encourage innovative activity
Organizational management	Organizational management structures, excessive centralization, conservatism of hierarchical principles, the predominance of vertical information flows, the complexity of inter-sectoral and inter-organizational interactions, the focus on short-term coverage; difficulty in coordinating the interests of innovative process areas	Flexibility of organizational structures, democratic style of management, dominance of horizontal information flows; planning inductance, decentralization, independence, formation of target and problem groups
Socio-psychological	Change of status, the need to look for a new job, the reconstruction of the established methods of activity, resistance to the violation of behavioral stereotypes; resisting all news from the outside	Spiritual stimulation, recognition in society, providing opportunities for personal development, liberation of creative labor

It is obvious that in accordance with the consistent reforms carried out by the President to develop science and innovation, it is important for local authorities to take concrete measures to form and implement regional programs of scientific activity. On the basis of the implemented, the factors influencing the development of innovations in the field of services were identified and grouped (Table - 4). In order to develop innovative activities in the field of services in our country, it is necessary to implement a number of important tasks.

- The first is the reduction of high transaction costs in the use of scientific and technical information in the services sector, testing of new technologies for

service companies, the market of financial and investment institutions offering their own resources for innovative developments and their introduction (venture firms, modernization funds and technology transferservices, etc.) encourage the organization to increase the effectiveness of "science-education-production" integration.

- Second, to deepen the reform of the information and consulting system to develop innovative activities of service subjects, to improve the infrastructure of business services.
- Third, the widespread introduction of innovative marketing to increase the



effectiveness of innovative activities of service subjects, the creation of competitive new technologies in emerging market processes and the rapid resolution of commercialization of their introduction.

- Fourth, defining strategic and tactical goals for the development of innovative activity in the services sector, developing a system of innovative strategies, forming innovation and investment portfolios, creating and implementing patents, licenses and know-how, effective risk management, diversification processes.
- Fifth, by bringing services to the world market and adapting them to international market standards, service subjects should be involved in foreign economic activity, improve the quality of information support to small businesses using the achievements of modern information technology, and encourage the development of innovative activities.
- Sixth, the intensification of modernization processes in the services sector, the introduction of modern flexible mini-technologies that ensure the production of quality and expert-based competitive products, the implementation of flexible pricing policies based on product quality, the formation of business mechanisms.
- Seventh, in the current context of developing market economy, revise the limits of the number of employees in high-profit economic sectors based on international standards, train qualified managers to effectively organize the management of small business, especially expand the supply of innovative managers.

If we introduce a system of creating innovative techniques and technologies that use modern, advanced and cost-effective technologies and ensure high quality and consumer properties of goods, we will attract young people to this field, meet the domestic needs of our population and produce

competitive, high-quality products. we can achieve further increase in production. It is expedient to take into account the following in the development of service sector subjects through innovative development paths:

- First, to motivate employees of companies to develop new innovative ideas by engaging them in more marketing research.
- Second, to organize the establishment of test sites on the territory of the company before the implementation of innovative projects created by young employees.
- Third, to expand access to credit and the necessary resources for businesses and private entrepreneurs, and to create a system of lending for innovative projects.
- Fourth, to address the issues related to ensuring the continuity of electricity, natural gas, drinking water and similar utilities, which are the most important factor in production in the remote areas of the provinces.
- Fifth, the organization of trade fairs of innovative products and mini-shops created.
- Sixth, to achieve the export of finished products with high added value, rather than raw materials in the future, by forming the necessary organizational, legal, financial mechanisms and further improving the conditions for the development of export potential of the services sector.

The implementation of innovative projects in priority areas around the world requires the availability of appropriate infrastructure. To do this, taking into account its current state of fragmentation (scientific centers, scientific institutes, universities, startups, business incubators, technoparks, etc.) in Tashkent, a large modern park of scientific and technological innovations with a separate area - High Technology Park creation project is proposed. Currently, there are no such structures in Uzbekistan. Examples of the experience of neighbour countries are the Innovation Center "Сколково" in Moscow (Russian Federation) and the park "Великийкамень" in Minsk,



"Парквысокихтехнологии" (Republic of Belarus). In addition, the experience of countries such as the United States, South Korea, Singapore and China should be taken into account in the organization of the complex. Nowadays, the full and effective use of the potential of local science can be achieved by expanding the availability of modern equipment for scientists and providing them with all the necessary resources. To this end, it is expedient to create scientific laboratories, engineering centers and production and experimental sites in the areas of the High Technology Park, which are the "drivers" of the country's economy.

The main purpose of providing separate relevant services to the representatives of these three sectors will be to strengthen the link between education, science and production. The proposed High Technology Park should be a point of intersection of technological needs of small and large industrial companies and the proposals of researchers. The High Technology Park also pays special attention to educating young people and improving the skills of engineering specialists with the involvement of highly qualified specialists from around the world. The trained specialists will be necessary as water and air for foreign companies opening their branches in Uzbekistan, which in turn will have a positive impact on attracting foreign direct investment to the country.

In addition, experts from other Central Asian countries will be involved, which will help strengthen the concentration of the best personnel in the field of technological innovation in Uzbekistan from all over the region. It is necessary to organize a new generation of specialists to work closely with industrial companies to solve technological problems and meet the needs of various industries. Teams of engineering centers conduct technological audits of manufacturing enterprises, work on research and innovative projects, the results of which are practical in improving labor efficiency through the introduction of new technologies and the creation of value chains. In addition to scientific laboratories, engineering centers and production

and experimental sites, it is proposed to place residential, office buildings, financial institutions and retail facilities in the territory of the complex. It is also planned to accelerate innovative startups and implement incubation programs for high-tech businesses. It is proposed to turn the complex into a center of innovative technologies in Central Asia, based on modern museum technologies, combining world scientific achievements and technologies, high-tech products, which are the "drivers" of the country's economy, attracting the attention of residents and visitors.

It is necessary to carry out large-scale work on the accelerated development of innovative entrepreneurship in our country and popularize innovative activities among the population through the organization of special events, as well as create favorable conditions for technology companies, business accelerators, incubators, technology brokerage, technology transfer and others. This task should be carried out in two main directions.

The first - in the format of Demo Day, the organization and holding of weekly meetings of startups and investors - this event is organized for developers and startups to present their projects to potential investors and attract investment. Nowadays, there are four versions of the Demo Day model available:

- Public presentations
- In Speed Pitch format presentation
- In Meet Up (Elevator Pitch) format public presentation
- New format – Startup Fest.

Such activities allow to evaluate the important features of the project:

- Team ability to present - their level determines how successfully the founders present their product to partners, consumers and new investors.
- Ability to defend their idea - to convince the audience that there are several growth prospects in this project.
- Ability to accept constructive criticism from experts.



- Substantiate a business model - understand how to set up and develop a project.

Second - the development of startups based on science-based technologies, providing a complete infrastructure, as well as comprehensive professional support at all stages of development, creating opportunities for reliable development worldwide. In an innovative economy, there is a repetitive change in the stages of the innovative life cycle, based on the constant interaction of new knowledge with the new requirements of these services, where there are four variants of the combination of basic conditions (BC) shown in Table - 5.

Innovation is a powerful stimulus to deepen and expand the interaction between education and manufacturing in the service sector. In the context of an innovative economy, the ever-expanding set of needs is constantly in line with the growing system of services, the types of labor. In a society based on the information and machinery industry, this process is constantly updated. This, in turn, will make

organizational training an integral part of the training of the appropriate workforce for enterprises in the service sector. Further, the consistent development of society and production leads to the existence of a natural relationship and interdependence between the level of development of the means of production and the level of development of the labor force. At the same time, the organizational-management mechanism of innovative development of the service sector is a set of tools and processes, including elements of the management system infrastructure, interaction system, functions, standards and rules. The management model of innovative activities of enterprises in the service sector is shown in Figure - 2. The main objectives of model are:

- Ensuring forecasting and planning of information technology development
- Implementation of innovative design and information technology projects
- Providing scientific and methodological assistance
- Information provision

Table – 5: A combination of basic conditions of service that lead to the renewal of knowledge and innovation in the field of innovative services

		Service requirements (knowledge, skills, qualifications)	
		New	established
Objectives (elements) of the subsystem of training staff	New	BC1	BC 3
	Established	BC 2	BC 4
1) New – New – BC 1; 2) established – New – BC 2; 3) New – established – BC 3; 4) established – established – BC 4			

In this regard, the dissertation emphasizes the need to assess the level of organization of innovative management of the company in the service sector, which serves as a means of stabilization and a way to activate the development process of the service sector. Therefore, in companies in the service sector, it is necessary to emphasize the effective and ineffective organization of innovative management. The results of our research show that in improving the organizational and economic mechanisms to ensure the innovative development of services in the national

economy, it is necessary to take into account the strengthening of business relationships with large companies, the legal framework for their cooperation, the development of efficiency strategies. Problems of management of companies in the field of innovative services are identified, the main problem is the increase in quality requirements for services, their differentiation, strengthening the introduction of innovations in production and economic activities, the use of modern information technologies and management methods.





Figure – 2: Management of innovative activities of companies in the field of services

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Website	www.jpsscientificpublications.com
DOI Number	DOI: 10.22192/iajmr.2021.7.6.1
Thomson Reuters Researcher ID	K-4194-2016
ISI Impact Factor	3.652

How to Cite this Article:

Jurayeva Dilnoza. (2021). Systematic Management Model to Increase the Efficiency of Innovative Services. *Indo - Asian Journal of Multidisciplinary Research*, 7(6): 2422 – 2430.

[DOI: 10.22192/iajmr.2021.7.6.1](https://doi.org/10.22192/iajmr.2021.7.6.1)

