

business organizations is defined. The recommendations of the European Standard CEN/TS 16555-1: 2013 " Innovation Management. Part 1: Innovation management system " in relation to the formation of such a system. The directions of further actions for the implementation of these recommendations in the activities of Ukrainian business organizations are outlined.

Keywords: *Innovation Management, Innovation Management Standards, Innovation Management System*

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INNOVATIVE BUSINESS: DEVELOPMENT, STRATEGY, PROSPECTS

Resume: *Innovations are considered as one of the most important element of the economy under the modern rapidly-changing conditions of economy. In this regard, the innovative potential of small business is notable and after its realizations, society's progress is achieved.*

The advantages of innovative development is recognized and tested in foreign countries, long-term strategies of innovative development are worked out. In the article, the necessity of development of innovative entrepreneurship is justified and the measures of its achievements are discussed.

Key words: *Innovations, innovative potential, strategy, government policy.*

Introduction: In modern conditions, innovations are considered as one of the main element on both, national and international level as well. It's preferential to choose such innovative way of development, which change and increase the structure of the whole GDP and increase the level of technologies.

Purpose. The purpose of the work is to justify the innovations, as an important factor of increasing the efficiency of production capacity, production quality and export, investments, employment, service production and manufacturing, which on its side, provide to increase competitiveness of enterprises in domestic and external markets.

Results. In accordance with the international standards, innovation is the result of investment in new inventions and in getting knowledge, which had not been used before for renewal of the spheres of human life and the process of its further implementation, which brings additional value in the form of profit, advance, priority, fundamental improvement, qualitative increase or progress.

Innovations mean not only technical-&-technological innovations, but the existence of innovation socium in organizational forms, as they are: education, managements, labor organization, service, science, informatization and etc.

So innovation includes the following process: investments-working out-implementation process-getting the qualitative improvement.

Systemic modernization of economy is impossible without an orientation of sharply expressed innovative policy. The changes of modern economy is going on rapidly, the life cycle of the products decreases, the buyer's needs rise in the foreground, also business environment is rapidly changing and knowledge gets older too. On this background, such business-entities are able to survive, which production is provided with new knowledge and innovations.

When we're speaking about advancement of innovative business, it's impossible to evade innovative potential of small business. Modern market processes are characterized with high quality of the segment, what especially increases the innovative activity of small enterprises. The epoch of mass markets steps back and nowadays the determining factors of business tendency become diversity and changeability of customer requirements. New markets of the product and service are being created, the capacity of which is insignificant. Small enterprises are able to have flexible and rapid reaction on customers' needs, they can supply small-serial, unique and specific product to separate market segment. Under the conditions of market economy and competition, the enterprises of small business have to destroy the innovations in order to increase income and profit. Entrepreneurs always aspire to individualization and this aspiration stipulates to expand the scope of their knowledge. All enterprises can't invest cash resources in innovative activities, that's why they themselves try to work out the opportunities and prospect of further development.

In order to implement such developments, it's necessary to be based on the creative potential of the company, also knowledge and recognition of customer's requirements.

Small business is not accidentally considered as a fundament of innovative development. It's stipulated with the following reasons:

- Scientific process in the small firms produces with max intensity, because every effort is directed to one project;

- In small firms, the management system is small, which decreases manufacturing overheads and avoids such bureaucratic moments and agreements, which decrease effectiveness of scientific-research works in large companies;

- Small firms, usually, better see the tendencies of market development, which are close to the customer's requirements, what makes the production more flexible.

Inventory of entrepreneurial entities and realization of innovative potential is precondition of the progress of the whole society life. In this regard, business is notable as well, however, sometimes the measures of large enterprises contradicts to the innovations. For example, when in the industrial enterprise operates the most difficult technological line, it's not desirable to change it and to introduce new technologies.

Large enterprises rarely master inventions and innovations. They recognize them, but they are not able to implement all new inventions in the enterprise, only for the reason that the existing is better. They try waiting while new techniques and product cause sharp increase of prices. For them, it's more suitable fundamental research and processing in the field of new technologies, material incarnating of the original ideas is a business of rather smaller innovator firms. The general trend is that, the correlation of the number of innovations to the expenses is 3-4 times higher than in small and medium firms based on scientific-research than in large firms. The most often used innovations by the large enterprises are the result of innovative activity of small and average, including, engineering, venture and introducing firms. They're created by scientific-researchers, innovators and engineers.

Due to the ownership rights over prospective technologies, small business can introduce the results of scientific-research work at a high risk. Small entrepreneurs can sell this rights to the large interested companies, or they can merge them as a result of agreement. Thanks to the ability to adapt flexibility and changing conditions, they can master the initial stage of the innovative process and to prepare the

soil for implementation of new innovation for the large business, which have financial and production opportunities.

One of the most important priorities for Georgia is to work out the innovative strategy, which should be reflected in the state target programs of innovative development. Such programs, in various form, exist in developed and developing countries and the effectiveness of their use is confirmed by Japan experience.

In view of the fact that, the minimum of its own natural resources are placed in Japan, the government of the country thinks that scientific-technical policy is a necessary mean to increase the international competitiveness of the country and it increases the stimulation of economic growth. The government of Japan allocates subsidies for small enterprise entities at all stage of development, if they take active part in the development of scientific capacious and high-technological production. State separates out the loans for them, offers guardianship to take on credit and other kinds of credit guaranties.

The main purpose of such policy is:

- Improvement and modernization of enterprise production of scientific-capacious fields;
- To implement the worked out technologies together with the scientific institutions;
- To work out and implement new forms of production.

In China, small entrepreneurship can be called the scientific engine of the country, through which the enterprises can produce a large number of the innovative production and technical inventions. Singaporean, Finland, Denmark, Israel and other countries are also very popular with the development of small innovative businesses. These countries have timely evaluated the importance of innovations for the economy and began the development of innovative entrepreneurship through the business-incubators, Techno Parks, Innovative Funds, which belong to the infrastructural elements to provide complex support for small entrepreneurship.

In Georgia, it's important the existence of a sharply defined strategy of innovative development in order to increase the innovation activity level in the most fields of business-sphere and to revive traditional and potential sectors on the basis of it. It should be established close relationship between universities, scientific-research institutes and enterprises and for the purpose of implementation of innovative-introduction activity.

In the development of Georgian economy, on the background of great importance of innovative policy, we consider that it's important

the realization of state innovative policy, During which the main function should be to stimulate all participants in all stages of the innovative cycle. In the world practice, it's used the following types of tax privileges and stimulating of innovative activity: To reduce the taxes while increasing the expenditure on innovations; Tax "holidays" from the profit of realization of innovative project; to reduce the tax norm on the profit; to establish the benefit on the accounts of the performed priority projects and etc;

It's important to create the competition in innovative sphere, customers' interests and interests of the manufacturers of new techniques, technology, production should coincide. By this latter, orientation was taken on foreign scientific-capacious product. Domestic production can not properly participate in a competitive fight, or else there're many novelties, which are preserved in scientific-research organizations.

It should be noted that, issues related to innovative politics are involved in the agenda of discussing the country's development. In the "Social-Economic Development Strategy of Georgia", worked out by Georgian government, is given the directions of policy, to be implemented to rise the development level of technologies and innovations. Since 2016 year, venture investment program has set in motion "start up-Georgia". State program made a financial support innovative ideas of beginner businesses, It includes various components: Financing, simplify of tax and legal procedures, also, to promote the relevant education. Venture investment project is designated for startup of high-tech fields, which include such fields as they're: Aerospace industry, automotive, artificial intelligence, biotechnologies, bioinformatics, computer engineering, computer science, nanotechnologies, nuclear physics, semiconductors and telecommunication.

By 2020 year, in the field of innovations and technologies, The main result of policy pursued by the Government of Georgia is as follows: transfer of the advanced technologies by the companies and strengthen of introduction in practice, reinforce the connection between scientific circles and business, the existence of satisfactory level of innovations and as a result of this to increase the competitiveness of local production, orientation of high-tech products of Georgian exports".

Despite of a certain upheavals, in accordance with the evaluation of international organizations, the innovation indicator of our country remains unfavorable. According to GCI rating in 2017-2018 years, Georgia has 118th position in accordance with the innovations. We

have unfavorable situation in such components as they're: Innovative opportunities (99), quality of scientific research institutions (127), Company expenditure on research and development (122), the existence of science and engineering (125), participation of industrial institutions in research-development (116), use with patent (70).

Conclusions. We consider the following measures to be appropriate for stimulating and developing small innovative business:

- Formation of a normative-legal basis and its perfection for stimulating innovative activities;
- It should be improved to prepare qualified manager staff for innovative projects;
- To create the guarantees of getting profit and demand on innovative products;
- To invite experienced specialists for the development of innovative activity and to train local managers;

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EFFICIENCY MANAGEMENT OF PUBLIC INFRASTRUCTURE

Abstract. *Public infrastructure is a universal consumption product that must be provided for the population by the government. For State, regional administration or municipality planning and implementation is the significant task. Ensuring public infrastructure (construction as well as its further exploitation) requires substantial financial resources. Therefore, the main task and challenge for the government is to create the infrastructure with the limited resources and with the term of maximum exploitation.*

It is also important to insure projects from the corruption facts. For this purpose, the transparent spending of funds should be ensured by active involvement of the public and proper financial management. Furthermore, it is substantial that we used innovative approaches during the project