

The Role of Innovation Management in the Modern World Economy

Dilrabo Malikova

Acting associate professor, Faculty of Banking and Financial Services, Samarkand Institute of Economics and Service, Samarkand, Uzbekistan

Shamshod Toshniyozov

Student, Samarkand Institute of Economics and Service, Samarkand, Uzbekistan

Abstract: *Innovation is one of the important forms of expanding the capabilities of the economic system in the modern world. On the basis of innovation, science, production and the market are being united. In recent years, innovation has transformed from an element of economic development into a general social factor in the development of regions. Innovation management can be recognized as a multifunctional activity. The object of this activity is a number of factors, including the economic, organizational, managerial, legal and psychological impact on the processes of innovation, and ways to most effectively organize the implementation of innovations and innovative developments. This article presents the essence of innovation management, its significance and role in the modern world economy.*

Keywords: *Innovation, company, management, economic growth, knowledge, opportunities, employees, performance efficiency, sustainability.*

INTRODUCTION

The significance of innovation management in the world cannot be overstated, as it plays a crucial role in driving progress, competitiveness, and sustainability across various sectors and industries.

Management innovation refers to the implementation of novel practices, strategies, structures, processes, or techniques within an organization to enhance its managerial effectiveness, efficiency, and adaptability. Unlike product or service innovation, which focuses on creating new offerings, management innovation centers on transforming the way organizations are managed and operated.

The essence of management innovation lies in challenging conventional wisdom, questioning established practices, and introducing new approaches to address emerging challenges and opportunities in the business environment. It involves breaking away from traditional management paradigms and embracing creativity, experimentation, and continuous improvement to drive organizational performance and success.

2. LITERATURE REVIEW

Innovation management aligns managerial practices with the strategic objectives and goals of the organization. It ensures that management approaches are tailored to support the organization's vision, mission, and long-term strategy.

In otherwise, innovation management fosters a culture of innovation, collaboration, and agility within the organization. It encourages openness to new ideas, risk-taking, and learning from failures, creating an environment conducive to experimentation and creativity. It enables organizations to adapt to changing market dynamics, technological advancements, and competitive pressures. It

equips them with the flexibility and resilience to respond quickly to disruptions and seize emerging opportunities.

This type management empowers employees at all levels of the organization to contribute ideas, make decisions, and drive change. Moreover, it involves decentralizing decision-making authority, promoting autonomy, and fostering a sense of ownership and accountability among employees.

Management innovation emphasizes continuous improvement and learning. It involves regularly evaluating and refining management practices, processes, and structures to enhance organizational efficiency, effectiveness, and performance.

Besides this, management innovation places a strong emphasis on understanding customer needs, preferences, and expectations. It involves adopting customer-centric management approaches to deliver superior value and experiences to customers. Management innovation encourages collaboration and cross-functional teamwork within the organization. It breaks down silos, promotes knowledge-sharing, and leverages the collective expertise and insights of employees to drive innovation and problem-solving.

In addition to the above, innovation management involves establishing metrics, benchmarks, and performance indicators to monitor the effectiveness and impact of innovative management practices. It enables organizations to assess their progress, identify areas for improvement, and make informed decisions.

Overall, the essence of management innovation lies in fostering a culture of innovation, adaptability, empowerment, and continuous improvement within organizations. It enables them to stay ahead of the curve, drive sustainable growth, and achieve their strategic objectives in an increasingly complex and dynamic business environment.

3. JUSTIFICATION OF THE NECESSITY AND SIGNIFICANCE OF INNOVATION MANAGEMENT

Innovation management fuels economic growth by fostering the creation of new products, services, processes, and business models. It leads to increased productivity, efficiency, and competitiveness, driving economic expansion and prosperity. In a globalized and rapidly changing business environment, organizations need to continuously innovate to stay ahead of the competition. Effective innovation management enables companies to differentiate themselves, capture new markets, and maintain their competitive edge.

Innovation management plays a vital role in addressing pressing societal challenges, such as climate change, healthcare, poverty, and resource scarcity. It drives the development of innovative solutions and technologies that can improve quality of life, promote sustainability, and tackle complex issues facing humanity. Moreover, innovation management supports entrepreneurship and the growth of startups by providing frameworks, methodologies, and support systems for turning innovative ideas into viable businesses. It encourages risk-taking, experimentation, and creativity, driving entrepreneurship and job creation. It drives breakthroughs in areas such as artificial intelligence, biotechnology, renewable energy, and digitalization, shaping the future of industries and societies.

Effective innovation management practices help organizations streamline processes, optimize resources, and adapt to changing market dynamics more efficiently. It fosters a culture of continuous improvement, learning, and adaptation, enhancing organizational resilience and agility.

Innovation management emphasizes grasping customer requirements, desires, and challenges, resulting in the creation of inventive offerings that provide improved value and satisfaction. It promotes a customer-centric approach and nurtures enduring customer connections.

Additionally, innovation management stimulates cooperation and exchange of information across various sectors, such as businesses, governmental bodies, educational institutions, and non-profit organizations. It facilitates open ecosystems for innovation, forming alliances and networks that promote collaborative problem-solving and the spread of innovative ideas.

In summary, innovation management is essential for driving economic growth, enhancing competitiveness, addressing societal challenges, fostering entrepreneurship, promoting technological advancement, improving organizational efficiency, driving customer value, and catalyzing cross-sector collaboration. It is a key driver of progress and prosperity in the world.

4. CONCLUSIONS

In summary, innovation management is essential for driving economic growth, enhancing competitiveness, addressing societal challenges, fostering entrepreneurship, promoting technological advancement, improving organizational efficiency, driving customer value, and catalyzing cross-sector collaboration. Organizations that embrace innovative management practices are better positioned to thrive in an ever-evolving business landscape.

The role of innovative management in the modern world economy is paramount, serving as a catalyst for progress, competitiveness, and sustainability. It is a key driver of progress and prosperity in the world.

REFERENCES

1. Togayev, S., & Ergashev, J. (2023). Peculiarities of organizational strategy formation. *Educational Research in Universal Sciences*, 2(1), 459-464.
2. Muminovna, Malikova Dilrabo, and Umarova Sevara Aliyevna. "Risks in Innovation Activities and Methods for Effective Management of Them." *Iqtisodiyot Va Zamonaviy Texnologiya Jurnal*| *Journal Of Economy And Modern Technology* 2.10 (2023): 12-18.
3. Baldynyuk, Vasyl, (2022), FEATURES OF INNOVATION MANAGEMENT AT MODERN ENTERPRISES, *Three Seas Economic Journal*, 3, issue 3.
4. Muminovna, Malikova Dilrabo, and Mekhrozheva Diora Bekzodzhonovna. "Main elements of innovation activity of a modern organization." *Iqtisodiyot va zamonaviy texnologiya jurnal*| *Journal of economy and modern technology* 2.10 (2023): 6-11.
5. Bekmurodov, A. A. (2021). Improving the introduction of DIGITAL technologies in commercial Banks. *Galaxy International Interdisciplinary Research Journal*, 9(10), 355-357.
6. Muminovna, Malikova Dilrabo, and Adilova Parvina Farrukhovna. "The essence of innovation management." *Iqtisodiyot va zamonaviy texnologiya jurnal*| *Journal of economy and modern technology* 2.10 (2023): 1-5.
7. Маликова, Дилрабо Муминовна, and Лазиз Хусанович Курбанов. "НЕЗАМЕНИМАЯ РОЛЬ ДЕНЕГ В ЭКОНОМИЧЕСКОЙ СИСТЕМЕ." *Journal of new century innovations* 30.5 (2023): 3-6.
8. Drivas, Kyriakos, Economidou, Claire, Karkalakos, Sotiris and Tsionas, Mike, (2016), Mobility of knowledge and local innovation activity, *European Economic Review*, 85, issue C, p. 39-61.
9. Маликова, Д. М. "ОРГАНИЗАЦИЯ УСПЕШНОГО КОНСАЛТИНГА." *Экономика и социум* 11 (78) (2020): 858-860.
10. Anvarovich, Nozimov Eldor, and Bakhronov Daler. "GROWTH OF FOREIGN DIRECT INVESTMENT AND ITS IMPACT ON THE ECONOMIC DEVELOPMENT OF UZBEKISTAN." *Gospodarka i Innowacje*. 42 (2023): 27-30.