



# PULL MECHANISM" MANAGEMENT OF INNOVATIVE ACTIVITY

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**Abstract:** In the article the business model of innovation development management on the basis of value-thinking of interested parties (stakeholders) and their participation in the innovation process. The necessity of coordination and control functions as the focal point in reconciling different interests of economic entities.

**Keywords:** innovative development, business model, business processes, innovation and activity-activity, integration, coordination, stakeholders.

## Introduction

To date, the country has a lot of programs for the development of pilot clusters, technology parks, business incubators and other support institutions for innovative development of the Russian economy. The conditions exacerbated the financial crisis it is necessary to change the model of bureaucratic control in the business, which is based on no budgetary allocation of resources and partnership of government, business and science. But until there is a balance and integration of the actions of economic entities the same territory, the synergetic effect will not work. This integration must be carried out not by the state administrative authorities, and to be initiated from the main consumers of innovation - business structures, which is in the process of interaction determine the need for innovation, effective use of resources and develop innovative potential.

Peter Drucker expressed a judgment that can be correlated with the innovative potential: "Equally, anything that increases the potential impact of existing resources is innovation" [1]. In our view, nothing can not increase the impact of available resources, as a professional impact on their management, innovative development which should be ahead of the same development of all other resources.

In accordance with modern ideas at the international level ("Oslo Manual") "innovations are not only to products and technologies, but also to marketing, organizational, administrative practices, not only to the development and production of goods and services, but also to the development of infrastructure , social, environmental.

At the time, Joseph Schumpeter believed that innovation starts with micro-level and includes all economic entities either innovators or the Conservatives. [4] Accordingly, he divided leaders to businessmen and entrepreneurs, and on that basis refused big businessmen called entrepreneurs. First, in his view, rutinëry, repeating every day the same methods and techniques in management. Their task is to maintain stability and income, and its operations are governed by administrative methods and authoritarian leadership style, picking up a disciplined and loyal players. Entrepreneur same - a person, an innovator, driven by the creative instinct. The team he forms on the principle of complementarity of the people active and creative, making their business partners, able to make changes based on new knowledge, creating new products and technologies, including in the management. Of course, the scale of economic activity means less than that of a businessman, but the higher the level of competition, which inspires innovation.

Conducted by the authors analyze the enterprise management system, its audit can demonstrate, who heads the company - a businessman or entrepreneur, ie who is to give financial support. A true entrepreneur, improving the competitiveness of their enterprise, aims to provide a return on investment. However, as far

as possible, it will provide advance possible risks that can not depend on a particular entrepreneur, but even on the region in which it operates.

Practice shows that the Russian small and medium enterprises are headed by entrepreneurs, since only they can survive in such controversial and complex administrative and socio-economic conditions. Thus enthusiasts, of course, need help in the first place in the innovative development of their enterprises. Only these innovations should not be one-time only technical, but to start with better organization, building a supply chain innovation in management, technology cooperation of stakeholders and, of course, with the staff of the organization.

In contrast to the scientific and technological development, where the focus is on consistent processes for research and development, investments in material and technical base, innovative development is focused primarily on the use and improvement of the entrepreneurial potential, which contributes to the emergence and implementation of various innovations including the scientific -technical in the business environment. And it's pull system, where the pulling force is communication with stakeholders, enabling new business knowledge for the enterprise, innovation activity personnel, which turns into an innovative result.

Scientific and technological development is based on the creation of scientific and technological potential for the linear model "of research - knowledge - communication", which is a "pushing system" and innovative development is focused on the constant positive qualitative changes, the realization of which comes only in the process of interaction and communication with consumers and business partners ("pulling system").

Recognized by American scientists in the field of "Supply Chain Management" Lambert Stoke and define it as the integration of key business processes, starting not from resource providers to the manufacturer and the end user of goods (services) [2]. The circuit certainly includes all providers of goods, services, information and value-added end product to his customers. Based on this concept, should be carried out to develop and supply a variety of innovations, so necessary to the manufacturer in a competitive environment.

The meaning of innovation is not to better competitors meet the current demand, and to identify new needs and demands are not shown, and to find a way of representing a new utility to the consumer.

We believe that the management of innovative development of enterprises should be carried out on eight business processes:

1. study management do not meet the needs and not a manifestation of demand from final consumers of products (services);
2. nanagement of the establishment of relations of entrepreneurs with project developers for joint innovation;
3. management of obtaining orders for the development of innovation and infrastructure and comprehensive services;
4. managing the change in the supply of resources in accordance with the innovation projects;
5. manage the participation of entrepreneurs in the fulfillment of orders for innovation;
6. manage the participation of developers, accompanied by the introduction of innovations and entrepreneurs;
7. manage the joint promotion of an innovative product, service, process, market and bring the process to a commercial outcome;
8. managing recurrent flow of information about innovative products, services and processes from the end user, their improvement and further innovative development.

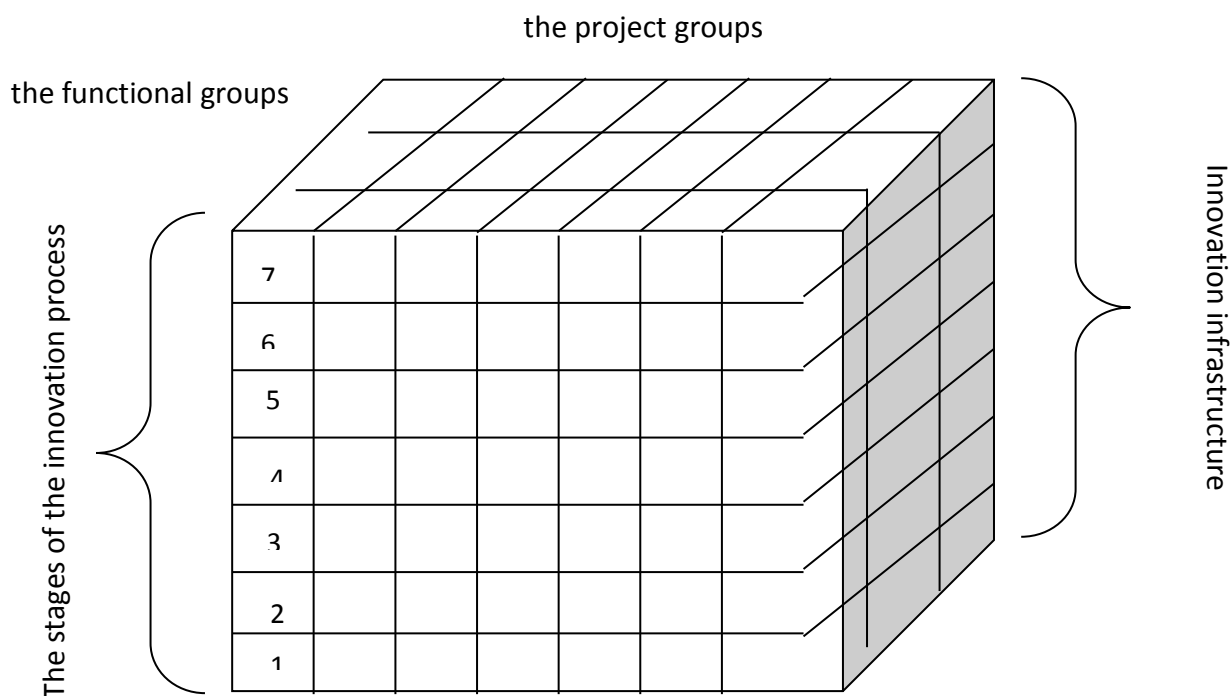
Performing presented eight business processes in accordance with the terms, volumes, and precedence of integration requires coordination. This is important for the formation of an integrated management function can perform a coordinating center, to carry out such activities on a competitive basis and for a fee, the conditions of establishment which is defined in the Agency Agreement. Thus, the Coordination Center will perform network for innovative services in certain harmonization and optimization of demand for innovation with available supply, as well as on the organization of the creation and supply of new and useful for people.

Such contractual outsourcing relationship to innovative subscription service is particularly beneficial for small and medium-sized businesses, which did not initially have the necessary material resources to conduct research and development and implementation of their results in the production of goods and services. In this case it is the small and medium-sized enterprises are agents of innovation as flexibly respond to changes in market factors.

A feature of business process management in innovation is the interactive nature of the interaction of various stakeholders, based on the implementation of the partnership. In carrying out its complex innovative project stage it is advisable to periodically align with both the buyer and with the entrepreneur and

suppliers of various resources. In this case it is reasonable to talk about prosyumerizme ie studying the buyers' opinions and joint decision-making entrepreneur with the consumer. Only taking into account the present conditions will be possible to produce or offer mutually beneficial specific orders for innovative research and projects. Study the work of the Coordination Center (CC) will be to find the necessary information about the possibilities of meeting the demand for business modeling and implementation of innovations.

Structural Coordination Center will be located between the customer innovative services (subject to the business service centers) and the performer (the subject of innovative infrastructure) and its operation will be carried out on a competitive basis taking into account the degree of satisfaction of the demand as a result of timely execution of certain functions represented in Figure 1.



The stages of the innovation process:

1. Initiation of innovation in the service station in accordance with the strategic development plans
2. Marketing Innovation. Search stakeholder
3. Manufacturing Innovation. Harmonization of interests of business, science, government and society
4. The implementation of innovations. Operational management and infrastructure support projects
5. Promotion of innovation to all participants of the network, sales promotion
6. Evaluation of innovation in the number and value of contracts. Determination of payback
7. Diffusion of innovations in other industries, such as automotive, to improve the quality management system

Figure 1. Model structure of the Coordination Center of innovative network service center

To perform effective management author of the article the possible functional groups of the Coordination Center have been identified, which include the appropriate positions is presented in Table 1.

Table 1. Recommended functional groups of the Coordination Center of innovative

№	Group name	Post
1	Group formation and strategic development of the innovation network	Executive Director. Public Relations and Business Informatics. Marketer. Contracts manager.
2	Group management preparation and implementation of innovative projects	Sales Manager. Manager supporting projects. Assistant.
3	support unit	Public Relations and Business Informatics. Marketer. Manager supporting projects. Quality Manager. Legal Counsel.

Setizatsiya economic entities through the interaction between businesses themselves and with the infrastructure elements helps to find, create and implement innovations, to establish links between different creative teams working on some problems.

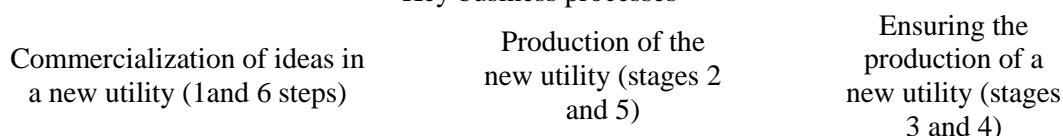
The organizational focal point will be associated with the selection of the required design innovation competencies and timely formation of creative teams. Current arrangements for the Coordination Center can be associated with the regulation, ie, with the explanation of features and software changes or replacement resource supply in accordance with the terms of reference for innovation project. Produced innovative products (services, processes) should act not only directly to customers, and customers to the initiators of innovation, but also be widely distributed through advertising, training, etc.

As noted above, the development of innovation and the customer involved entrepreneur and its stakeholders. However, the main, basic, executive in charge - it is a creative artist, created the CC, delivering innovative entrepreneur project developer of their relationship is not terminated, but continues. The main developer of innovations together with the entrepreneur must get feedback and the customer reaction to the innovation with a view to its improvement, improvement. They jointly implement it in production, if necessary, making some changes, additions, updates, instructions.

Only when the described nature of the interaction with the intellectual support for small and medium-sized economic operators appears the so-called innovation-activity activity when the need for change is implemented in the course of the joint improvement of business processes by various participants in the creation of innovative customer value chain. As a result of the interaction of the participants in the network there are new and innovative knowledge, which are by nature implicit (implicit and unstructured), as must be caused by situational and problem-oriented and can be used in the future.

This is confirmed by the idea of Hayek ( "dispersed knowledge" concept developer) on the division of knowledge, since it is inevitable part [3]. From this idea it follows that such knowledge is necessary to develop, supplement and use. On the basis of the scientific conclusions of the provisions of the non-linearity of the innovation process have been made, the participation in it of many actors and the need to support business management ideas. Reasonable provisions allow to form a modern cyclical model of innovation management "of the communication with the business - to the implicit knowledge - to research and development for the implementation of their business again" (Figure 2).

#### Key business processes



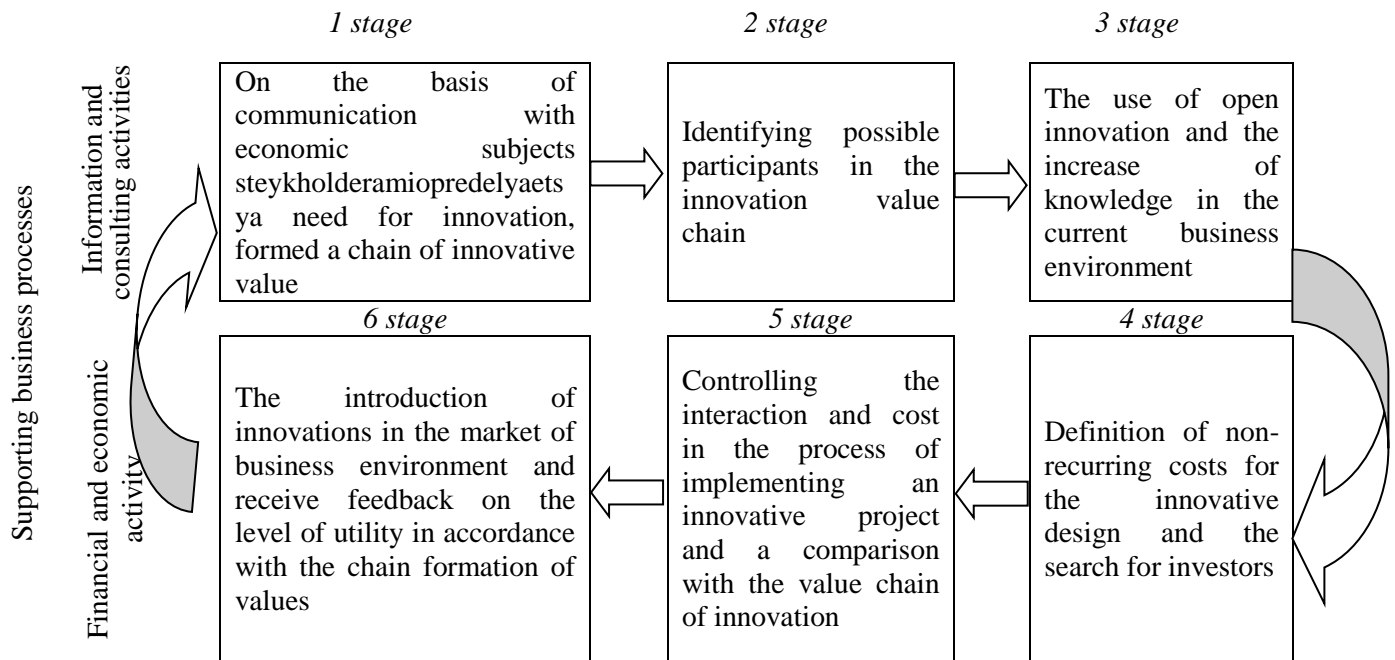


Figure 2. The cyclic nature of the business model of innovation management

As can be seen from the figure the basis of each stage is a value-oriented management through communication with the business. This is precisely the business model of innovation management would, in our opinion, to answer three key questions: What is the need for innovation; how to meet this need and how to provide due to this profit. The cyclical nature of provided based on feedback and constant communication with stakeholders (interested parties) of the innovation process. It is in the process of interaction between the participants, including consumers, resources, suppliers, carriers are unique to the enterprise of competence, there is an exchange and the realization of their knowledge and competence in innovation. From this we can conclude that the openness of innovation, from our point of view, is determined not to transmit a formal (explicit) knowledge, and the ability to adapt them to the prevailing business conditions, the degree of their increments and modernization in particular the usefulness for consumers. The presented approach to the management and will provide a constant process of innovation development based on a combination of the principles of competition (the desire to do better than anyone else pushes to seek positive changes) and cooperation (exchange of lessons learned, "not to reinvent the wheel," and apply it to the new conditions). In practice, this will create a competitive business environment, which is a basic prerequisite and driving force for innovation.

Business process interaction problems arise in the field: □ between the functions of a business organization for the production of innovations in the degree of importance of resource allocation; □ between responsible developers in KC for the same reason; □ between resource providers, KC and entrepreneurs.

However, practice shows that often occurs either duplication of attractive features (eg, financial), or a vacuum of responsibility in business processes. In the second case of a complex strategic problem whose solution lies on the surface, but not carrying a quick reward, no one responsible does not want to. Anticipate and solve such problems, and aims to cross-functional coordinator in the form of KC, which should seek to reduce costs in an integrated innovation chain. However, it must co-decision CC as an innovative integrator with representatives of business organizations. It can be taken not only by the criterion of minimum total costs, but also on such key parameters as the execution of innovative design and quality of service with the possibility of bringing to the commercial result.

Thus, the focus on business model innovation in the management and the non-linear nature of the innovation process necessitates close attention to the coordination of management functions to harmonize

and balance the interests of different economic operators interested in the continuous positive and qualitative development.

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