

Development of Innovative Intrepreneurship in Context of European Integration

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Abstract: The concept of “innovative development of entrepreneurship” is analyzed, substantiated and researched in the article. The article examines the theoretical aspects of innovative entrepreneurship formation in the conditions of European integration. The essence of “innovation” concept is also defined. The concept of “innovations” is considered on the example of principles. The relationship between the main concepts of innovatics is analyzed as well. It was determined the impact on the innovative development of entrepreneurship in the conditions of European integration. The concept of “startup” was studied and the main characteristics of a startup are defined. The article presents the improvement of innovative entrepreneurship development in the conditions of European integration. It has been studied that in the conditions of European integration, an algorithm forming strategy for innovative development of entrepreneurship has been formed, which reflects the main stages of development. The concept of “cluster” is defined. The priority areas of ensuring the improvement of innovative development of entrepreneurship have been analyzed. It was examined the processes of ensuring the development plan of innovative entrepreneurship in the article. It was also determined that technological innovations are the basis of the innovative development of entrepreneurship. The main goal of the work is to substantiate and deepen the theoretical foundations of innovative development of entrepreneurship in the conditions of European integration. The following research methods are used in the article: methods of analysis and formalization; the method of synthesis is a combination of the parts obtained during the analysis into a whole (the method of synthesis in scientific creativity can take different forms depending on the properties of the investigated object of “innovative development”, “innovative development of entrepreneurship”); method of logical generalization (when defining and formulating the scientific foundations of innovative development of entrepreneurship); abstract-logical method (for theoretical generalization of research and conclusions); the method of observation (when determining the features of the development of innovative entrepreneurship); methods of induction and deduction (clarification of the subject and formulation of the research problem). Scientific works of domestic and foreign scientists on the issues of the development of innovative entrepreneurship, textbooks, Internet resources, reporting data of industrial enterprises, special scientific and other sources were used as a research basis.

Keywords: Entrepreneurship, Innovative entrepreneurship, Innovative development of entrepreneurship, European integration, Development of entrepreneurship, Entrepreneurial activity, Innovative activity.

1. INTRODUCTION

Today, the concept of “innovative development of entrepreneurship” is gaining popularity in EU countries and the world. The innovative development strategy attracts the attention of scientists, entrepreneurs, investors, and business representatives. The innovative process of entrepreneurship development plays an important role in the modern economy. Creating appropriate incentives for the spread of innovative entrepreneurship in Ukrainian business is becoming one of the key tasks of the country’s economic development.

The process of entrepreneurship development began with the process of gaining Ukraine’s independence, but its activity

and development remain at an insufficient level. This is due to insufficient support for innovations from foreign investors and the state, insufficient investment in innovative technologies and know-how, inefficient and non-working taxation mechanisms. Innovative activity is an activity aimed at using and profiting from the results of scientific research and scientific technologies (commercialization), as well as the development and release of new goods and services that will be in demand on the European market. The competitiveness of enterprises (especially small and medium-sized enterprises) and investors (commercial banks, investment funds, foreign investors, investments from the state, etc.) should be promoted in the implementation of the national policy of the country regarding the development of entrepreneurship, especially innovative ones.

The problems of entrepreneurship functioning were the object of researches by the following scientists: Vasylenko V. A. (2011), Ilyashenko S. M. (2015), Schumpeter Y. (1982),

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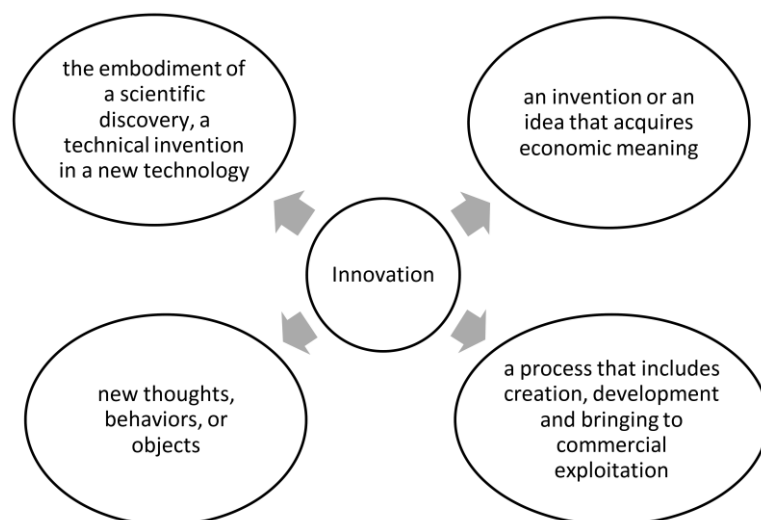


Fig. (1). Definition of the term “Innovation” (Adamenko, 2010).

Vasyutkina N. V. (2014), Ganushchak-Efimenko L. M. (2011), Dvornyk M. O. (2008) and others. The following domestic scholars dedicated their work to the problems of the development of innovative entrepreneurship: Adamenko O. A. (2010), Denysenko M. P. (2009), Zayets O. O. (2014), Ilyashenko S. M. (2015), Havrylko P. P. (2011), Davydov M. B. (2008) and others.

Currently, the effectiveness of the development of innovative entrepreneurship and its effectiveness depends on the development of the enterprise and the implementation of innovations in it. The development of innovative entrepreneurship, first of all, should take place through the attraction of investments, namely the creation of startups, business projects, the development of scientific research programs (SRP), the introduction of new technologies, the creation of venture funds, the attraction of patents, assistance from the state and determined by the priority direction of development entrepreneurship. Namely, development of reliable financial and financial policy programs and mechanisms, i.e. lending to commercial and state banks to promote the development of entrepreneurship at the state and at local levels (Lytvyn et al., 2022). The following factors influenced the development of innovative entrepreneurship in Ukraine: the legislative framework, the state of the economy, fighting on the territory of Ukraine, the imperfection of the judicial and legal system, etc. Among the main problems that hold back the development of innovative entrepreneurship are highlighted the following (Osiejewicz et al., 2022; Baranchev, 2011):

- firstly, an imperfect system of support from the state;
- secondly, imperfect crediting of the main spheres of the economy, especially entrepreneurship;
- thirdly, insufficient stimulation of the development of entrepreneurship and the integration of science and education and production in the implementation of innovative activities;
- fourthly, the lack of encouragement to invest in the development of enterprises (for national and foreign investors).

At the same time, the development of innovative entrepreneurship in the conditions of obtaining the candidate status of Ukraine and the future integration into the European Union (EU) requires the study of issues. Namely, issues related to the shortage of financial and investment resources (which are necessary for the development of innovative projects and technologies); increasing the modern significance in Europe of innovative activity for the development of the country’s economy, as well as for entrepreneurial structures (Levchenko et al., 2021).

Theoretical aspects of the formation of innovative entrepreneurship in the conditions of European integration

In the conditions of European integration, innovative development is currently one of the main prerequisites for the functioning of innovative entrepreneurship, which is important for the development of the economy and is a stimulus for increasing production efficiency and competitiveness. Let’s explore the concept of “innovation”. The definition of the concept of “innovation”, according to certain characteristic features, is presented in the Fig. (1).

Innovation should be understood as the transformation of something into a source of profit, which is the final result of the introduction of an innovation. It has been studied that the word “innovation” comes from the word “innovative”. The term “innovation” was first introduced to science by J. Schumpeter in the 19th century. (which is translated as “implementation of a scientific discovery, a technical invention in a new technology”). On the EU and Ukrainian market, the appearance of new equipment (new technologies) will be considered as innovations. But when there is an attempt to use new technologies (new equipment) within a certain organization (company) it will be classified as an innovation. The relationship between these concepts is shown in the Fig. (2).

The concept of “innovation” and the concept of “new feature” are sometimes compared with each other. There are differences between these concepts, so they are not synonymous. The differences are the understanding of innovation as an innovation embodied in a technology or a product (it is not

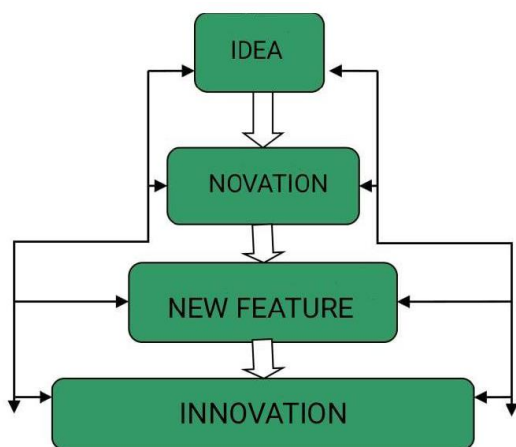


Fig. (2). Interrelationship of the main concepts of innovation.

a final product). The introduction into practice is determined by the newfeature, from the moment of adoption to the dissemination, therefore the innovation is the result of the innovation processes that occur. Under the influence of market mechanisms, the innovative activity of entrepreneurship is carried out (mechanism of balance of production and consumption, mechanism of market pricing, mechanisms of economic cycles), mechanisms of state and regional regulation and support are also among them (Zabashita, 2018a). Let's consider the concept of "innovation" using principles as an example.

- Principle 1. Treat innovation as a discipline.
- Principle 2. Innovations are considered comprehensively.
- Principle 3. Innovation involves a systematic, organized search for newopportunities.
- Principle 4. All employees of the innovative enterprise are involved in innovation.
- Principle 5. Innovation is consumer oriented.

Influence on the innovative development of entrepreneurship in the conditions ofEuropean integration is carried out by the next factors (Zabashita, 2017a):

- 1) economic factors, an important factor is the backwardness of the material and technical base for the introduction of the latest technologies;
- 2) socio-psychological factors which affect the system of social support of the personnelpotential of innovative entrepreneurship;
- 3) readiness of consumers and their trust to implement the latest technologies that are already used abroad;
- 4) production and marketing factors which provide for the creation, efficiency of development and implementation by the enterprise of high-tech products and objects of intellectual property rights;
- 5) organizational and management factors which affect the effective construction of theorganizational structure for the purpose of implementing innovations;

- 6) financial factors which determine the availability of financial resources of entrepreneurship.

Let's determine the main stages of innovative development of entrepreneurship in the conditions of European integration (Zabashita, 2020; Zabashita, 2017b):

- 1) socio-psychological stage – an element of the formation of innovative development of entrepreneurship, which involves the presence of professional personnel, experience, and motivation in the organization (enterprise, company);
- 2) the organizational and management stage – includes innovations aimed at improving documentation, decision-making methods, changing methods and ways of planning all types of production and economic activity;
- 3) The marketing stage of the formation of innovative development of entrepreneurship takes place at the expense of marketing innovations and should involve the use of the latest technologies and new ideas (Kniazieva et al., 2021);
- 4) The economic stage of the formation of innovative development of entrepreneurship is characterized by changes in the spheres of economic activity of entrepreneurship;
- 5) The production stage is related to the development or modification of production methods and is determined by the production potential of the enterprise (organization, company).

Innovative entrepreneurship should function according to the following principles:

- adaptability – encouragement to support opportunities for (external and internal) innovative development;
- dynamism – stimulation of innovativeentrepreneurship (owners, managers, specialists, employees);
- self-organization – exchange of resources (informational, financial) between elements of the system of innovative entrepreneurship;
- self-regulation – the activity of innovative entrepreneurship in accordance with the conditions of operation;
- self-development – independent support for the development of innovativeentrepreneurship.

So, let's define the essence of "innovative development of entrepreneurship" concept. Innovative development of entrepreneurship is a process of changing the state of the enterprise, which depends on innovative development and the source of which is innovation. Innovative development helps to create qualitatively new modern opportunities for entrepreneurship on the market, namely by implementing the ability to find new technologies, solutions (Zabashita, 2018a; Zabashita, 2018b; Fedulova, 2005).

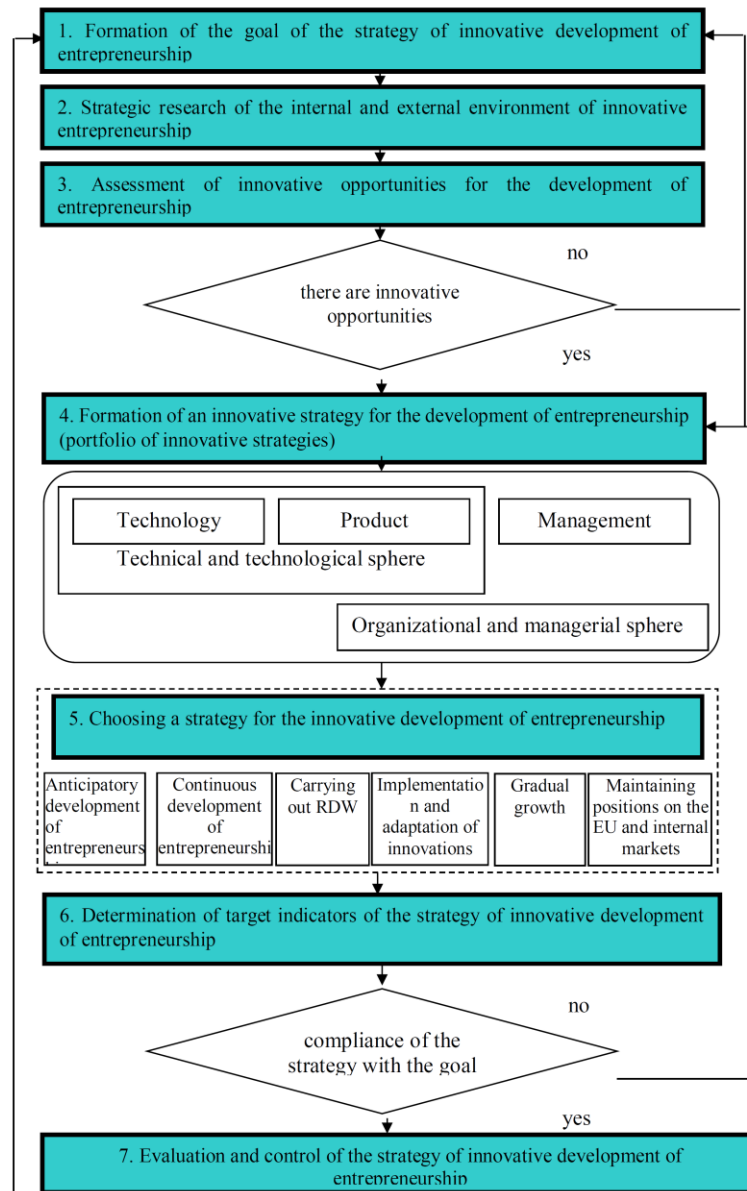


Fig. (3). Algorithm for forming a strategy for innovative development of entrepreneurship Scientists define the factors of innovative development of entrepreneurship as(Illiashenko, 2009):

IMPROVEMENT OF INNOVATIVE DEVELOPMENT OF ENTREPRENEURSHIP IN THE CONDITIONS OF EUROPEAN INTEGRATION

In order to improve the innovative development of entrepreneurship in the conditions of EU integration, it is necessary (Zabashta, 2017b):

- to develop a modern working (active) state program of innovative development of the country’s entrepreneurship, taking into account the experience of leading European economies;
- to create development conditions for venture financing and introduce high technologies into production;
- to adopt laws that help with the development of investment companies;

- to adopt laws that help with the development of venture capital funds;
- to ensure the participation of innovative entrepreneurship in the main state innovation programs.

On the example of the EU countries, innovative technologies developed in the public sector should be transferred to the business sector. This step is necessary because the country is unable to sufficiently finance the development and further implementation of new technologies. The country does not have sufficient funds, therefore, according to the EU countries, it would be correct to give business structures the opportunity to use technologies and developments. In the conditions of European integration, an algorithm for forming a strategy for innovative development of entrepreneurship was formed, which reflects the main stages of development (Fig. 3).

- insufficient investment activity of domestic and foreign investors;
- the problem of state financing of innovative development;
- insufficient own funds of enterprises;
- the problem of the need to modernize outdated equipment and update it at the enterprise;
- hostilities on the territory of the country;
- imperfection of the country's tax legislation;
- corruption component of doing business in Ukraine.

The methodological approach is the implementation of a number of principles of behavior of the object of development, which are the basis of the strategy for the development of entrepreneurship. Purposefulness. Innovative development of entrepreneurship should contribute to the achievement of set goals. Systematicity. A systematic approach should become the basis for the development of innovative entrepreneurship, since systematicity is a system, like entrepreneurship, which includes a corresponding hierarchy of connections. Resource limitation. Any innovative enterprise, as a system, operates under conditions of limitations of all resources types, it is necessary to effectively attract resources, and to use them effectively. Complexity. When creating a plan for the development of innovative entrepreneurship, one should take into account all the complexity of the impact on all spheres of operation. Alternativeness. It is necessary to consider the number of alternatives that are needed for the development of innovative entrepreneurship in order to choose the one that will contribute to the achievement of the set goal in conditions of scarcity of resources.

Optimality. When considering the plan for the development of innovative entrepreneurship, the alternative that will give the best effect in terms of the risks that the enterprise may face is chosen. Sequence. Sequential actions which involved in the process of developing an innovative entrepreneurship must have a certain sequence and may be limited by a factor such as time. Manageability is a process of manageability for making decisions about the impact on the system, namely, on the development of innovative entrepreneurship. Flexibility. The development and implementation of a plan (strategy) for the development of innovative entrepreneurship should be able to respond to changes in the (external) environment. Efficiency. It is necessary to find out how effective the process of developing a plan for the development of innovative entrepreneurship is.

The proposed algorithm is aimed at solving the following tasks (Zabashta, 2018a):

- determination of main goals and substantiation of priority scenarios of strategic development of innovative entrepreneurship;
- ensuring the selection of innovative projects from the standpoint of achieving development and the availability of real entrepreneurial resources;
- achievement of development goals based on the principles and criteria of innovative entrepreneurship development;

- ensuring the possibility of implementing the strategy of innovative development of entrepreneurship.

Identification of the most important vectors of innovation policy. Difficult problems have accumulated in the industrial sectors of Ukraine, namely:

- in market sectors;
- competitiveness;
- investments;
- dissemination of innovations;
- structural transformations;
- commercialization.

These problems will not have an effective solution until the state determines the priorities of the country's economy. Complex, systematic and operational development of the legislative and legal framework. The priority directions must be legislatively supported by complex economic and legal measures. To do this it is necessary to specify selective and targeted preferences (tax, credit, investment, customs, tariff, insurance, etc.) for enterprises that have critical technologies and promote them on the market. The tasks of the innovative entrepreneurship development plan are:

- 1) to create favorable conditions for the development of innovative entrepreneurship;
- 2) to create opportunities for adaptation in the domestic market and the EU market;
- 3) to support the interest of investors in the innovative development of entrepreneurship;
- 4) to attract funds from external and internal investors.

For example, tax legislation should be flexible, differentiated, taking into account the peculiarities of the production process of simple products and knowledge-intensive products. In modern conditions, special attention should be paid to such functions of the strategy implementation mechanism as:

- innovative, the essence of which is that the mechanism should contribute to the growth and development of innovative activity and the activation of innovation implementation;
- informational – provision of information to all stakeholders to make the most correct (effective) decisions;
- functions of interests stakeholders satisfying – innovative activity should lead to such results as to ensure the satisfaction of stakeholders interests.

The processes of ensuring the development plan of innovative entrepreneurship, such as:

- regulatory and legal support. The modern legal framework includes Laws, Presidential decrees, by-laws in the form of Government resolutions, decrees and orders of central executive authorities, etc., regarding scientific, technical and innovative activities;

- information support includes documentary support for information collection and processing;
- personnel support of the enterprise is characterized by the necessary personnel resources, the formation of an effective personnel management system and communication policy;
- methodical support is represented by a set of documentation that determines the procedure of action of the subjects of the internal circle of the mechanism in the implementation of current and strategic enterprise management;
- software is the hardware and software of the company's information system, which is integrated into the local network of the information system;
- technical support includes means of communication and characterizes the degree of compliance of the technologies used at the enterprise;
- financial support can be structured according to the forms of financing, the composition of its founders, and can change with changes in the financing policy.

Sequential implementation of structural transformations. Due to a sharp reduction in the possibilities of state budget financing of new technologies and production capacities of economic sectors, their loading does not exceed 20-30% (Zabashta, 2018b). It is necessary to carry out structural transformations of the leading branches of entrepreneurship in order to create a high-tech and profitable core of the economy on the basis of both large cross-industry corporations and small and medium-sized knowledge-intensive firms.

EXPERIENCE IN THE DEVELOPMENT OF INNOVATIVE ENTREPRENEURSHIP ON THE EXAMPLE OF EU COUNTRIES

Against the background of highlighted achievements of technologically developed European countries, the successes of Ukraine in the formation of innovation policy and management of the innovative entrepreneurship development, at the moment, cannot be considered particularly convincing and almost imperceptible. Ukraine, despite its rather large potential, has been working on the development of innovative entrepreneurship (clusters, business incubators, technology parks, etc.) for more than twelve years. However, this time, during which this process took place, had enough problems, namely: military actions on the territory of Ukraine, the imperfection of the country's legislation, insufficient funding from the state and foreign investors, the absence of a clear state program for the development of innovative entrepreneurship. Innovative activity mainly depended on local, regional and provincial authorities, individual enterprises, and communities.

Innovative development of entrepreneurship is the basis of ensuring its competitiveness, therefore everyone is interested in using, creating and developing innovations. The emergence and improvement of innovative activity and the development of entrepreneurship are advanced and modern processes in the economy. The process of cluster formation has a common scientific basis. Let's define the essence of a "clus-

ter" concept. A cluster is a sectoral, territorial association of entrepreneurial structures that closely cooperate with scientific institutions. As a result of the study of the development of cluster structures (clusters), the main sectoral directions of clustering of the national economy of some EU countries were singled out (Table 1).

Table 1. Industry Clusters of EU Countries (Amosha et al., 2007; Adamenko, 2010; Balandyna, 2014).

No	Basic Industries in the Creation of Production Clusters	Countries in which Industry Clusters have been Created
1	Electronic technologies and communication, computer science	Switzerland, Finland, the Netherlands
2	Biotechnologies and bioresources	France, Germany, Great Britain, Norway
3	Pharmaceuticals and cosmetics	Denmark, Sweden, France, Italy, Germany
4	Oil and gas and chemical complex	Switzerland, Germany, Belgium
5	Mechanical engineering and repair, electronics	The Netherlands, Italy, Germany, Norway
6	Health care	Sweden, Denmark, Switzerland, the Netherlands
7	Communications and transport	The Netherlands, Norway, Ireland, Denmark, Belgium
8	Power industry	Norway, Finland
9	Construction	Finland, Belgium, the Netherlands
10	Education, technology parks	Germany, France, Finland, Austria
11	Light industry	Austria, Italy, Sweden, Denmark, Finland
12	Wood and paper complex	Switzerland, Austria, Italy, Sweden, Denmark

Clusters (cluster associations) in Ukraine are an innovation that first started in Khmelnytskyi. An example of a cluster association is "Podillia Pershyi", which successfully implements innovative policies and activities in its field. The "Podillia Pershyi" program is an attempt to increase labor productivity on its own, using the advantages of combining the efforts of enterprises without attracting state funds [8]. In many EU countries, industry clusters have become a form of organization of business associations. Examples are the following:

- automotive – Germany;
- chemical – Singapore;
- biotechnological – Sweden;
- telecommunications – Italy;
- aerospace – Spain.

The results of the study proved that the creation of clusters can have the following positive effects, namely:

- increasing the investment attractiveness of the country;

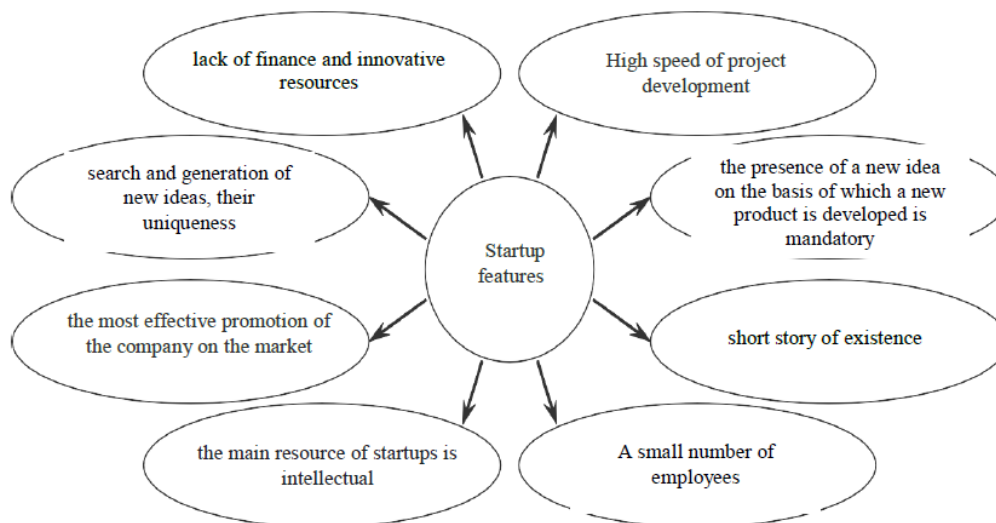


Fig. (4). The main startup features.

- accelerated development of the innovative sector of the economy;
- increase in the productivity of enterprises;
- ensuring the development of business infrastructure;
- development of innovative entrepreneurship;
- creation of additional jobs for the population;
- increasing the international competitiveness of enterprises.

The positive experience of the European Union (EU) countries shows the perspective of introducing the latest technologies, know-how, profiting from the implementation of innovative activities, functioning of a network of innovative structures such as startups, etc. Priority directions for ensuring the improvement of innovative development of entrepreneurship include:

- increase in capital productivity;
- manufacture of products with higher added value;
- satisfaction of interests of all interested persons;
- modernization of basic assets;
- effective financial management;
- adaptation to changing global and internal conditions;
- effective capital management considering financial resources.

In recent decades, startups have become the most widespread form of innovative entrepreneurship in Europe and the world. The name “startup” is used for a new project, a newly created company or one that is at the stage of innovative development. Startup is one of the main key elements of innovative development of entrepreneurship in the conditions of European integration. Let’s analyze the concept of “startup”. A startup is not necessarily a legal entity (newly created company) and has a short history of innovative activity. It is at the stage of innovative development and is building a business

based on modern innovative technologies that have recently appeared on the market (Zabashta, 2020). Currently, the term “startup” is used in relation to Internet companies and other organizations (enterprises) that work in the field of innovative development, and this concept also extends to other areas of entrepreneurship. Innovation is the main and important resource for creating a startup. The main features of startup are presented in the Fig. (4).

The creation of successful modern innovative development and the further existence of startups is considered the most competitive in terms of the implementation of innovations and can compete with large corporations. Examples of successful European startups in Europe are:

- 1) Smabblers – the winner of the first European Startup Challenge – is a Polish company developing the most advanced cognitive “engine” for natural language processing.
- 2) Cubbit is an Italy-based crowdsourced peer-to-peer collective cloud network that provides secure access to stored data.
- 3) Tye is a German startup that provides a platform that uses SaaS technology to clean all company data to prevent duplication.
- 4) Twitter is a popular platform created by Jack Dorsey for exchanging short messages.
- 5) Other classic examples of successful startups are Microsoft (founders are Bill Gates and Paul Allen), Apple Computer inc. (founders Steve Jobs and Steve Wozniak) and Google (founders are Larry Page and Sergey Brin).
- 6) Qoolers is a technology startup located in the Czech Republic. Provides a solution to manage the temperature of batteries in electric vehicles.
- 7) eAgronom is an Estonian startup that develops a comprehensive SaaS solution for agricultural land management.

- 8) Nordigen is a fintech startup based in Latvia that offers open access to financial data through banking APIs.
- 9) Postis is a Romanian company that simplifies delivery and reduces infrastructure requirements to ensure last-mile efficiency in the supply chain.
- 10) 4Semantics is a Polish platform specializing in creating solutions for the intelligent reading of documents using a cognitive automation system.
- 11) Abillio is a Latvian tool that takes over the processing of paper and tax documentation and helps entrepreneurs to issue invoices more easily.
- 12) Acorai is a Swedish startup developing a heart monitoring device. Its goal is to reduce the number of re-hospitalizations caused by heart failure and reduce the mortality rate.

The most successful startups in Ukraine are:

- 1) Petcube Bites + Petcube Play: bread and circuses for pets;
- 2) Coppertino – is a startup of Ukrainian inventors. Coppertino became famous after their popular VOX player for Apple computers topped the Mac App Store downloads for a long time, and now this program has a “younger brother” for the iPhone;
- 3) Poptop.fm – Ukrainian service for orders from artists and photographers.

Technological innovations are the basis of the innovative development of entrepreneurship. Today, the main and important problem of innovative business activity in the case of changing modern production technologies is the development of science-intensive innovations, their commercialization (making a profit) and promotion of products to the market.

CONCLUSIONS

It has been studied that innovation should be understood as the transformation of something into a source of profit, which is the final result of the introduction of a new feature. It is substantiated that the impact on the innovative development of entrepreneurship in the conditions of European integration is carried out by the following factors:

- 1) economic factors, an important factor is the backwardness of the material and technical base for the introduction of the latest technologies;
- 2) socio-psychological factors affect the system of social support of the personnel potential of innovative entrepreneurship;
- 3) production and marketing factors provide for the creation, efficiency of development and implementation by the company of high-tech products and objects of intellectual property rights;
- 4) organizational and management factors affect the effective construction of the organizational structure for the purpose of implementing innovations;

- 5) financial factors determine the availability of entrepreneurship financial resources. The concept of “innovation” is considered on the example of principles:

- Principle 1. Treat innovation as a discipline.
- Principle 2. Innovations are considered comprehensively.
- Principle 3. Innovation involves a systematic, organized search for new opportunities.
- Principle 4. All employees of innovative entrepreneurship are involved in innovation.
- Principle 5. Innovation is focused on the consumer.

The following stages of the innovative development of entrepreneurship in the conditions of European integration are defined and analyzed:

- 1) socio-psychological stage – an element of the formation of innovative development of entrepreneurship, which involves the presence of professional personnel, experience, and motivation in the organization (enterprise, company);
- 2) the organizational and management stage includes innovations aimed at improving documentation, decision-making methods, changing methods and ways of planning all types of production and economic activity;
- 3) The marketing stage of the formation of innovative development of entrepreneurship takes place at the expense of marketing innovations and should involve the use of the latest technologies and new ideas;
- 4) The economic stage of the formation of innovative development of entrepreneurship is characterized by changes in the spheres of entrepreneurship economic activity;
- 5) The production stage is related to the development or modification of production methods and is determined by the production potential of the enterprise (organization, company).

It was determined that the innovative development of entrepreneurship is a process of changing the state of the enterprise, which depends on innovative development and the source of which is innovation. Innovative development helps to create qualitatively new, modern opportunities for entrepreneurial activities on the market, namely by realizing the ability to find new technologies and solutions. The concept of “startup” was studied. A startup is not necessarily a legal entity (newly created company) and has a short history of innovative activity. It is at the stage of innovative development and is building a business based on modern innovative technologies that have recently appeared on the market. The main features of the startup which are presented in the Figure 4, were analyzed and determined. It has been studied that in order to improve the innovative development of entrepreneurship in the conditions of integration into the EU, it is necessary to:

- develop a modern working (effective) state program of innovative development of the country's entrepreneurship, taking into account the experience of leading European economies;
- create development conditions for venture financing and introduce high technologies into production;
- adopt laws that help the development of investment companies;
- adopt laws that help the development of venture capital funds;
- ensure the participation of innovative entrepreneurship in the main state innovation programs.

It was substantiated that the main approaches in terms of European integration are:

- 1) Purposefulness.
- 2) Resource limitation.
- 3) Complexity.
- 4) Optimality.
- 5) Sequencing.
- 6) Manageability.
- 7) Flexibility.
- 8) Efficiency.

Purposefulness. Innovative development of entrepreneurship should contribute to the achievement of set goals. Systematicity. A systematic approach should become the basis for the development of innovative entrepreneurship development, since systematicity is a system, like entrepreneurship, which includes a corresponding hierarchy of connections. Resource limitation. Any innovative enterprise, as a system, operates under conditions of limitations of all types of resources, it is necessary to effectively attract resources, and to use them effectively. Complexity. When developing a plan for the development of innovative entrepreneurship, one should take into account all the complexity of the impact on all spheres of operation. Alternativeness. It is necessary to consider the number of alternatives that are needed for the development of innovative entrepreneurship in order to choose the one that will contribute to the achievement of the set goal in conditions of scarcity of resources. Optimality. When considering the plan for the development of innovative entrepreneurship, the alternative that will give the best effect in terms of the risks that the enterprise may face is chosen.

Sequencing. Sequential actions involved in the process of developing an innovative entrepreneurship should have a certain consistency and may be limited by such factor as time. Manageability is a process of manageability for making decisions about the impact on the system, namely, on the development of innovative entrepreneurship. Flexibility. The development and implementation of a plan (strategy) for the development of innovative entrepreneurship should be able to respond to changes in the (external) environment. Efficiency. It is necessary to find out how effective the process of developing a plan for the development of innovative entrepreneurship is. It is substantiated that the processes of ensuring

the development plan of innovative entrepreneurship, such as:

- regulatory and legal support. The modern legal framework includes Laws, Presidential decrees, by-laws in the form of Government resolutions, orders and instructions of central executive authorities, etc., regarding scientific, technical and innovative activities;
- information support includes documentary support for information collection and processing;
- personnel support of the enterprise is characterized by the necessary personnel resources, the formation of an effective personnel management system and communication policy;
- methodical support is represented by a set of documentation that determines the procedure of action of the subjects of the internal circle of the mechanism in the implementation of current and strategic enterprise management;
- software is the hardware and software of the company's information system, which is integrated into the local network of the information system;
- technical support includes means of communication and characterizes the degree of compliance of the technologies used at the enterprise;
- financial support can be structured according to the forms of financing, the composition of its founders, and can change with changes in the financing policy.

It was proved that the proposed algorithm is aimed at solving the following tasks:

- 1) determination of main goals and substantiation of priority scenarios of strategic development of innovative entrepreneurship;
- 2) ensuring the selection of innovative projects from the standpoint of achieving development and the availability of real entrepreneurial resources;
- 3) achievement of development goals based on the principles and criteria of development of innovative entrepreneurship;
- 4) ensuring the possibility of implementing the strategy of innovative development of entrepreneurship.

It was also substantiated that the tasks of the innovative entrepreneurship development plan are:

- 1) to create favorable conditions for the development of innovative entrepreneurship;
- 2) to create opportunities for adaptation in the internal market and the EU market;
- 3) to support the interest of investors in the innovative development of entrepreneurship;
- 4) to attract funds from external and internal investors.

It was analyzed that the innovative development of entrepreneurship is the basis of ensuring its competitiveness, therefore everyone is interested in the use, creation and develop-

ment of innovations. It was determined that the cluster is a branch, territorial association of entrepreneurial structures that closely cooperate with scientific institutions. As a result of the study of the development of cluster structures (clusters), the main sectoral directions of clustering of the national economy of some EU countries have been identified. It was determined that the priority directions for ensuring the improvement of innovative development of entrepreneurship include:

- increase in capital productivity;
- manufacture of products with higher added value;
- satisfaction of the interests of all interested persons;
- modernization of basic assets;
- effective financial management;
- adaptation to changing global and domestic conditions;
- effective capital management taking into account financial resources.

It was investigated that the results of the study proved that the creation of clusters can have the following positive effects, namely:

- increasing the investment attractiveness of the country;
- accelerated development of the innovative sector of the economy;
- increase in the productivity of enterprises;
- ensuring the development of business infrastructure;
- development of innovative entrepreneurship;
- creation of additional work places for the population;
- increasing the international competitiveness of enterprises.

It is substantiated that the need to improve the development of innovative entrepreneurship is a modern problem, especially in the context of the European integration of Ukraine. This is evidenced by the latest trends in insufficient financing of innovative entrepreneurship and the state of the country's economy. It has been determined that the examples of successful European startups in Europe are the aforementioned:

- 1) Smabblers – the winner of the first European Startup Challenge – is a Polish company developing the most advanced cognitive “engine” for natural language processing.
- 2) Cubbit is an Italy-based crowdsourced peer-to-peer collective cloud network that provides secure access to stored data.
- 3) Tye is a German startup that provides a platform that uses SaaS technology to clean all company data to prevent duplication.
- 4) Twitter is a popular platform created by Jack Dorsey for exchanging short messages.

- 5) Other classic examples of successful startups are Microsoft (founders are Bill Gates and Paul Allen), Apple Computer inc. (founders Steve Jobs and Steve Wozniak) and Google (founders are Larry Page and Sergey Brin).
- 6) Qoolers is a technology startup located in the Czech Republic. Provides a solution to manage the temperature of batteries in electric vehicles.
- 7) eAgronom is an Estonian startup that develops a comprehensive SaaS solution for agricultural land management.
- 8) Nordigen is a fintech startup based in Latvia that offers open access to financial data through banking APIs.
- 9) Postis is a Romanian company that simplifies delivery and reduces infrastructure requirements to ensure last-mile efficiency in the supply chain.
- 10) 4Semantics is a Polish platform specializing in creating solutions for the intelligent reading of documents using a cognitive automation system.
- 11) Abillio is a Latvian tool that takes over the processing of paper and tax documentation and helps entrepreneurs to issue invoices more easily.
- 12) Acorai is a Swedish startup developing a heart monitoring device. Its goal is to reduce the number of re-hospitalizations caused by heart failure and reduce the mortality rate.

It has been studied that technological innovations are the basis of the activity of innovative development of entrepreneurship. Nowadays, the main problem of innovative business activity in the case of changing modern production technologies is the development of science-intensive innovations, their commercialization (making a profit) and promotion of products to the market.

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