

# Influence of the innovative environment on the activation of enterprises in free economic zones

*Sherzod Maxsudov<sup>1\*</sup>, Ozodbek Tursunov<sup>1</sup>, Malokhat Baltabayeva<sup>1</sup>, Mokhigul Akhmadaliyeva<sup>1</sup>, and Kizlarxon Rakhimova<sup>1</sup>*

<sup>1</sup>Fergana State University, Fergana, Uzbekistan

**Abstract.** This article told, that the innovative potential of free economic zones, the level of efficiency in managing the attractiveness of the investment environment, the use of a rating system based on indicators of investment activity and the profitability of attracted investments, makes it possible to determine strategic management tasks aimed at increasing innovative and investment opportunities. In this article improve the efficiency of state regulation of Free Economic Zones and make managerial decisions to change the conditions for the manifestation of their activities, it is necessary to comprehensively assess the activities of Free Economic Zones using a single integral criterion. In improving the efficiency of free economic zones, it is important to accelerate the increase in the scale of the main activities of residents operating in the Free Economic Zones. Innovative activity is based on universal legality and objectivity. Environmental innovation-the creation of a specific environment and quantitative quality can be subjective. The enterprise strives for micro and macro environments that are considered important. Environmental exploitation: product, functionality, resource, control organization. An innovative organization engaged in the supply of products, functionality, resource, omillary organization. Innovative economy formation of conditions innovation activity, innovation makoning essentialist, Samara plant flourishing zharaenlarish ochib beradi.

## 1 Introduction

The rapid development of the world economy leads countries to the formation of a competitive environment in the international market between the economic aspects of their economy. In order to take a place in the international market, countries are interested in developing their national economy, creating production, organizing export enterprises, and attracting local and foreign capital to industry.

The development of the national economy has led to the adoption of impressive measures to liberalize foreign trade, tax and financial policies, support entrepreneurship and guarantee the inviolability of private property, organize deep processing of agricultural products and ensure the rapid development of territories.

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\* Corresponding author: [shmaxsudov56@gmail.com](mailto:shmaxsudov56@gmail.com)

Increasing the export of enterprises by processing existing raw materials and bringing them to the level of finished products as part of the localization of production in the country. The task of expanding the inflow of local and foreign capital to countries with a low level of socio-economic development is one of the main points.

## **2 Research methodology**

Today, countries pay special attention to the development of free economic zones as the main factor in solving these problems. The creation of free economic zones is a key factor in eliminating the problem of unemployment in the country, the problems of economic and social development of the regions, the saturation of international and national markets with goods, while the country is developing the economy.

Innovative activity has general patterns, where the goals of change are determined, the innovation is developed, tested, mastered by production, distributed, and finally, “dies off”, exhausted physically and morally. In the implementation and implementation of innovative activities, the role of the political situation in the country and in the international arena, social and economic policies pursued by the state is great. Innovation activity has a limited scope of its application, within which all its elements interact with each other.

This leads to the conclusion that the innovation environment is a kind of qualitative substance inherent in innovation activity and capable of acquiring quantitative and qualitative characteristics as the interaction between subjects and objects of innovation in their diverse types and forms develops, under the influence of macro and microeconomic processes.

A separate international status is introduced in free economic zones. But no matter where it is located, it is an integral part of this country, all practices (allocation of land, organization of firms and companies, import and export of goods, goods from the border, customs duties, tax incentives, what currency or currency means of payment, order territory management, etc.) are carried out quickly on the basis of accepted rules. The purpose of creating free economic zones is to create a developed economic space that attracts a lot of new technologies, investments, and thus quickly develop the country's economy.

The innovative environment of an enterprise consists of an innovative potential, which assesses the state of the internal environment of the enterprise (one of the factors of competitiveness and competitive advantages), and an innovative climate, which assesses the state of its external environment (one of the factors of the attractiveness of the innovative market). Analysis of the innovative environment of the organization is complex and time-consuming, so much attention is paid to the technology of its implementation. In addition to such fundamental methods as system analysis, target and situational, the SWOT-analysis method is used - an operational diagnostic analysis of the state of the company and its environment. Abbreviation SWOT are the first letters of the following English words: S - strength (force), W - weakness - (weakness), O - opportunity (opportunities), T - threat (threats). Analysis of the company's environment is carried out with the aim of: identifying strength in its potential (S); identifying weaknesses in its potential (W); establishing the opportunities (O) provided to the organization by its external environment; identifying threats (T) to the firm from the external environment.

After compiling a list of strengths and weaknesses of the organization's potential, as well as opportunities and threats from the external environment, establish links between them (tables 1 and 2).

**Table 1.** General view of the SWOT -analysis matrix (Developed by the author)

		External environment of the organization (climate assessment)	
		Opportunities (O)	Threats (T)
Internal environment (capacity assessment)	Strength ( S )	Field ( SO )	Field ( SN )
	Weakness ( w )	Field ( WO )	Field ( WT )

**Table 2.** Matrix fragment SWOT analysis (Developed by the author)

		Opportunities (O)		Threats ( T )	
		1. Increasing demand for science- intensive products	2. Benefits for enterprises that carry out innovative activity __	1. Increasing taxes and tariffs	2. Strengthening quality requirements on the part of the consumer
Strength ( S )	1. Position of the leader in the industry. 2. High scientific - technical and innovative potential	Development of new innovative products and high technologies. Mastering new methods of research and development work , reducing their duration and costs	The probability of using the situation is high	Strengthening the position in the domestic market. Creation of a joint venture with a foreign partner .. The possibility of using the situation is reduced	Development of new science - intensive products higher quality. The likelihood of competitors exploiting the situation is high
Weakness ( w )	Limited production capacity 2. Not developed sales network	Consider a skimming pricing strategy. Acquire a firm with a good sales network or form a JV	Develop your own base or create a joint venture.	Strengthen positions in the domestic market. Create a joint venture with a foreign partner.	Develop your own base or create a joint venture. Acquire a firm with a good sales network or form a JV

This matrix is built on two vectors: the state of the external environment (horizontal axis) and the state of the internal environment (vertical axis). Each vector is divided into two sections (state levels): opportunities and threats arising from the state of the external environment; strengths and weaknesses of the firm. At the intersection 2 x 2 we get 4 fields (quadrants). There are the following groups of situations:

SO field – “power-possibility”. Those strengths of the potential of the organization are fixed, which ensure it the use of the opportunities presented. If, on the whole, she is in a very strong position on some emerging opportunity, this will help to adopt an appropriate strategy for exploiting the opportunity.

I. ST field - "force-threat". Those weaknesses of the organization's potential are fixed, which do not give a chance to use the opportunities provided. Capacity development strategies may be considered.

II. WT field - “weakness-threats”. This is the worst combination for an organization. The more important it is to pay attention to it. Reducing threats is possible only by developing strategies for developing one's potential.

III. WO field- “weakness-opportunity”. The management of the organization should determine whether it is appropriate to take advantage of opportunities in the presence of such

weaknesses in the state of the organization or whether it is appropriate to seek a capacity development strategy.

**The external environment of the enterprise and the assessment of the innovation climate.** In the structure of the external environment of the organization, macro-environment and micro-environment are distinguished:

### 3 Analysis

The object of analysis is the spheres of the external macro environment, and the subject is their influence on innovative goals and strategies, i.e. definition of innovative macroclimate. If necessary, you can deepen the object of analysis at the expense of the other two vectors - the territorial scale and industries. However, in some part, these two vectors have already been taken into account in the structures and characteristics of the spheres.

Any estimate constitutes only a certain operation of analysis . However, this operation completes the analysis and is therefore very important. Therefore, it is necessary to specifically clarify the approaches used to the formation of estimates. We agreed on the evaluation criteria (compliance with the goals, strategies, potential of the organization). The quality of the assessment depends on the composition of the factors taken into account, on the accuracy of modeling the relationship of the factor (parameter of the external macro environment) with the object of assessment (parameters of the organization), on the quality of predicting the dynamics of their change. All this is determined by the qualifications and awareness of analysts and experts [1].

**The potential of the organization** is the resources of all kinds that can be used to achieve the goals of the enterprise. Potential assessment is carried out in all areas of the organization: production, scientific and technical, marketing, resource, organizational, etc. To evaluate it, the SNW -analysis technique can be used (identifying the strengths, neutrals and weaknesses of the organization in all types and areas of activity). The assessment of internal potential is carried out in accordance with the principles of benchmarking, i.e. based on a comparison of its elements with the corresponding elements of the leader's potential or with the best indicator achieved in the industry (in this area, in the market). If an enterprise in any area has more opportunities than its competitor, this is considered its strength, if less, it is considered a weakness [2,3].

**The innovative potential of an organization** is a measure of readiness to perform tasks that ensure the achievement of the set innovative goal, i.e. a measure of readiness to implement a project or program of innovative strategic change. The potential of organizations is the main criterion for the expediency of their existence. Through the development of potential goes the development of the organization and its divisions, as well as all elements of the production and economic system. The development of the organization is considered as a reaction to changes in the external environment and therefore is of a strategic nature. The potential of the organization has two components : its readiness for stable production activities and its readiness for innovation [4]

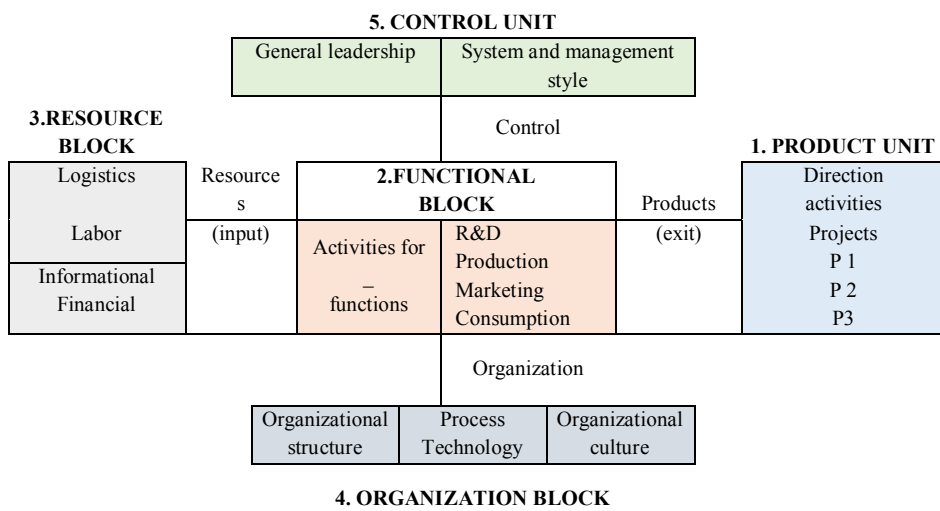
The choice of an innovation strategy depends on the state of the innovation potential, so its evaluation is a necessary operation of the strategy development process. Any changes related to the improvement of the technical and technological level of production, the development of the production of fundamentally new products, a change in the direction of business, are based primarily on determining the innovative component of the existing potential. At the same time, it is necessary to distinguish between scientific and technical potential and innovative. If the scientific and technical potential characterizes the ability of an organization to produce new knowledge and technical solutions (inventions, industrial designs, know-how), then the innovative one characterizes the degree of readiness of an enterprise to implement an innovation (innovative project) as "its own" (created on its own

in subdivisions of R&D) and “foreign” (acquired in the form of patents, licenses for inventions and know-how, etc.) [5].

The innovative goal acts as a global strategy of the enterprise, as a means of achieving its higher goals: obtaining a sufficiently high profit in the long term, maintaining or increasing competitive opportunities in the market or in the struggle for government orders, solving the crisis problem and the problem of survival in general. It is required to transfer the potential of the enterprise from one state to another, higher, sufficient to achieve the goal. This transitional process is described, as is known, by an S - shaped logistic development curve. The development of the innovative potential of an enterprise as a whole can be carried out only through the development of the components of its internal environment. The internal environment of the organization is built from elements that form its production and economic system. The elements are grouped into the following blocks:

- 1) product (project) block - directions of the company's activities and their results in the form of products and services (projects and programs);
- 2) functional block (block of production functions) - the operator of the transformation of resources, organization and management into products and services in the process of labor activity of employees of the enterprise at all stages of the life cycle of products, including R&D, production, sales, consumption;
- 3) resource block - a complex of material, technical, labor, information and financial resources of the enterprise;
- 4) organizational block - organizational structure, process technology for all functions and projects, organizational culture;
- 5) control block - the general management of the organization, the management system and management style.

The assessment of innovative potential is carried out according to the scheme resource (R) - function (F) - project (P). A project or program means the release and sale of a new product (service), line of business. The tasks of assessing the innovative potential of an organization can be set in two planes (fig.1):



**Fig. 1.** Elemental structure of the internal environment of the organization (Developed by the author)

- 1) Private assessment of the readiness of the organization to implement one new project;
- 2) An integral assessment of the current state of the organization in relation to all or a group of already implemented projects.

The complexity of the relationship between functions and resources should be taken into account: for example, labor resources are needed to perform each function, including management functions, but the development of this type of resource requires, in turn, management functions. Therefore, as resources, in addition to financial, logistical, labor and information, the organizational structure, technology of the processes for performing functions and experience in solving problems in this area are taken into account [6].

Analysis of the internal environment and assessment of its innovative potential can be carried out in the form of a detailed and diagnostic one.

A detailed analysis of the internal environment and assessment of the innovative potential of the enterprise is carried out at the stage of justifying an innovative project.

Note that with limited access to information about the system, a diagnostic approach is used, that is, diagnostics is carried out according to an accessible range of parameters on development issues and activity models in assessing the resource potential and determining the directions of an innovative project [7].

For evaluation, the following aggregates of evaluation indicators can be distinguished: product; functional; resource; managerial; organizational (table 3).

**Table 3.** Indicators characterizing the innovative potential by functional unit (Developed by the author)

<b>Groups</b>	<b>Indicators</b>
<b>Cost indicators</b>	Science intensity of products (the share of R&D costs in the volume of sales)
	The cost of acquiring patents, licenses, know-how
	Acquisition costs of innovative firms
	Cost structure at the stage of innovation cycles in accordance with the practice prevailing in the world or in the industry
	Availability and amount of funds for the development of innovative developments
<b>Indicators characterizing the dynamics of the innovation process</b>	The period of time from the moment a need or demand for a new product is recognized to the moment it is sent to the market or to the consumer in large quantities
	The duration of the process of developing a new product or technology
	The duration of the pre-production process of a new product
	The duration of the production cycle of a new product
	Share of developments based on marketing research
	The share of commercially completed projects in the total number of developments
<b>Renewability indicators</b>	Indicators of the dynamics of product renewal (share of products manufactured from two to ten years in the total volume)
	Number of acquired (sold) new technologies
	The volume of exports of scientific and technical products
	Equipment renewal coefficient, incl. based on a fundamentally new

Significant for assessing the innovative potential is the analysis of indicators of the administrative unit, allowing to assess the effectiveness of the activities of managers at all levels in managing the processes of creating and implementing innovations. The indicators of the organizational aggregate give an assessment of how the organizational structure corresponds to the innovative orientation of the system[8].

The indicators of the product and resource aggregate allow us to assess the output and its provision with resources of all types, as well as the compliance with the innovative orientation of the system. The list of indicators of all aggregates may change depending on changes in the external environment, supplemented depending on the goals of the assessment, the availability of necessary information, etc.

Thus, assessing the quality of the innovation environment and efficiency the use of innovative potential carriers is carried out, as a rule, on the basis of an expert assessment. For these purposes, it is proposed to use a tool that has proven itself in the field of marketing. This is a well-known and often used SWOT - analysis, based on identifying the weaknesses and strengths of the subject, its opportunities and threats. This will make it possible to give a comprehensive assessment not to one subject, but to the quality of the entire innovation environment and efficiency. use of carriers of innovative potential.

Along with the SWOT analysis, it is recommended to supplement the SWOT analysis with the PEST analysis of the macro environment, which considers the political (P), economic (E), social (S) and technological (T) advantage. SNW -analysis is based on the identification of strengths, neutrals and weaknesses, and Porter's 5 Forces Analysis, which allows you to assess the power of suppliers, consumers, the threat of new players and new products. They will expand the criteria for this evaluation [9].

## **4 Analysis and results of the study**

As a result of the effective activity of the governing bodies of the Free Economic Zones in Uzbekistan in the EIZ regions, operating until the end of 2020, 128 projects were implemented with a total value of 487.4 million US dollars. Of these, 162.1 million dollars are foreign direct investment. Projects include the construction of modern greenhouses (62 projects worth \$204.7 million), the production of building materials (18 projects worth \$140 million), the chemical and petrochemical industry (13 projects worth \$50.6 million), the food industry (10 projects worth \$15.9 million), textile industry (8 projects worth \$20.1 million), mechanical engineering (2 projects worth \$6 million), leather and steel industry (5 projects worth \$14.9 million), electrical project), pharmaceutical industry (6 projects worth \$56.3 million), it covered areas such as furniture and paper manufacturing (1 project worth \$1.1 million). Over the past period, the enterprises participating in the Free Economic Zone produced 538 types of industrial products worth 11.9 trillion soums and exported products worth \$257.6 million, which, despite the negative economic consequences of the pandemic, increased by 145% compared to 2019 of the year. Also, 186 new enterprises received the status of participants in the Free Economic Zone.

Decree of the President of the Republic of Uzbekistan dated January 28, 2022 "On the Development Strategy of New Uzbekistan for 2022-2026 " PF-60 "on ensuring sustainable high growth rates in sectors of the economy in the direction of the rapid development of the national economy and ensuring high growth rates of gross domestic product on per capita in the next five years - The goal is to increase per capita income by 1.6 times and by 2030 by 4 thousand US dollars, and also create a basis for entering "upper middle income countries", provide macroeconomic stability and gradually reduce the annual inflation rate to 5% by 2023, and take measures to attract foreign investment in the next five years.

## 5 Findings and conclusions

In order to improve the efficiency of state regulation of Free Economic Zones and make managerial decisions to change the conditions for the manifestation of their activities, it is necessary to comprehensively assess the activities of Free Economic Zones using a single integral criterion. In improving the efficiency of free economic zones, it is important to accelerate the increase in the scale of the main activities of residents operating in the FEZ.

The formulated patterns of innovation activity in the conditions of the formation of an innovation economy, revealing the essence of the innovation space, in the form of processes for the effective development of enterprises, contribute to the acquisition of quantitative and qualitative characteristics as the interaction between subjects and objects of the innovation environment develops.

When managing free economic zones, it would be advisable to provide additional benefits for environmentally friendly production to entrepreneurs working in the zone.

Ensuring transparency in the activities of the governing bodies of the FEZ in the distribution of territories, so that entrepreneurs who want to do business in the FEZ in the country can do business, is one of the necessary factors for the development of the country's economy.

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