

INNOVATIVE INFRASTRUCTURE AND ITS IMPORTANCE IN SUPPORTING SMALL AND MEDIUM BUSINESS IN THE IVANO-FRANKIVSK REGION

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Abstract. *The availability of innovation infrastructure is one of the basic directions for the successful development of small and medium-sized businesses in the region. The analysis of innovation infrastructure in the Ivano-Frankivsk region shows a small decline in small businesses and suggests that there is enough innovation infrastructure in the region, but their support for SMEs is not always applied.*

Keywords: innovation; innovation infrastructure; small business; medium business; development

The productivity of the business environment depends not only on the indirect business participants but also on the development of interrelations between enterprises, employees, and customers, which are connected by numerous intermediate lances formed due to the institutional infrastructure of support for small and medium-sized businesses helping these subjects to realize their business interests [1, p. 212]. One of the main components of SME support in the regions of our country is the presence of innovation infrastructure facilities for the support of small and medium-sized enterprises. Analyzing the availability of innovation infrastructure objects in the Ivano-Frankivsk region (fig.1) and comparing the data with other regions, it is worth noting that in the Ivano-Frankivsk region during the period 2016-2019 the number of such innovation infrastructure facilities as business incubators remained at the same level.

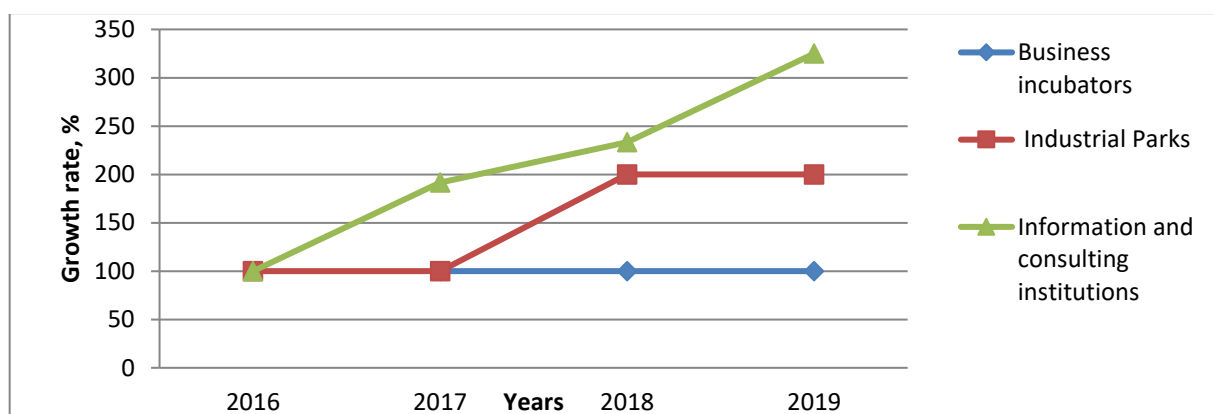


Fig. 1. Dynamics of innovation infrastructure development in Ivano-Frankivsk region

However, despite the significant number of open business incubators, the activity of only some of them is active and helps small and medium-sized businesses at the stage of their organization and formation, through the introduction of advances in science and technology in manufacturing. As for such objects as technology parks and information and advisory institutions, it should be noted that the rate of development of technology parks in Ivano-Frankivsk and the rest of the region is significantly lower than the rate of development of business incubators for a similar period. As for information and advisory institutions, the number of them and the dynamics of the rate of development is significantly ahead of the innovation infrastructure facilities we have analyzed. Investment and innovation funds account for the largest part among all the objects of support for small and medium-sized enterprises in the region, but during 2018-2019 these objects were not recorded in the region. Regarding the volumes of small and medium-sized enterprises in the Ivano-Frankivsk region, it should be noted that the volumes of small business development prevail in the structure which in 2016-2019 was within 96 - 95% in all regions of our state and the Ivano-Frankivsk region in particular (fig.2, fig.3). The structure of development of medium enterprises varies from 3% to 5%

in the Ivano-Frankivsk region. The dynamics of the development of small enterprises showed a slight decrease in their number during the 2018-2019 years, but the number of medium enterprises in the region tended to increase in 2018 compared to the base 2016.

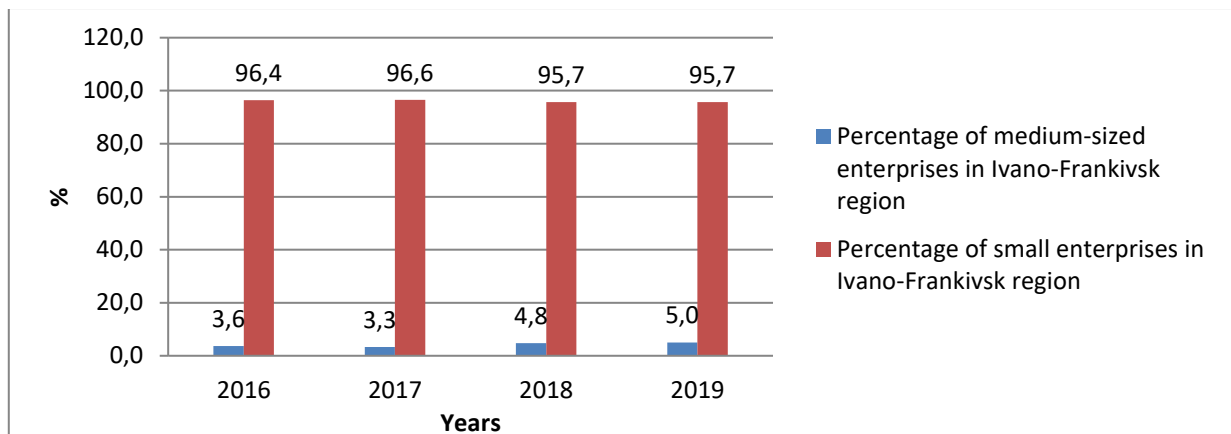


Fig. 2 — Structure of small and medium enterprises in Ivano-Frankivsk region

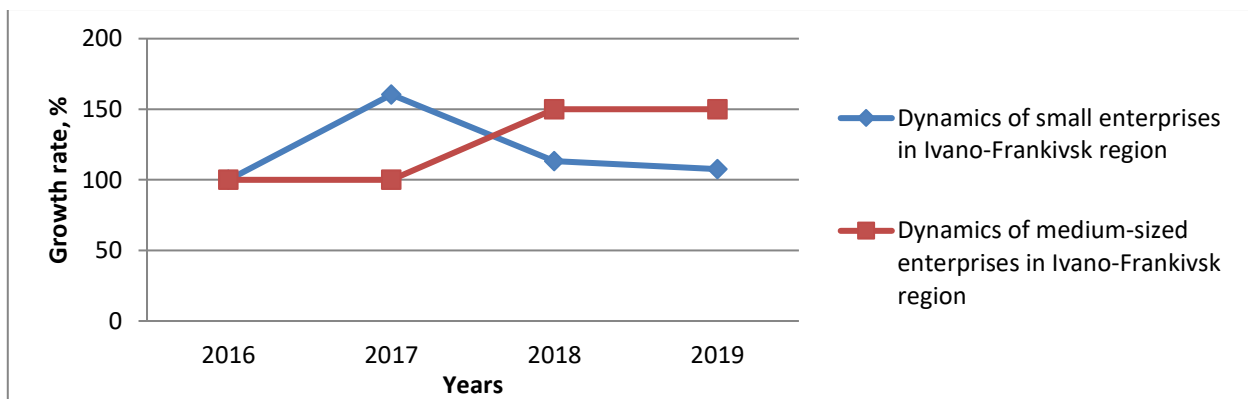


Fig. 3. Dynamics development of small and medium enterprises in Ivano-Frankivsk region

According to the analysis, the Ivano-Frankivsk region has sufficiently developed an innovation infrastructure for the support of small and medium businesses. The insignificant decline of small businesses is due to the unrecognized external conditions as a result of the Covid-19 pandemic. Despite the presence of a sufficient number of objects of innovative infrastructure in the region, their support of SMEs is not always applied. The creation of favorable conditions for SME development in the regions of Ukraine primarily depends on the state regulation and regulatory policy at the local level, since at the present stage of development small and medium business is interdependent on the complexity of the exogenous and endogenous environment, In particular, the dynamism of globalization processes, deepening of the international division of labor, increasing openness of economies, increasing role of innovative technologies, development of human capital and ensuring equal access to information.

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