

# Innovative Development of the Services

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## Abstract:

The results of investigations role innovation approaching in development of sphere of services in the advanced countries of the world and in our republic, them the achieved economic successes and their chronology are submitted in this article.

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## I. Introduction

In developing high-speed services, it is important to use innovative developments in various areas of the industry. This is because the services sector plays an important role in the life of society in comparison with other areas. Every scientifically grounded innovation in this field, that is, an innovative development, will show its effectiveness in a shorter time than other areas. In our country the attention to this area is increasing year by year. As proof of this, the Ministry of Innovation Development of the Republic of Uzbekistan, the Fund for Support of Innovative Development and Innovation, the creation of centers for innovation ideas, developments and technologies, and a special emphasis on scientists and scientists is possible. Innovation has become a pressing issue in recent years. It is becoming increasingly difficult for society to imagine all aspects of the country's development, management, financing and other areas without innovations.

## II. Key part

It is innovation that leads to market renewal, improved product quality and diversity, improved service, the use of new production methods, and improved management. In developed European countries and the US, the use of innovative developments is high, which in turn increases efficiency. Innovation reflects market modernization, the level of development of the leading countries in the world and the dynamic development of various services and their markets. The level of development of the services sector demonstrates the dynamic development of various services and their markets. It is not wrong to say that the level of development of the services sector is a key indicator of the quality of life in each country. The role of innovation in the development of the economy can be seen in the case of countries with high economic performance. Without innovation, the economy will not grow, and growth will be slow, and productivity will decline, leading to a decline in the standard of living. Modernization of the

economy, innovation and development of high-tech industries are important in ensuring sustainable economic growth in our country. Therefore, formation, development and reorganization of the sphere of services in the course of cardinal reforms in the economy of the republic, application of innovations in this sphere and their rational use is one of the most urgent issues of the present. As you know, the word innovation is described differently in different sources, and we think it is appropriate to summarize them. „ Innovation “ comes from the English language, meaning ”innovation “ ,”to innovate “, ”new style”. At the beginning of the 20th century, the concept of innovation has gained a new life. As a result, the Austrian economist JA Schumpeter's analysis of the 'innovation', 'the combination of innovation' and the 'economic combination' have undergone changes. Not every innovation is a novelty, but a mechanism that significantly increases the efficiency of the system. So, innovation is about applying new technologies, new combinations of know-how, and production factors, combined with new technologies, and also the creation of new products with high market potential or the negative effects of destructive processes. 'is the result of an activity or activity that has been set. That is, innovation can be seen as the result of ideas, research, development, transformation of new or perfect scientific and technical or social economic decisions. The attention to this direction in our country is increasing year by year. This is evidenced by the establishment of the Ministry of Innovation Development of the Republic of Uzbekistan, the Fund for Support of Innovative Development and Innovation, the Center for Innovative Ideas, Innovations and Technology, and the special importance of scientists and scientists. Innovation has been a pressing issue in recent years. This is an indication that society has become more and more difficult to imagine all aspects of the country's life, production, management, financing, and other areas without

innovations. The stage of innovation development is scientifically based innovation and innovative potential. Innovation Potential - Understands the innovative abilities and potential of our employees in the service industry.

The following steps should be taken to the innovative potential components:

- Research and development
- Production and implementation
- Use

Widespread use of scientifically grounded innovations, innovative ideas and developments is an important factor in the rapid and promising development of society and the state, leading the country to the world's leading economy. This was stated by President Sh.Mirziyoyev in the Strategy of Innovative Development of the Republic of Uzbekistan. Depreciation can be considered as a stimulus for innovation. Fixed assets cannot be depreciated in the first year. In foreign countries, they use incentive methods to modernize service businesses. This method is considered a depreciation, for example, UK companies are allowed to write off the equipment in the first year of use. In Germany, it is possible to deduct up to 40% of the cost of purchasing equipment and equipment used to conduct ITTKI in the first year. In Sweden, the life of the depreciation system is 3 years and not very expensive. There are two ways in which innovation emerges, and the first one is market demand, that is, demand for a particular product or service. In other words, it is the answer or marketing option that meets the market needs. For example, such changes may include changes that help reduce production costs or give the product a "trademark" appearance. The second direction is intellectual activity or inventiveness - the intellectual activity of a person to create a new product aimed at satisfying the existing demand in the market. Innovation model of development emphasis on advanced technologies in social

production, high-tech products, advanced organizational and management decisions in micro and macroeconomic processes - technopark, technopolis. The use of low-energy technologies is characterized by the rationalization of production activity, the purification and servicing of the economy. At the beginning of the 20th century, the development of the concept of innovation was based on the work of classical political economists Y. Shumpeter and R. Mc Conel. On the role of innovation in the development of the economy and research work in this area, A.I. Tatarkin, A.G. Granberg, V.M. Yuriev, Glazyev, Y.M. Buhwald, P. Druker, F. Cook, A.M. Mukhamedyarov, S.D. This can be seen in the works of Valentey, D. Bell, P. Romer, G.B. Kleiner and others. We can summarize the authors' perspectives on innovation and innovational activities, taking into account their specifics and the growing nature of innovation. Innovation is:

- Funding to the economy to ensure the interchange of technology and the generation of technology;
- Use of new techniques and technologies that are responsible for the advancement of scientific and technological progress;
- Development, synthesis of new ideas, development and implementation of new theories and models;
- Implementation of irreversible political programs

John Schumpeter is considered the founder of the theory of innovative development. According to his theory, deep economic crises will be eliminated on the basis of fundamental innovation that not only changes the economy, but also leaves its mark on social development, such as new structures, new specialties, new disciplines, new industries, new opportunities will be created. No matter how much we talk about the innovations on

service is little. The development of the services sector is the basis for the successful development of society. A key factor in the growth of the services sector is the transformation of social services. The needs of production and the population are steadily increasing due to the complication of technology, technology, production structures, the well-being of the population, as well as the improvement of human self-knowledge, that is, education and culture. The use and implementation of innovations in service delivery in developed countries is a key factor in socio-economic development and a guarantee of economic security. Nowadays, innovation is becoming increasingly important in the service sector, whose main task is to achieve the competitive advantage of service providers, and to meet the demand for high quality goods and services. Today, this can be achieved by innovations that should be widely applied and applied in the new business environment. In the current context, the service sector plays a crucial role in meeting the needs of the community. The development of the service sector and its efficiency in meeting the needs of society are directly related to innovation. Also, one of the main indicators of the development of the service sector is the competitiveness of these services, which is related to the level of innovation in each service enterprise. Where new, new work is done, there will be no growth, development or uniformity. Innovation is a complex business mechanism of the modern economy, where various elements of commerce, industry, information and finance are interconnected. . Accelerating innovation in the service sector is directly related to the management system there, and we come to a new understanding of innovation management. Innovation management is understood to be a new way of organizing this management. The results of the new innovative management-based economic transformation form the real economic structure and help to ensure the performance and growth of each service industry

through a system of material relations only. The main purpose of innovation in services is innovative business, emerging as an object of management and creating and developing the basis for effective economic transformation. At the same time, the practice shows that the innovations in the service sector, especially in small and medium-sized businesses, are not well developed and not only do not have sufficient resources to implement them, but are usually not interested in business innovation. This is why they are not perceived as a continuous chain of technical, economic and social innovations. To avoid this, today, there is a need for large-scale industrial achievements, scientific and technological resources and skilled personnel. If these problems are solved, economic growth will be ensured. For this purpose, innovative service sector development should become a powerful source of economic growth. This is more important than technological innovation in the industry. Service innovation is the result of activities that are able to meet the needs of consumers more effectively. The development and

implementation of new or significantly improved service delivery methods accounts for almost half of the new funding. Organizational and marketing innovations are rare. This is logical, because in recent years the main purpose of companies working in the services industry is to expand their market share and customer base. Innovation in management means the adoption of new principles for human resources, technologies, financial flows and information. New innovative management models are emerging all over the world, and most companies do not have time to manage this data flow. Therefore, change in management is often uninterrupted by nature and is largely dependent on the personality of the leader. World experience shows that the growth of services sector is one of the most important areas of modern economy development. It should be noted that the share of services in developed countries ranges from 2/3 to 3/4 of GDP. At the same time, sustainable growth in the services sector has a significant impact on the level of employment. We will discuss the service sector growth rates in Uzbekistan over the following years:

Years	GDP			Employment		
	billion in total	including services		Total person in million	including services	
		Billion UZS	Comparative weigh in %		Size in Billion UZS	Comparative weigh in %
1989	30,2	2,5	8,2	5045,7	2281,8	45,2
1996	559,1	205,8	36,8	8561,0	3052,0	35,6
2000	3255,6	1201,9	37,0	8983,0	3657,0	41,1
2005	15923,4	5871,7	37,7	10196,3	4544,0	44,6
2006	20759,3	8197,7	39,5	10467,0	4745,0	45,4
2007	28186,2	11979,1	42,5	10735,4	5381,6	50,1
2008	38969,8	17646,6	45,2	11035,4	5563,8	45,4
2009	48097,0	22680,2	47,1	11328,1	5930,9	50,1
2010	61831,2	30397,2	49,0	11628,4	6104,9	52,5
2011	78764,2	40951,5	51,9	11919,1	6022,6	50,5
2012	97929,3	51121,1	52,0	12223,8	6242,8	51,1
2013	120861,5	64056,5	53,0	12523,3	6339,9	50,6
2014	145846,4	78757,0	54,0	12818,4	6436,2	50,2
2015	171369,0	93396,1	54,5	13058,3	6568,3	50,3
2016	199325,1	90202,9	54,0	10667,8	5275,0	49,5
2017	116795,7	63054,3	53,9	11423,2	6227,7	47,3

2018	91460,0	44123,5	48,2	11547,0	6305,3	54,4
2019	54133,3	28689,1	52,9	11929,3	6343,8	56,1

The table reflects the growth rates of the services sector in Uzbekistan and provides a comparative analysis of the years. In modern economic development, services account for up to 2/3 of GDP and, in some cases, higher GDP. In the developed world, services make up 70-76% of GDP and 66-76% of the employed population of the country. In Russia, the share of services in GDP is 58.6% and the share of services in Uzbekistan's GDP is 56.1%. Today, the most important condition for the development of the service sector in Uzbekistan is its innovative development. This will lead the country to take a solid position in the world market, increase the competitiveness of the services and diversify the economy. It is impossible to satisfy society's increasing demands based on geometric progress without innovation. It is not only the development of the services sector but also the creation of gross economic sectors. The country's sustainable development is directly linked to its competitiveness in the global market, which cannot be achieved without scientific and technological progress. This is due to the need for seamless and growing technological innovation and news flow. The following steps need to be taken to ensure the innovation process. Human Resources, Financial Provision, Infrastructure Organizational Support. Social and economic efficiency is achieved through innovative activities and reflects the effectiveness of commercialization of the use of research results.

### Innovative potential of economic system

Innovative potential					
Staffs` potential		Production capacity		Investment potential	
The volume of research and development		The volume of special design developments		The volume of innovative product development	
Staffs`	Base of	Productio	Producti	Investme	Investm

Opportunities	staff	n opportunities	on base	nt opportunities	ent reserve
The volume of scientific research works, the results that the experience can use in the design development phase	The volume of scientific research works, remain the results at the level of scientific research	The volume of innovative product development	The size of the samples collected in the experiment	Realization of innovative products	The volume of non-realization of innovative products

The table reflects the innovative potential of the economic system, and the mechanisms of the innovation potential have been developed. In this table I would like to focus on the volume of innovative products development. Having studied the demand for manufactured and created products, I think it is expedient to implement an innovative approach to its implementation.

### III. Results and conclusion

In conclusion, I would like to emphasize that by continuous efforts it is necessary to bring the national economy to a completely new level, to bring it to the top of development. Innovation in the service sector depends on a number of factors: focusing on the development and financing of high-quality and competitive services based on modern technologies and the development and financing of effective innovation projects that ensure the production of high-quality products, a clear strategic goal, innovative personnel;

increasing the demand for resources that support the innovation process, research, development of innovative products, development of innovative products, introduction of innovative products in the market and so on. Through these factors, the innovative economic system achieves social and economic efficiency, increases the frequency of scientific and technological changes, accelerates the development process, increases production efficiency, and creates the necessary level of technology and technology. These mechanisms improve the quality of public services and improve the quality of service.

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