

INNOVATIVE APPROACHES TO DETERMINATION OF ECONOMIC DIGITIZATION IN THE MODERN STAGE OF ENTERPRISE DEVELOPMENT

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Abstract: *The article deals with the concept of digitization of the economy. There is the comparative interpretation of it in different sources by different authors. The author's approach to the content of the definition of the digitization of the economy is given. The innovative approaches to the definition of the digitization of the economy at the present stage of enterprise development are presented. The conclusion is made on the importance of developing digital technologies on the basis of innovative development.*

Keywords: *definitions, digitization, digital economy, digitization of the economy, innovative approaches, innovative development.*

Introduction

Today's digitization of the economy covers almost the entire world, it is becoming globalized. If on the global scale the first digital platforms appeared in 1961, then in Ukraine, in general, digital transformations began in 1990 and they became very rapid development.

It is likely that the digital economy has its disadvantages in comparison with traditional ones, such as rising unemployment, digital divide in education and access to digital services, cybernetic threats, and so on. However, increasing productivity and competitiveness of enterprises, reducing costs, creating new jobs are its advantages. Some scientists believe that the digital

economy has replaced the innovation. But, in our opinion, digitisation and innovation are integral components. Therefore, at the current stage of development of enterprises, the question of the digitization of the economy on the basis of innovative development is very relevant.

In order to accelerate the digitization of the economy, it is necessary to develop at the macro level the domestic IT sector, to stimulate the creation of innovative technologies, to deepen the cooperation in the international market. At the micro level, you have to realize the need for digital transformation and update knowledge of the technologies that appear in the modern digital world.

Definition translated from Latin (definition) means "setting limits", "determination". According to the explanatory dictionary of the Ukrainian language, the definition is a brief logical statement, which contains the most significant signs of a definite concept [8].

Unlike other terms, digitization of the economy does not have such distant roots, so in the national scientific and economic literature this issue is not given enough attention. It also adds relevance to this issue.

In the context of Digital Agenda - 2020, digitization is a recognized mechanism of economic growth through the ability of technology to positively influence the effectiveness, efficiency, cost and quality of economic, social, public and personal activities [6].

Rudenko M.V. believes that "the specificity of treating the category of "digitisation" directly depends on the subject of the definition, which causes ambiguity in the interpretation of the concept under study and underlines the controversy of individual definitions and statements." He also emphasizes that the process of digitization of the economy is based on a synthesis of existing practical experience, that is, on a set of generally accepted rules, which serve as the basis for the implementation of this process in the daily life of economic entities". The author also proposes to consider the category of "digitization" from different points of view: from the standpoint of scientists it is a process of evolution of economic, social, industrial, technical and technological relations in society caused by the development of information and communication technologies; from the side of practice is a mechanism for changing business models to improve the efficiency of functioning; for the state - the saturation of society with digital devices and the exchange of information among them; from the perspective of society it is a new paradigm for the development of life processes, the basis of which is digital technology. [5, p. 61-65] However, he does not provide a generalized definition of digitization.

Kraus K.M. indicates that the most important result of digitization in modern conditions is the automation of services, and the main "value" is the client (because without him the economic activity is not meaningful). [3] However, the importance of digitization for other business activities, in particular supply, production, management, etc., is effaced.

Dannikov O.V. and Sichkarenko K.O. consider digitization of the Ukrainian economy "a natural continuation of the international trend of the proliferation of digital technologies and a dramatic increase in their impact on all sides of economic life, as well as a new paradigm of development of the country, economy and society as a whole. The authors include the digitalization of the economy to the components of a broader, in their opinion, the concept of "information and network economy"[2,p.73-79]. One can agree with Vice-President of "Association Innovative Development of Ukraine", Fischuk V., who points out that digitization is no different from modernization, and the state should stimulate business to introduce digital technologies through access to capital, tax credits, and so on [7]. However, according to some practitioners, and to our belief, state intervention will only hinder the proliferation of digitization due to the emergence of artificial and not always "healthy" competition among transforming enterprises.

The term "digitization" comes from the English "digital", which is why many domestic scientists and practitioners widely use synonyms for "digitalization" and "digitization".

Guseva O.Yu. and Lehominova S.V. suggested to understand the digitization as the transformation, penetration of digital technologies for optimization and automation of business processes, increase of productivity and improvement of communication interaction with consumers [1, pp. 33-39].

The same opinion is shared by most leading managers who understand digitization as using modern technologies to improve the company's productivity or value, or in general, as an automation of internal processes, rather than a business model.

Ligonenko L.O., Hripko A.V. consider digitization as one of the "business cards" of the new economy (neo-economy) - a new type of socio-economic structure, which is gradually formed within the post-industrial period of economic development by introducing the achievements of scientific and technological progress and innovative methods of management, intellectualization of human capital, the use of advanced cutting-edge technologies, accelerated development of high-tech branches of the economy, giving priority to the production of knowledge and services, the development of the mentality of creative, effective, sustainable business. The new economy is

formed on the basis not only of the intellectualization of production, but also of the whole economic life, based on the widespread and massive use of information and communication technologies (ICTs) [4].

It is quite understandable that a digital economy is an economy based on the use of digital technologies, and digitization of the economy, as a category, is the process of transforming the generally accepted economic system into a digital one.

We consider the false assertion that the digital economy is a totally new economy, because digital technology makes the production of goods, works and services more high-tech, and does not replace it.

No matter how perfect digital technologies are, they do not replace either natural products or high-quality goods and services. They can only contribute to improving quality, cheapening production and accelerating their advancement to the end consumer.

In our view, the term digitalisation of the economy is more acceptable than the digital economy. Let's agree with some scientists and practitioners who believe that the global economy is one, but in the transition to digital technology in all spheres of life there is a partial or continuous digitalization of all or some of its branches. It is important to remember that any automation should increase the profit of enterprises, the level of GDP, otherwise it does not make sense.

In view of the above, we propose an author's approach to the definition of the digitalization of the economy, which will be considered as automating the interaction of all participants in economic processes in order to simplify, accelerate and increase the effectiveness of such interaction through the use of information technology. In other words, it should be determined which technology is necessary to produce a product whose consumption is a society's demand. The synergistic effect here will be achieved by setting up the direct links at all levels and affecting the intermediaries.

To determine the category of "digitization of the economy", such scientific methods as abstract-logical (in the determination of the properties of the term and features, distinguishing it from other similar phenomena), the method of complex analysis (in the study of existing interpretations of this concept and their analysis), the method of system analysis (when studying the conditions of existence of the term).

To implement the process of digitization of the economy, it is necessary to use such innovative approaches that will allow forming economic relations at a new "digital" level (Fig. 1).

In general, digitization is a process that can not be stopped anymore. The number of spheres, industries and specific enterprises that are penetrated by digital technology is constantly increasing. Accordingly, the activity of the enterprise at the present stage is changing directly proportional to the digital transformation. The growth of digital technologies on the basis of innovative development requires the improvement of enterprise management, the active use of modern information technologies (including for automation of business processes), the introduction of new business models.

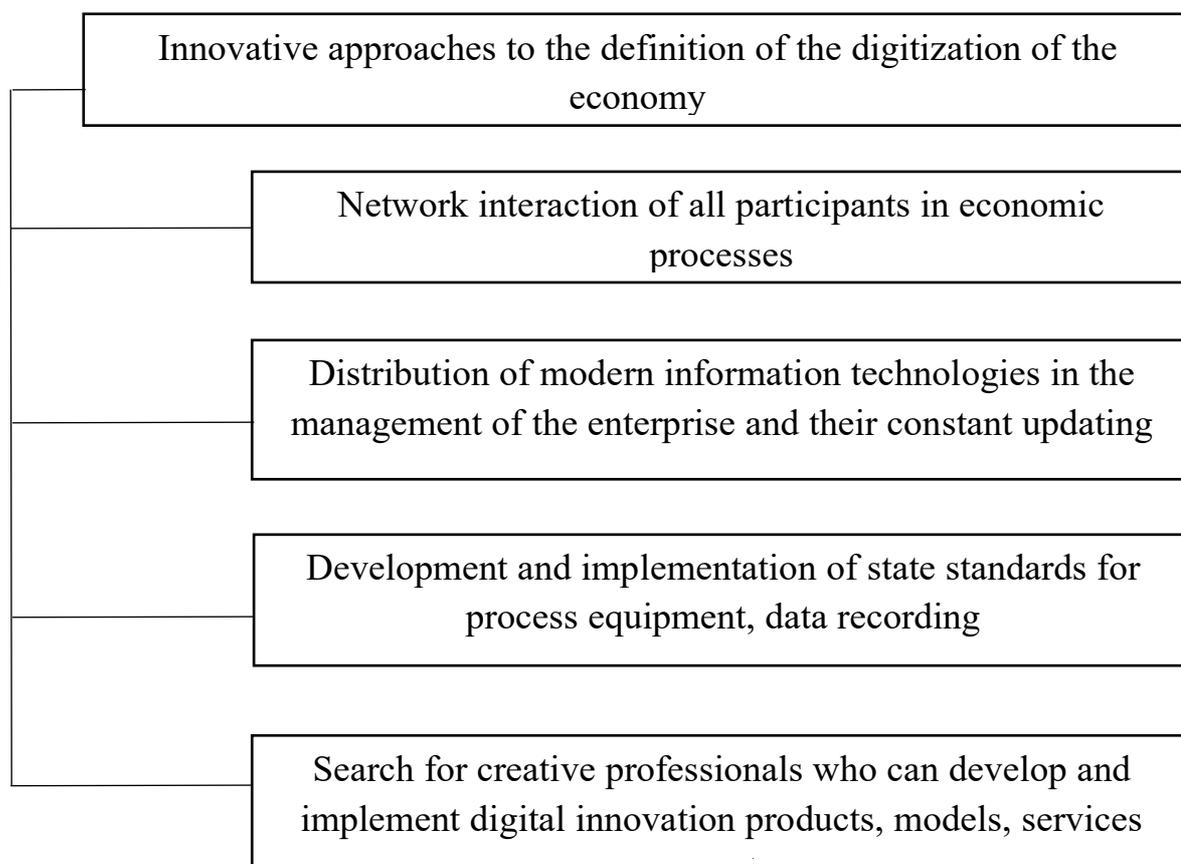


Fig. 1. Innovative approaches to the definition of the digitization of the economy at the current stage of enterprise development.

The fulfillment of these conditions will lead to improved quality of goods, works and services, shortened time for all digital transfer operations and management decisions, reduced operating costs and increased profits, improved and strengthened competitive positions.

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