

## INNOVATION CAPITAL

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The dawn of the new millennium has been met with great enthusiasm and an equivalent commitment to change - or as we prefer to call it - innovation (the capacity to preserve the best of the old and realign the rest to take advantage of future opportunity).

Individuals and organizations from every function, sector and corner of the globe are envisioning a new economic world order - one based upon intellectual, not financial capital. Of course, knowledge has always been an essential element in the advancement of civilization, but today's emerging economy proposes that knowledge be managed explicitly.

The world is experiencing unprecedented change in applications of knowledge in every dimension of development, growth, revitalization and organization. The demands and opportunities of an interdependent global economy have implications for private and public decision making by enterprises and communities, whether local, national, regional or global.

Most nations have launched major initiatives to harness their inherent capability within a transnational context. All has been done in the name of international competitiveness. Economies have been transformed, communities revitalized, emerging territories supported and industrialized nations repositioned. We have much to learn from one another.

During the past several years, product development organizations have attempted to shift their strategic priorities from lowering product development costs and reducing cycle time (e.g. improving time-to-market), to finding ways to infuse greater innovation and differentiated features/capabilities into their products.

Three underlying themes are fundamental to the new infrastructure needed to create prosperity in this new economy:

- Knowledge is the new, expandable source of economic wealth. There is an emerging recognition that the inherent intellectual assets - effectively exploited through innovation - are the most valuable resource of any country;
- Innovation that encompasses the full spectrum from creative idea generation through full commercialization. Successful innovation depends on converting knowledge flows into goods and services.

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