

Innovative costs: nature and classification features

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Investigated the nature and classification of expenditures on innovation activities of enterprises with different classification criteria. On the basis of the views of local and foreign scientists on innovation costs are prompted to select classification features: the stages of the life cycle of innovative products and the type of transaction.

Key words – innovation, innovation activity, expenditure, classification, enterprises .

I. Introduction

The effectiveness of the enterprise depends on its ability to respond quickly to changes in the environment that are caused by the rapid pace of scientific and technological progresses. Hence the urgency is the study of the costs of the enterprise, particularly related to innovation. A variety of expenditure on innovation activities of enterprises necessitates grouping them according to certain classification features that will help make rational management decisions to maximize profits. To use existing classifications costs at the enterprise level of refinement is needed regarding the cost of innovation, during which you should consider practical aspects of selected structural elements to such expenses.

II. The purpose of the article

The purpose of the article is to study the innovative expenditure and their classifications features in the enterprises.

III. The main material

Innovative expenditure are expressed in monetary terms as the actual expenditures associated with the implementation of different types of innovation. They may include the spent both tangible and intangible resources. Tangible resources are the result of innovation, current and non-current assets (excluding intangible assets). Intangible resources should include human capital, intangible assets, intellectual property, investment in human capital (motivation, training, continuous training, etc.), knowledge, trade mark [1, c. 46]. When total spending on innovation understand the costs on the implementation of innovation for both new businesses and new to the market, including internal research and development (R & D), purchasing research, machinery, equipment and software, and other external knowledge other costs [2, c. 20]

In [3, p. 47] states that the cost of innovation - this is the valuation of resources acquired or created and used at all stages of the innovation process, to achieve innovation, and to determine their degree of radicalism correlated with income subject innovation. A. Il'chenko more widely

revealed the essence of this concept to include the lost profits from the underutilization of natural energy [4, p. 3], because the company can choose one of two possible ways of development:

1. Development and implementation of its activities, the results of innovative activities undertaken at their own discretion and risk. It is possible to receive both high profits from this activity, and losses;

2. Ordinary course of business and the company can partly lose profit.

In our opinion, this supplement O. Il'chenko is right, because the cost of innovation include all the costs associated with innovation and the positive effect that the company could receive as a result of innovation.

The primary results of innovation activity are [5, p. 4]:

- Innovating firms commit significant resources to innovation, ranging from 7-8% or turnover in traditional industries to 12-15% in high-tech sectors

- The composition of innovation expenditures varies, with between 10 to 25% made up of R&D, roughly 30% comprising non-R&D expenditures, and between 40 and 60% comprising investment expenditures

- The levels of innovation expenditure (measured in terms of innovation expenditures as a proportion of turnover) are very similar across European industries in different Member States. The intensity of innovation expenditure reflects features of the industry, rather than country-specific features.

- There is considerable inter-industry variation in the composition of innovation expenditures. Industries can be seen in terms of different structures of innovation expenditures, and these differences in the composition of innovation expenditures are similar across countries.

Innovation expenditure may be put in two ways [6, p. 60-61]:

- the subject approach. The subject approach covers expenditure for implemented, potential and aborted technological product and process innovation activities. In this respect, it is a straightforward extension of traditional R&D measurement. Not many enterprises keep separate records of other technological product and process innovation expenditure, but experience has shown that it is quite possible for them to give acceptable estimates of the non-R&D portion.

- the object approach. In the object approach the sum reported comprises total expenditure on technological product and process innovations, or on the main technological product and process innovation, that have been implemented during a given period. It excludes expenditure on technological product and process innovation projects that have been aborted or are still in progress, and on general research and development not connected to any specific product or process application.

In European countries, there are three types of innovation expenditure: spending on science and development costs associated with the project and the costs associated with the introduction of new products.

In Australia expenditure on innovation comprises all expenditure incurred by businesses on the development or introduction of all new or significantly improved goods,

services, processes or methods over a financial year period. Business expenditure on innovation activities may include: acquisition of machinery, equipment or technology; training specific to innovation; marketing activities undertaken to introduce innovation; internal and external research and experimental development on innovation; design, planning or testing to develop or introduce innovation; and the acquisition of licences, rights, patents or other intellectual property associated with innovation [7].

Over a period of innovation distinguish between current and capital expenditures on innovation. Current costs are incurred in the plan period and are mainly the cost of production. They include:

- costs of workers engaged in the acquisition of machinery, equipment and other assets related to technical innovation ;
- costs related to contributions to the various funds of wages ;
- costs associated with the production design and other types of pre-production to produce new products
- costs associated with the introduction of new methods of production [8].

In foreign sources of capital costs include:

- land and buildings. The share of new buildings is often difficult to quantify and calculate many countries ignore this element. Buying new equipment is often included in the cost of new buildings and not individually identified;
- tools and equipment. It covers the basic tools and equipment relating to the implementation of innovation, including embodied in the form of software;
- computer software includes purchase separately identifiable computer programs for use in the performance of innovation , including the description of the programs and supporting materials for both systems and software applications [9 , p. 112-113].

Today, there is numerous classification features cost innovation under study by both domestic and foreign authors. After analyzing the existing approaches concerning the classification of innovation costs, offer it to expand and identify classification features such as classification of costs in the stages of the life cycle of innovative products and the type of transaction.

According to the first classification features year-olds following types of costs:

- the cost of conducting market research;
- the cost of transforming innovative ideas into finished products ;
- the cost of producing innovative products ;
- cost of sales of innovative products ;
- the cost of product development / sale of intellectual property.

According to the classification of expenditure on innovation by type of transaction, in our opinion, should be distinguished:

- Costs incurred in the exchange of property rights;
- Costs arising from the existence of communication barriers;

- Costs arising from psychological rejection of innovations;
- The cost of the assessment of individual contributions to employee innovation.

Conclusion

Fragmentation classifications impede the tasks of building costs on innovation and management. But they are ordering will help make effective management decisions managers use different classification features cost depending on situations that have arisen in the company.

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