

Ministry of Education and Science of Ukraine
Ukrainian-American Concordia University
Department of International Economic Relations, Business and Management

Bachelor's Qualification Work

International innovation networks in conditions of global competition

(on the basis of LLC TAKE IT EASY)

Bachelor's student of

Field of Study 29 – International Relations

Specialty 292 – International Economic Relations

Educ.program – International Economic Relations

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Abstract:

The importance of international innovation networks for the stable economic development of a society or organization and the need to regulate this process is currently recognized in most states and organizations of the world. International innovation networks are the most effective factor which ensures competitiveness and sustainable development in the whole world. From the considered material it can be seen that it is the innovative activity of an organization that can give it a qualitative competitive advantage and the ability to adapt to changes. It is very important to study the fundamental theoretical problems of international innovation networks development, as well as analyze the latest trends in antimonopoly regulation in the global economy. This paper solves a significant problem, which consists in the formation of the theoretical foundations of the international innovation networks, as well as the development of recommendations for improving international frameworks of innovation activity in conditions of global competition.

Keywords: competition, economic development, global, innovation activity, innovation network, international.

Анотація:

Важливість міжнародних інноваційних мереж для стабільного економічного розвитку суспільства чи організації та необхідність регулювання цього процесу в даний час усвідомлюється в більшості держав та організацій світу. Міжнародні інноваційні мережі є найефективнішим чинником, який забезпечує конкурентоспроможність та сталий розвиток у всьому світі. З розглянутого матеріалу видно, що саме інноваційна діяльність організації може дати їй якісну конкурентну перевагу та здатність адаптуватися до змін. Дуже важливим є вивчення фундаментальних теоретичних проблем розвитку міжнародних інноваційних мереж, а також аналіз останніх тенденцій антимонопольного регулювання у світовій економіці. У цій роботі вирішується суттєва проблема, яка полягає у формуванні теоретичних основ міжнародних інноваційних мереж, а також розробці рекомендацій щодо вдосконалення міжнародних структур інноваційної діяльності в умовах глобальної конкуренції.

Ключові слова: конкуренція, економічний розвиток, глобальний, інноваційна діяльність, інноваційна мережа, міжнародний.

PHEE-institute «Ukrainian-American Concordia University»

Faculty of management and business

Department of international economic relations, business and management

Educational level: **bachelor degree**

Specialty: 292 “International Economic Relations”

Educational Program “International Economic Relations”

APPROVED

Head of Department _____

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TASK
FOR BACHELOR’S QUALIFICATION WORK

Yuliia Ben

(Name, Surname)

**1. Topic of the work “INTERNATIONAL INNOVATION NETWORKS IN
CONDITIONS OF GLOBAL COMPETITION”**

Supervisor of the work *N. Chaplynska, Ph.D. in Economics, Associate Professor,*

Which approved by Order of University from “22” *December 2022 №22-12/2022- 1c*

2. Deadline for bachelor’s qualification work submission “19” May 2022

3. Data-out to the bachelor’s qualification work *materials received during the internship and consultations with the representatives of LLC TAKE IT EASY*

4. Contents of the explanatory note (list of issues to be developed) *There are 6 main tasks which are covered at the work. They include describing innovation activity and its regulation; provide general characteristics and analysis of activity of LLC TAKE IT EASY, analyze competitiveness and innovation activity of the company. Also student should provide recommendations on innovation network of the current company, to make an appraisal of the process of implementation of priority proposals and analyze them.*

5. List of graphic material (with exact indication of any mandatory drawings)

Figures: “The concepts of “improvement”, “novelty”, “invention”, “innovation”;

Model of the relationship between regulation and innovation;

General causes of long waves;

Tables: Financial statistics of the LLC TAKE IT EASY, Advantages and disadvantages of Speechyard, Skyeng and Duolingo.

6. Consultants for parts of the work

Part of the project	Surname, name, position	Signature, date	
		Given	Accepted
1	Chaplynska N.M.	+	+
2	Chaplynska N.M.	+	+
3	Chaplynska N.M.	+	+

7. Date of issue of the assignment

Time Schedule

№	The title of the parts of the bachelor's qualification work	Deadlines	Notes
1.	I chapter	14.02-13.03.2022	In time
2.	II chapter	14.03-10.04.2022	In time
3.	III chapter	11.04-24.04.2022	In time
4.	Introduction, conclusions, summary	25.04 – 01.05.2022	In time
5.	Pre-defense	08.06.2022	In time

Student

(signature)

Supervisor

Conclusions: *The bachelor's qualification work was designed according to the requirement of guidelines, commission, and high school for such type of scientific papers. It contains all necessary chapters and subchapters, describes information in details on the theoretical and practical side, and gives concrete recommendations for the development of innovation networks. The theoretical part includes a deep analysis of scientific research and has a lot of figures and tables with explanations. Conclusion and proposals formulated correctly, all tasks were described. In total, the work can be recommended to the viva with the grade "Excellent".*

Supervisor

NATALIA Chaplynska

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INTRODUCTION

The importance of international innovation networks for the stable economic development of a society or organization and the need to regulate this process is currently recognized in most states and organizations of the world.

The formation of an innovative economy is usually identified as a priority task for each state or/and organization. Initially, a certain strategy is developed that focuses specifically on international innovation networks. After that, a course is taken to achieve this strategic goal – that is, the process of achieving a level of economic and social development corresponding to the status of a country or organization begins. This goal is supposed to be solved through the formation of a powerful scientific and technological complex, ensuring the achievement and maintenance of the leadership of the state or/and organization in scientific research and technology in priority areas. One of the main conditions for the economy's transition to an innovative path of development is to increase the innovative activity of business and accelerate the emergence of new innovative companies in all sectors of the economy, and primarily in the knowledge economy.

The strategy for developing of the international innovation networks can be considered as a means of creating more favorable conditions for modernizing the economy by improving the legal regulation of innovation activity, creating an innovation infrastructure, as well as improving support measures and stimulating innovation. In this regard, the question of the legal status of participants in international innovation networks is of great importance. It is extremely important to ensure the continuity of the course for creating conditions for long-term sustainable advanced development of the economy, setting on its diversification and innovation nature, which is practically impossible without improving legislation and solving both theoretical and practical issues in the field of the international legal innovation activity regulation. At present, there is no balanced and comprehensive legislation that defines the concept, the legal status of participants in innovative activities in the field of entrepreneurship, which is predetermined, in particular, by insufficient scientific study of the issues of the legal status of participants in innovative activities. Hence there is the high need to improve the efficiency of legal mechanisms to

stimulate international innovation networks, which is impossible without the support of its participants.

Turning to the topic of competition in the innovation sphere, it is very important to study the fundamental theoretical problems of international innovation networks development, as well as analyze the latest trends in antimonopoly regulation in the global economy. In fact, competition is a struggle between economic entities for the most efficient use of factors of production, provided with uniform rules for all participants. The main conditions for perfect competition are free prices, low barriers to entry and exit industry markets and the absence of pressure on the market from dominant companies. In real economic life, perfect competition is rare, but moving towards it is an important task for regulators.

Previously, this topic has been researched by various economists C. Passaris, F. Erixon, R. Martin, B. Lawlor, M. Surugiu and C. Surugiu, R. Paehlke as well as many others, since the subject of globalization is so extensive. It follows from this that economic globalization is an important area of research, including business development, and has impacted it in many ways. This qualification work has been developed in order to expand the list of offered ways of business development and enhancement based on the economic globalization framework.

Innovative competition is competition in the field of creation and economic development of technological innovations. The current stage of innovative competition is characterized by two multidirectional trends. On the one hand, this is an increase in competition in the context of the globalization. On the other hand, this is a significant shift towards monopolistic tendencies, which are especially pronounced in the field of digital technologies. Modern innovative competition unfolds at different levels: national and global, sectoral and regional. This complicates the reaction and actions of regulators to overcome emerging trends towards monopolization and various abuses of monopoly position. The main thing here is to understand the differences between different countries and different markets dealing with global technologies. After all, international innovation networks has acquired a significant political character: it has become obvious that it is

innovation development that determines world leaders and outsiders. It is important to understand what the state is doing to support international innovation networks and provide better conditions for innovators.

In this paper, there is an attempt to combine several problems: to show what international innovation networks are now, in which industry markets and how they operate, what indicators characterize the innovation process and the formation of a monopoly, to explain the development of competition on the basis of LLC TAKE IT EASY.

Complex professional qualification practice is one of the integral parts of study of qualified specialists of all specialties, including International Economic Relations. It has been executed in the LLC TAKE IT EASY which is based in Ukraine and operates in the field of education and supporting educational services. During the internship, the results of theoretical training were consolidated and concretized. The purpose of the internship was to test in real conditions knowledge in the cycles of disciplines of specialization, to acquire professional skills in managing business and leading all the tasks of different departments of an organization and to collect primary materials for completing the final qualification work.

The purpose of this bachelor's qualification work is to study and analyze how international innovation networks have become the basis for the development of economic and innovative activities of organizations and their influence on it, as well as to establish ways for the development and improvement of business within the framework of international innovation networks.

The objectives of the qualification work are to solve a significant problem, which consists in the formation of the theoretical foundations of the international innovation networks, as well as the development of recommendations for improving international frameworks of innovation activity in conditions of global competition.

The main tasks of the bachelor's qualification work are as follows:

- analyze the term “innovation activity”;
- set prerequisites for the international innovation activity;

- determine the international frameworks of innovation activity regulation;
- characterize and analyze the internal and external activity of the LLC TAKE IT EASY;
- characterize the economic activity of the LLC TAKE IT EASY;
- analyze the level of competitiveness of the LLC TAKE IT EASY;
- characterize the innovation activity of the LLC TAKE IT EASY;
- develop recommendations on international innovation networks directions of LLC TAKE IT EASY;
- apprise the process of implementation of priority proposals;
- analyze the effectiveness of the proposed improvements.

The methodological basis for this work is comprised of international economic journal articles, acclaimed internet websites, the chosen company's documentation and personal data analysis and calculations.

The research objects are innovation activity of the organization and international innovation networks within its context.

The subject of the study is a set of theoretical, methodological and practical approaches to establishing ways to improve the economic and innovative development for the LLC "TAKE IT EASY", determining the competitiveness of the company and establishing ways for the development of its international innovation networks.

Individual work plan was as follows:

- the period of internship was from 27.09.2021 till 25.10.2021;
- place of internship – LLC TAKE IT EASY;
- departments included – Human Resource Management, Marketing, Finance, Research and Development, Operations;
- positions included – HR Manager, Marketing Specialist, Accountant, R&D Coordinator, Project Manager.

The objectives of the qualification work are to solve a significant problem, which consists in the formation of the theoretical foundations of the international innovation

networks, as well as the development of recommendations for improving international frameworks of innovation activity in conditions of global competition.

Bachelor's qualification work consists of an introduction, 3 chapters, conclusion, a list of references and five annexes. Work is carried out on 98 sheets, containing 8 tables, 7 formulas and 10 figures. References include 80 literature sources.

CHAPTER 1. THEORETICAL AND METHODOLOGICAL BASES OF INTERNATIONAL FRAMEWORKS OF INNOVATION ACTIVITY

1.1. General characteristics of innovation activity

In these days of a fast-moving world, most economic processes are closely related to innovations. The development of innovative activities, the widespread dissemination of innovative technologies, products and services are key areas for achieving economic growth and improving the quality of life of the population in the modern world. Most of people, probably, do not differ such definitions as “innovation”, “invention”, “novelty” and “improvement”. Nevertheless, it must be highlighted that all these terms have different nature and must be seen separately (see Fig 1.1). In the case of this paper, mostly innovation is important.

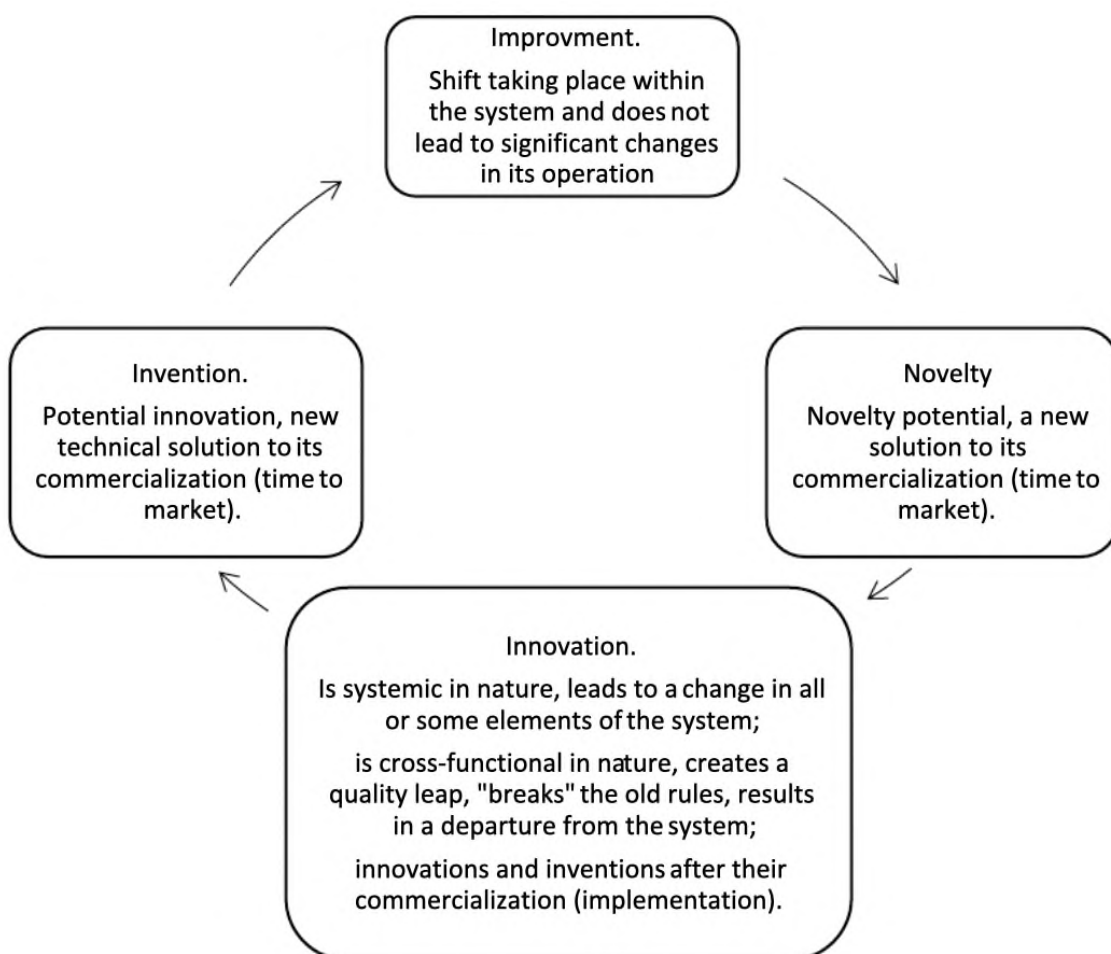


Fig. 1.1. “The concepts of “improvement”, “novelty”, “invention”, “innovation”

Source: Kogabayev, T., & Maziliauskas, A. (2017).

Innovation is the most effective means of ensuring competitiveness and sustainable development. The European Union, as an independent, single unit, defines the term innovation activity as follows: “Innovation activities are all scientific, technological, organizational, financial and commercial steps which actually, or are intended to, lead to the implementation of innovations” (Eurostat, 2005). The EU argues that some innovation activities are innovative by their nature, while others are not considered as novelties, but are necessary to drive innovation, - namely, to create, research, develop and implement it, - that is not directly related to the development of a specific novelty. Development and implementation of an innovation are its main features. A new or improved product, service, process or method can be considered as innovation in the case if it is already implemented, actually used in the activities of a state or an organization and introduced to the market.

The system of legal regulation of innovation activity is a set of normative legal acts. Usually, these acts include some laws, regulations or standards on innovation activity which can differ from entity to entity. If we are talking about international level of regulation, the adaption of acts to each entity will be slightly shown, but it still will exist. One of the reasons for it is that some regulations can carry positive character for one state or organization and negative character for another (see Tab. 1.1).

Table 1.1.

Standards and innovation: positive and negative effects

Type of standard	Positive effects on innovation	Negative effects on innovation
Compatibility/ interoperability	<ul style="list-style-type: none"> • Network externalities • Avoiding lock-in old technologies • Increasing variety of system products • Efficiency in supply chains 	<ul style="list-style-type: none"> • Monopoly power • Lock in old technologies in case of strong network externalities
Minimum quality/safety	<ul style="list-style-type: none"> • Avoiding adverse selection 	<ul style="list-style-type: none"> • Rising rivals' costs

	<ul style="list-style-type: none"> • Creating trust • Reducing transaction costs 	
Variety reduction	<ul style="list-style-type: none"> • Economies of scale • Critical mass in emerging technologies/industries 	<ul style="list-style-type: none"> • Reducing choice • Market concentration • Premature selection of technologies
Information	<ul style="list-style-type: none"> • Providing codified knowledge 	

Source: Pelkmans, J., & Renda, A. (2014).

The regulation of relations connected to the implementation of innovative activities is implemented both at the international level and at the national level of each country and at the managerial level of each organization. According to J. Pelkmans and A. Renda, “[...] in order for innovation to occur, entrepreneurs must have the willingness, opportunity/motivation, and capability or capacity to innovate, and that regulation can affect all three aspects” (Pelkmans, 2014). The descriptive relationship between regulation and innovation is presented in Fig. 1.2.

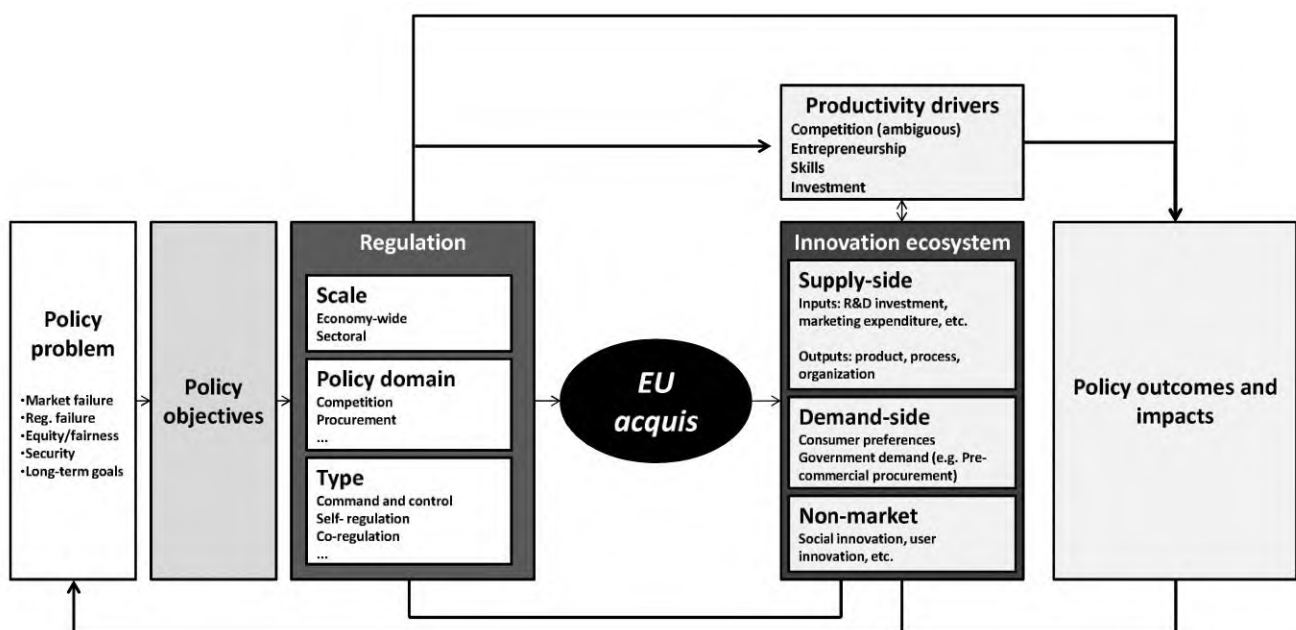


Fig. 1.2. “Model of the relationship between regulation and innovation”

Source: Pelkmans, J., & Renda, A. (2014).

One of the main factors influencing the innovation activity is the politics of countries. It depends on the government of the state how well it presents itself at the global level and can successfully integrate into the global economy. Politicians are responsible not only for the creation of a certain system in the country on which it will operate. They also make sure that the state is successful in its existence and beyond its borders, that is, it has a good reputation among other countries. For this, it is important to participate in international organizations and do it with the most positive possible result. Thus, countries can prove themselves well on the international podium, gain the trust of states around the world and be sure that they could get help, support or even alliance at any time. As a conclusion, if a country has a good political position at the global level, then it will be easier for it to improve its economy and reach the world “stable” level, which, in turn, will have a positive effect on the economy of the whole world.

1.2. Prerequisites for international innovation activity

Up to the modern days, specific stages and periods of economic development have been defined which are mainly associated with the introduction of new products, materials or technologies. According to the last economic papers, scientists and economists differ six waves of innovation:

- 1) the first wave is characterized with open of water power, textiles and iron;
- 2) the second wave gave people the new source of energy in the view of coal;
- 3) the third wave is known because of electrification and combustion engine;
- 4) the fourth wave of innovation included new materials (plastics) and creation of electronics;
- 5) the fifth wave, the last one, is clearly described by economists; the fifth wave brought to the world new information systems which significantly improved methods of communication, production management and distribution systems;

- 6) we are currently on the cusp of the sixth wave of innovation, which has such features as robotics, automation, digitalization and sustainability, and is also associated with the beginning of the fourth industrial revolution [Rodrigue, 2020]. We are at the threshold of the sixth wave of innovation at the moment (see Annex A).

The theory of the general causes of long waves says that the reasons for the emergence of six waves of innovation are found far beyond the GDP and other economic trends, on the basis of which the unevenness of their manifestation in the world economy is studied, and can be reduced to the phenomena found in the factors of long-wave dynamics associated with the introduction of innovations, the renewal of the financial system and its institutions, the change models of resource consumption, technologies for obtaining information and creating infrastructure facilities (see Fig. 1.3). This must be taken into account when developing a policy to stimulate the economy to enter upward trends in the economic environment, since the composition of the factors of long-wave dynamics determines the totality of areas of application of control efforts.

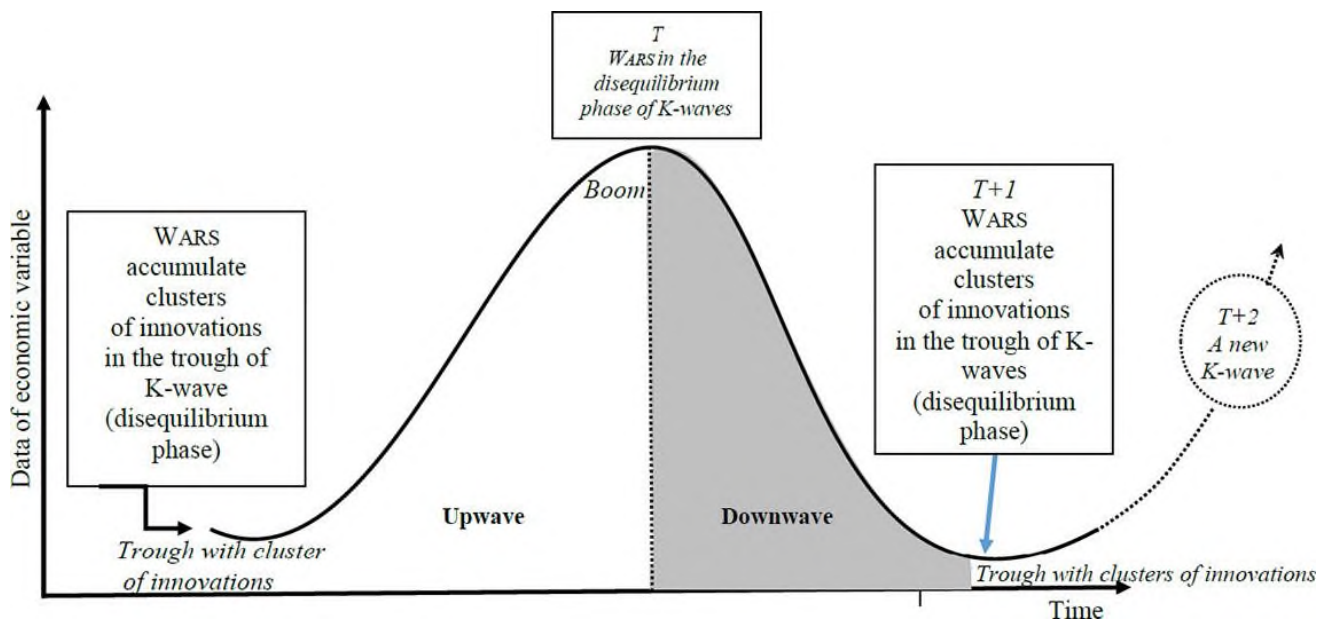


Fig. 1.3. “General causes of long waves”

Source: Coccia, M. (2018).

All the types of innovation, especially technological innovation, can be considered with confidence as “a crucial driver of growth, enhancing competitiveness and increasing social well-being in all economies of the world” (World Bank, 2010). These words perfectly explain current economic situation in the world which is connected to the innovation changes. Expressing with more broad and diversified words, innovation means not only the creation of new technologies today, but what is more important, it includes the diffusion and use of new products, processes and practices (see Tab. 1.2).

Table 1.2.

Growth in patents in telecommunications-related areas.

Average annual growth rate

	US Patent Office			European Patent Office		
	1980	1993	AGR %	1980	1991	AGR %
USA	3710	6978	5.0%	225	1005	14.6%
Japan	862	4518	13.6%	79	861	24.3%
Germany	341	482	2.7%	224	443	6.4%
France	254	409	3.7%	141	281	6.5%
UK	222	259	1.2%	44	186	14.0%

Source: OECD (1995).

Thus, the authors of the book “Structural Change and Economic Dynamics” give an example of influence of innovations on the job space and productivity of the labor force. In the work environment, innovation has the greatest impact on work quality. This is clearly seen in examples of both international and local level. For example, if we take into account Ukraine as a single and independent country, then there is not immediately noticeable interconnection between innovation and quality of work, since we are looking

at these points in a very narrow direction. But as soon as we look at Ukraine as one of many countries in the world, we gain the ability to compare different states and immediately see that the lack of the most modern innovations in Ukraine greatly affects the quality of work, while such advanced countries as the United States and most of the countries of the European Union have long ago established harmony between these two factors.

Robert Gordon, one of the most influential macroeconomists in the world, in his speech “The death of innovation, the end of growth” predicts not only a complete cessation of innovation and further development and evolution of mankind in the near future, but also a return to past ways of life, that is, he assumes the degradation of our world. Robert Gordon believes that economic growth has already reached its limit and the best years of the world economy are in the past. The economist states: «There are four headwinds that are just hitting the economy in the face. They are demographics, education, debt and inequality. They are powerful enough to cut growth in half. So we need a lot of innovation to offset this decline. And here is my theme: Because of the headwinds, if innovation continues to be as powerful as it has been in the last 150 years, growth is cut in half. If innovation is less powerful, invents less great, wonderful things, then growth is going to be even lower than half of history” (Gordon, 2013). We have many different problems in the world that affect economic development no less than innovation. It means one thing: We need to maintain a perfect balance between all factors of the economy in order to keep it stable. But to improve the economy, we need at least twice as good and faster to implement innovations. Robert Gordon makes the following conclusions: “The problem we face is that all these great inventions, we have to match them in the future, and my prediction that we are not going to match them brings us down from the original two-percent growth down to 0.2, the fanciful curve that I drew you at the beginning. So here we are back to the horse and buggy” (Gordon, 2013).

The international law on innovation activity is the common collection of rules for regulation of innovation activity. The law strives to harmonize the legislation of states in the field of innovation activity aimed at increasing the competitiveness of the national

economies of countries through the use of scientific and technological achievements, new technologies and other results of scientific and technical activities. The law defines the legal, economic and organizational foundations for the regulation of innovation in states. The law serves as the basis for clarifying the concepts and provisions of national legislation, codifying and harmonizing the legal and regulatory framework for innovation, which is necessary for the development of standards, principles and rules that underlie the creation of a common innovation space of states.

The last point concerns the level of expenditures for the innovation activity which is also regulated by legal documents. So, each state or organization has different opportunities for the development of its innovation policy, so they also have different capitals. From here we get a database, where it is indicated which state spends how much on innovation (see Fig. 1.4). The cost of innovation depends not only on the capabilities of the entity, but also on many other factors (see Tab. 1.3). Altogether, it determines the level of innovation activity for each state or organization; an innovation policy adapted to the circumstances is created. Hence the conclusion that international frameworks of innovation activity regulation are not the same for each entity. They can carry common permissions and have certain restrictions for everyone, but one way or another, for each separate state or organization its own characteristics of innovative activity are determined.

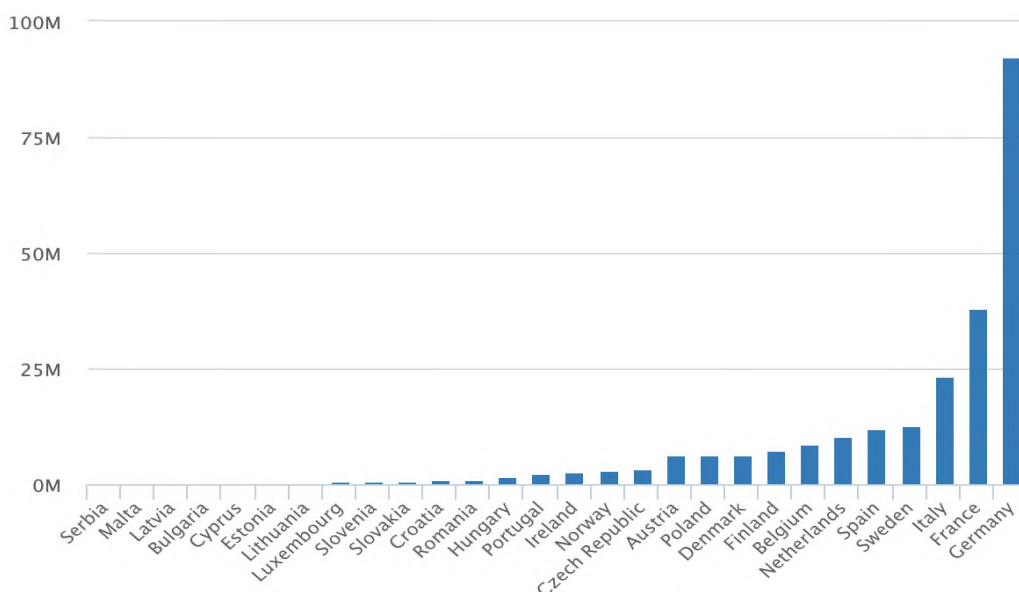


Fig. 1.4. “Innovation expenditure in total, thousand EUR”

Source: The innovation Policy Platform (2013).

Table 1.3.**Total effects on innovation costs**

	Costs of Regulatory Capture on Innovation Costs	Costs of Information Asymmetry on Innovation Costs	Total effects on Innovation Costs
High Market Uncertainty	Standards = Regulation	Standards < Regulation	Standards < Regulation
Low Market Uncertainty	Standards > Regulation	Standards = Regulation	Standards > Regulation

Source: Blind, K., & Petersen, S. S., & Riillo, C. A. F. (2016).

1.3. International frameworks of innovation activity regulation

The six waves of innovation, or Kondratieff's cycles, are the main variables of the global economy. In the literal meaning, Kondratieff's waves are characterized with innovation of new technologies, materials and practices which were unique to a particular period of time. Nevertheless, they are also defined by the social declines, such as depressions, crises or mass panics. Such historical events could be considered as the break point of each cycle which results into the next innovation progress. We can see correlation of these factors on the graphic below. Through the linear line we can see regular progress which was abruptly interrupted by the break point; it means that people were not able to make forecasts about particular events. Making deductions from the following data, the sixth wave of innovation has begun since the world economic crisis in the years 2007-2009, but we still cannot predict for sure which developments we will have in the future

and what will be the next break point. It proves the hypothesis that all the current economic forecasts do not give us any certainty (see Fig 1.5).

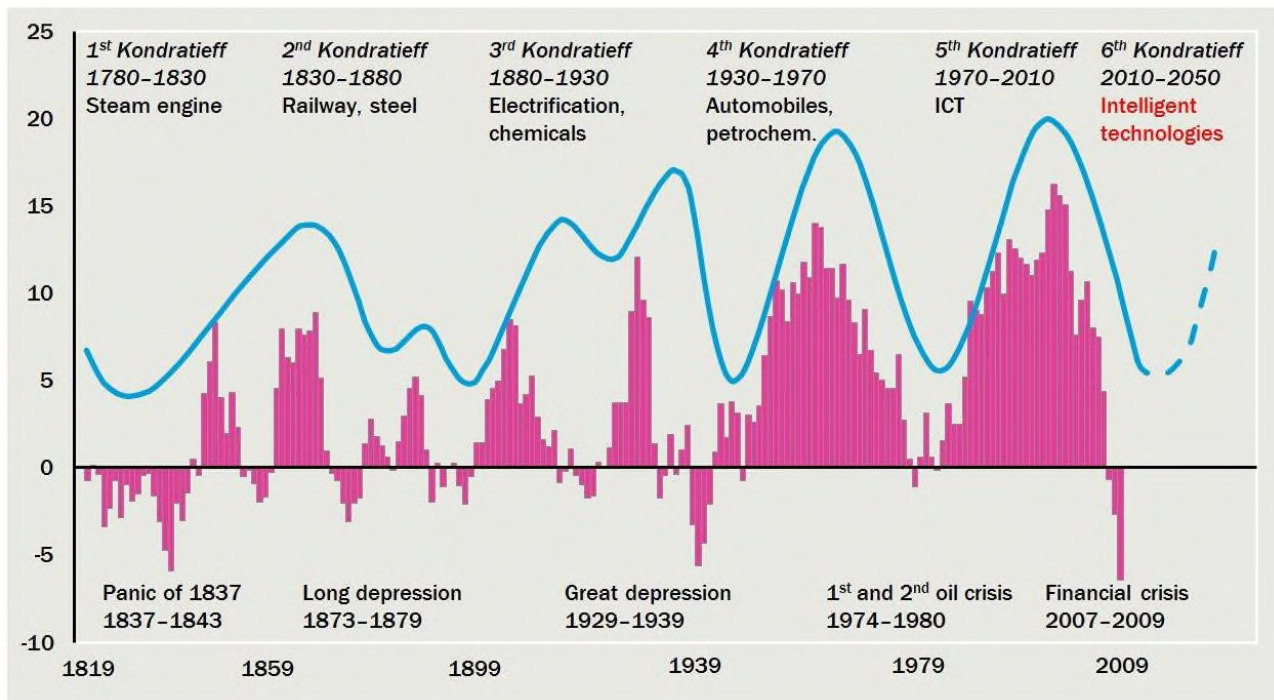


Fig. 1.5. “Kondratieff’s waves”

Source: Wilenius, M., & Kurki, S. (2012).

The next step in regulation innovation activity is the global financial development till the world economic crisis 2007-2009. On the chart below we can see the constantly increasing amount of global assets for 20 years. During this period the world economy has changed and grown a lot what caused the crisis. For now, we have such a situation that if the innovations continue to appear with great speed, we reach the next crisis even faster than the last one. On the other hand, if the innovations decrease their speed, the development of the world stop and, perhaps, begin to move back in the time. Since the pandemic is reigning in the whole world now, it is unlikely that innovations take place in the nearer future. The society is oriented to the medicine developments and rescuing the world economy that does not allow to pay great attention to the novelties in such areas as IT, cybernetics or astronautics. From the both sides, the most possible future could be described as decline of economy in any case (see Fig. 1.6).

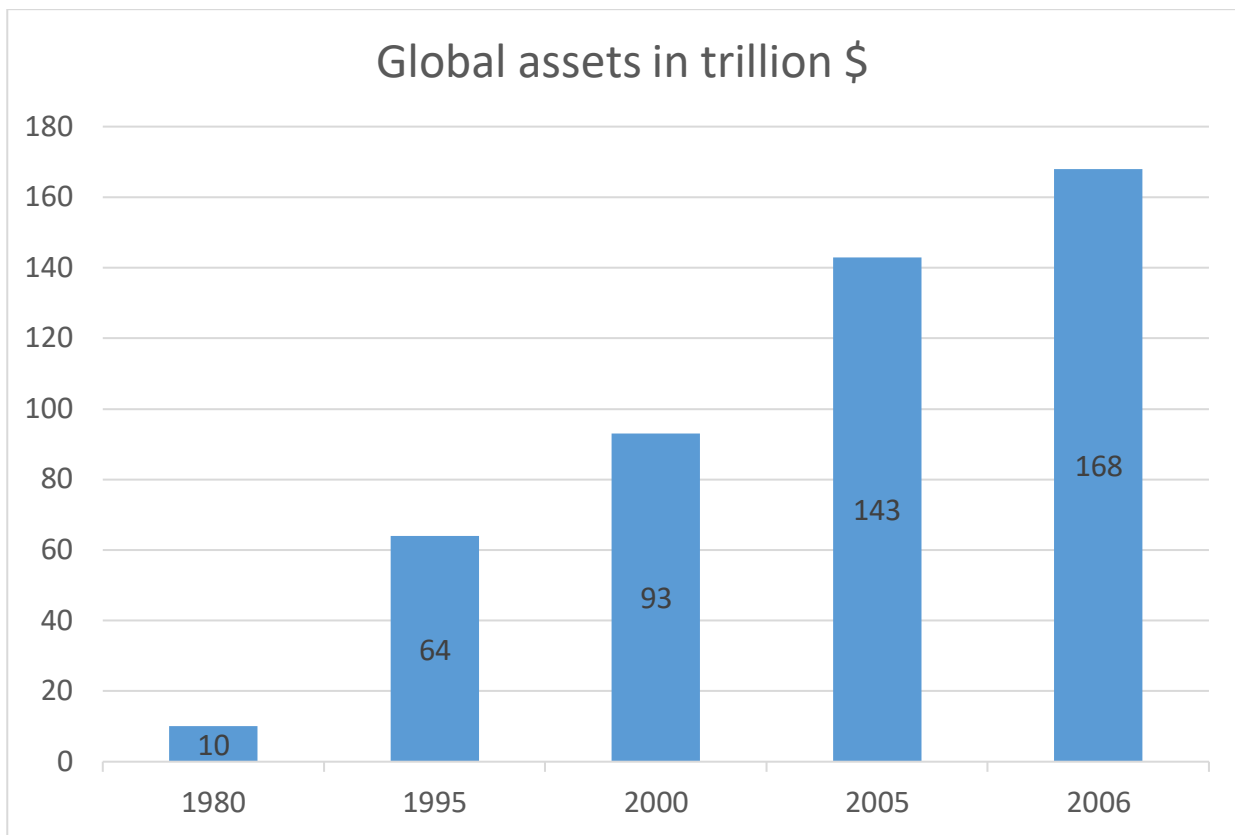


Fig. 1.6. “Transformation of global financial system: global assets”

Source: Wilenius, M., & Kurki, S. (2012).

The last factor, which influences innovation activity, is the current demographics. First of all, since 1950 the world population is constantly increasing and today numbers 7,594 billion people. The forecasts of M. Wilenius and S. Kurki (2012) show that this number will increase to 9,2 billion in 2050; what is more, more than 400 million people will be aged 80 and above. In such a way, the older generation will displace the younger one that is shown in the chart below. Since the longevity risk is increasing, there will develop and appear new reforms of social systems which trigger regulatory amendments worldwide. Furthermore, the demand for private old age provision and health care will continuously grow. These changes will affect both innovations and economy. Firstly, there will be more conservatism, inherent in older people, and less young creativity which leads the process of development. Secondly, the economy will focus on the benefits and commodities for older people, decreasing investments in scientific areas. In conclusion, it

will cause the deficit of innovation, steps back in the history and, probably, the end of the six waves of innovation (see Fig. 1.7).

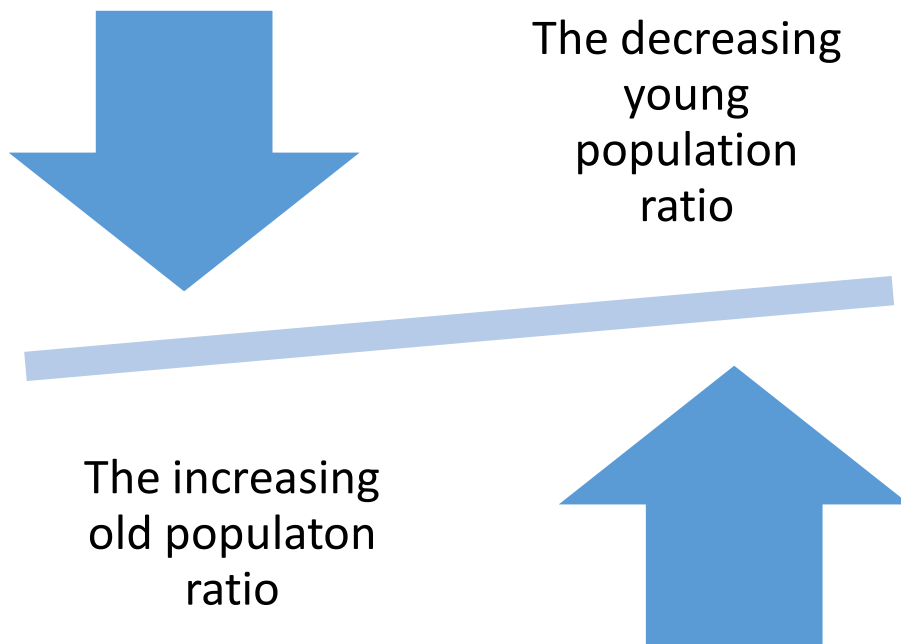


Fig. 1.7. “The big picture of demographics”

Source: Wilenius, M., & Kurki, S. (2012).

Traditionally, the state is considered a special subject of law, whose participation in international innovation networks has its own characteristics arising from its nature. The participation of the state in the economy can be carried out in the following forms:

- Firstly, the state participates in economic relations regulated by civil law on an equal footing with other participants in these relations - citizens and legal entities.
- Secondly, the state, and only it, is competent to regulate economic relations in legal forms, that is, on the basis of legislative norms, forming these norms. State regulation is the most important means of ensuring the implementation of innovative processes.

Many scientists noted the special role of the state in international innovation networks. The state is a direct participant in innovative activity as a subject of relations for the management of this activity and its support.

Innovation activity is one of the riskiest types of entrepreneurial activity and is based on risky undertakings, associated with significant financial and resource investments. All over the world, each individual state is forced not only to compensate for the risks traditional for innovation systems associated with the implementation of innovative activities, such as inaccessibility and lack of funding, but often assume the role of development institutions. The main strategic priority for the development of states is to improve the quality of life of citizens and ensure economic growth. Achievement of this goal is impossible without a balanced innovation policy by the state, since at present the growth of production, employment, investment, foreign trade turnover is impossible without the creation, implementation and distribution of innovative products. When regulating international innovation networks, the state pursues a single goal - to create conditions for the implementation of innovative activities. At the same time, the activities to create conditions include not only regulatory activities, but also the formation of demand for innovative products, support for participants in innovative activities and other activities. The solution to the problem of creating conditions for the implementation of innovative activities is carried out within the framework of the state innovation policy. The purpose of the innovation policy is to modernize production and improve the quality of life of the population by introducing the results of intellectual activity into the economy and social sphere.

The state innovation policy is directed towards the future, it needs flexibility, dynamism in a single system of scientific, technological, infrastructural, regional and educational policies. In each country, the regulation of international innovation networks is carried out in its own way, taking into account the possibilities for the development of the economy, natural and intellectual resources (see Fig. 1.8).

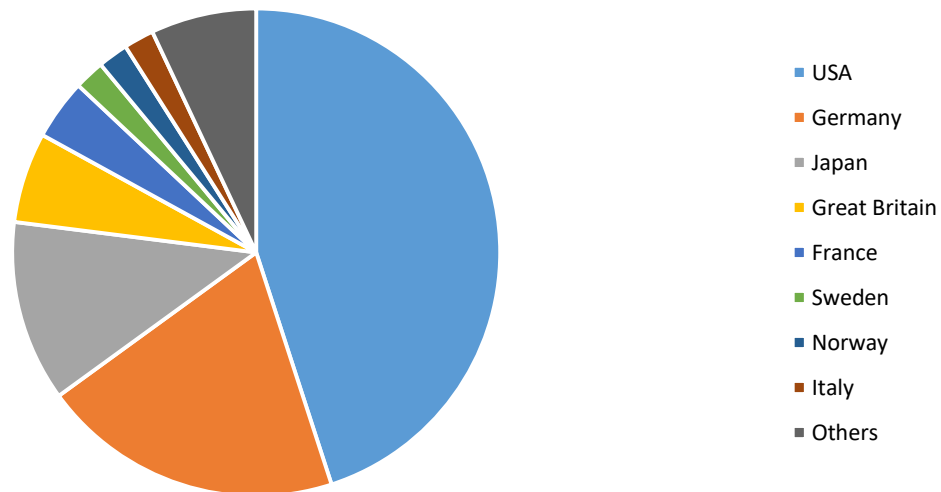


Fig. 1.8. “Share of developed countries in control over advanced technologies”

Source: Blind, K., & Petersen, S. S., & Riillo, C. A. F. (2016).

By the nature of the state's innovation policy, it can be subdivided into the following categories:

- countries focused on the diffusion of innovations, in which the main focus is on education, product standardization and joint programs of the state and the private sector;
- countries striving to achieve world leadership in certain areas with the help of large-scale programs;
- countries that carry out continuous structural and technological modernization on the basis of the state innovation strategy and developed infrastructure.

In the United States of America, active state intervention in scientific activity began to take place during the Second World War. In the postwar years, the federal government sharply increased funding for sectoral and university research, constantly expanding the scientific labor market, creating virtually new scientific potential. The United States has firmly taken the first place in the world in terms of volume, speed of development and assimilation of new technologies. This is due to the creation of government programs, changes in the structure of the organization of the innovation process, as well as the use of venture capital investments. The venture mechanism, on the other hand, played an

important role in the implementation of many major innovations in the field of industrial automation, computer technology, microelectronics, etc. State interference in scientific activity has influenced the change in the conditions for the functioning of science in the business sector. Many industries, having received government orders, began to create and develop scientific departments, which led to significant changes in market strategy. Corporations that had government orders for scientific research were ahead of others in terms of economic growth and production efficiency, and were distinguished by the stability of financial indicators.

A characteristic feature of the US innovation policy was the development of small innovative businesses. Small firms were specially created to implement the ideas of a particular scientist or inventor; the use of scientific by-products; maintenance of the creative process; industrial development of innovations and their entry into the market.

The state provided legal, organizational and financial support to small innovative businesses. The Bay-Dowell Act established the procedure and possibilities for acquiring rights to the results of scientific and technical activities obtained from the federal budget by non-state investors investing in the commercialization of these results. After the adoption of the law, the number of patents that began to be used increased 10 times. The law also contributed to the fact that in a short time on the basis of universities more than 2 thousand companies for the commercialization of technologies were created, and the US budget began to receive \$ 40-50 billion annually from intellectual property turnover [Ezell, 2019].

The next law on the development of small innovative business established the norms and procedures for relations between the state and the private sector, and also approved the Small Business Innovation Research program. According to this program, the state supports small innovative companies, provides them with tax incentives and the opportunity to receive start-up capital or a grant for a new idea, for the development of certain scientific areas, sectors of the economy or the market. Thus, the state innovation structure was formed.

In addition to all of the above, the state contributes to the formation of the innovation market; there is a practice of free issuance of licenses for the commercial use of inventions patented in the course of budget research and which are the property of the federal government. The state programs provide for the state's share participation in institutions that make direct investments in innovative companies.

Japan's success in the development of innovation processes is due to close cooperation between government departments and private corporate structures based on the consensus of the parties involved. The methods of state regulation of scientific and technological development in Japan do not fundamentally differ from those used in other developed countries, however, there are characteristic features characteristic only of this country:

- targeted distribution of financial resources provided by private banks and their concentration in priority sectors;
- assistance to enterprises in the acquisition of advanced foreign technology;
- control over scientific and technical exchange with foreign countries.

The most important directions of the state scientific and technical policy of Japan are formulated in the "Basic plans for the development of science and technology," which are adopted every five years. The priority areas of the "Second Basic Plan" are four: life sciences, informatics, nanotechnology and the production of new materials. Several promising areas that have recently emerged also receive government support: bioinformatics, systems biology, and nanobiology.

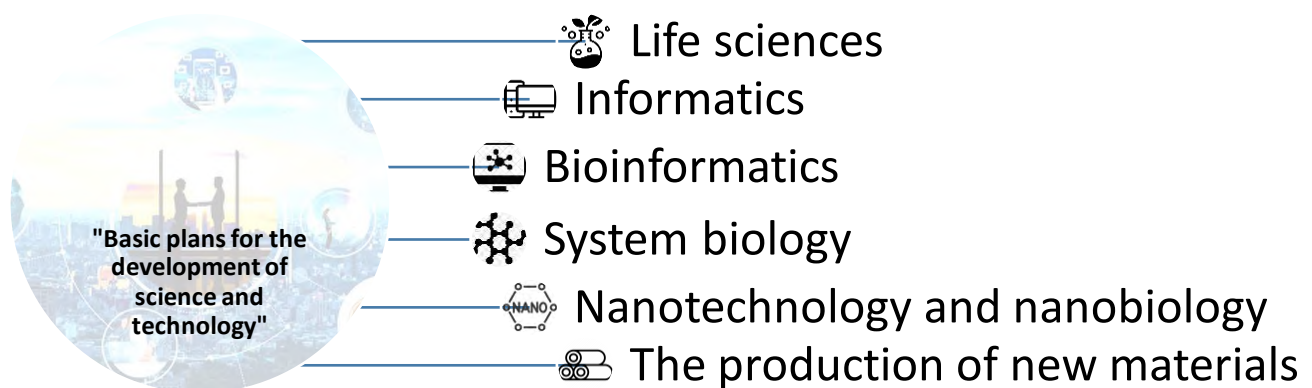


Fig. 1.9. "Basic plans for the development of science and technology"

Created by author.

The State Administration of Japan in the field of science and technology is formed as a compact structure, one part of which is the cabinet of ministers, responsible for the development of national scientific and technical policy and the overall coordination of major programs and projects, and the second - seven ministries and departments, within which the planned technological goals.

Support for strategic industries in the countries of the European Union is carried out both at the state and interstate levels. Countries, in order to resist the heightened competition from firms from the USA and Japan, are joining their efforts to raise the scientific, technical and technological level of national companies. Research funds are allocated on the basis of the quality of projects, regardless of the degree of participation of the country in the project or national quotas. Information and research results are available to all project participants, regardless of their financial contribution, each participant is provided with a free license.

The main operating principle of the EU is the complementarity principle, i.e. The EU takes action only when the member states cannot achieve certain goals on their own, or when these goals, due to their importance and scale, can only be solved jointly.

The issues of stimulating international innovation networks are increasingly transcending national boundaries. EU science policy is determined by what are known as five-year framework programs. International cooperation presupposes the openness of all areas of activity in various thematic areas of research for scientists and organizations from third countries.

Integration in the field of international innovation networks is observed within the CIS countries. In 2001, the CIS Economic Council approved the Concept of Interstate Innovation Policy of the Member States of the Commonwealth of Independent States. The same decision provided for scientific support for the implementation of the Concept through annual sociological measurements of the main indicators characterizing the innovative potential. For these purposes, a research program of scientific research was developed, providing for the study of the innovative potential of both industrial enterprises and scientific and technical organizations. In accordance with the terms of reference

approved by the CIS Economic Council, the task was set to comprehensively approach the study of innovation potential as a socio-economic and technological phenomenon, to give its theoretical and empirical interpretation, to determine and measure the most important indicators characterizing the potential. At the same time, a reliable toolkit was developed, a program for processing and analyzing the data obtained, which will form the basis for annual monitoring of the state and development trends of the innovative potential of the CIS countries. From the above, the following conclusions can be drawn: For the development of the economy and scientific and technological progress, world states take an active part in innovative projects. international innovation networks are fully supported and directed by state and public institutions, business representatives.

Regulation of innovation in Ukraine is carried out in accordance with the Law of Ukraine "On Innovation Activity" (see Annex B). The main goal of the state innovation policy in Ukraine is the creation of socio-economic, organizational and legal conditions for effective reproduction, development and use of the country's scientific and technological potential, ensuring the introduction of modern environmentally friendly, safe, energy and resource-saving technologies, production and implementation of new types of competitive products.

The role of the state in supporting international innovation networks is as follows:

- the state promotes the development of science through the training of personnel as the main source of innovative ideas;
- provides legal regulation of innovative activities;
- establishes the volume of government orders for the implementation of complex scientific and technical programs;
- determines the economic incentives for international innovation networks through the taxation system and depreciation policy;
- promotes the development of appropriate infrastructure for the implementation of international innovation networks.

In accordance with the Law of Ukraine "On Innovation Activity", the main principles of the state innovation policy are:

- orientation to the innovative way of development of the Ukrainian economy;
- determination of state priorities for innovative development;
- formation of a regulatory framework in the field of innovation;
- creation of conditions for the preservation, development and use of domestic scientific, technical and innovative potential;
- ensuring the interaction of science, education, production, financial and credit sphere in the development of innovative activities;
- effective use of market mechanisms to promote international innovation networks, support for entrepreneurship in the research and production area;
- implementation of activities in support of international scientific and technological cooperation, technology transfer, protection of domestic products in the domestic market and their promotion to the foreign market;
- financial support, implementation of favorable credit, tax and customs policies in the field of innovation;
- promoting the development of innovative infrastructure;
- information support of subjects of international innovation networks;
- training of personnel in the field of innovation.

Based on these principles, state regulation of international innovation networks is carried out by:

- determination and support of priority areas of international innovation networks;
- formation and implementation of state, sectoral, regional and local innovation programs;
- creation of a regulatory framework and economic mechanisms to support and stimulate international innovation networks;
- protection of the rights and interests of subjects of international innovation networks;
- financial support for the implementation of innovative projects;

- stimulation of commercial banks and other financial and credit institutions providing loans for the implementation of innovative projects;
- establishment of preferential taxation for innovation entities;
- supporting the functioning and development of modern innovation infrastructure.

The main issue of state investment policy is the determination of priority areas and investment objects that must meet both the long-term national interests of the state and the urgent task arising from the current state and structure of the Ukrainian economy.

In order to summarize, it can be noted that the emergence and strengthening in the future of manifestations of elements of international innovation activity regulation are due to the general nature of modern international relations, when it is within the framework of multilateral organizations that it is much easier for states to reach consensus on issues of innovative interest. Also, in the future, elements of international innovation activity regulation in multilateral organizations will partially help to avoid the dictate of conditions on the part of individual developed states in their exclusively economic interests.

In general, it can be concluded that international innovation networks of organizations are institutions created on the basis of interstate agreements with the aim of regulating international economic relations, including innovative products and services. So, in the future, an international innovation networks will be a branched scheme with a large number of public and private elements, through which the coordination of innovative relations in the world is carried out.

In the conclusion of this part of the work, based on the analysis of the existing legislative framework on the international activity regulation, theoretical and practical provisions, recommendations are developed aimed at improving the innovation regulation of the status of participants in international innovation networks, the normative consolidation of mechanisms for their support. Also, the identified problems, the main conclusions of the chapter make it possible to deepen the theoretical provisions of the economic conditions of innovative activities that arise during its implementation, determine and can be used in the further analytical study of the next chapter.

CHAPTER 2. ANALYSIS OF ACTIVITY OF THE LLC “TAKE IT EASY”, EVALUATION OF COMPANY’S COMPETITIVENESS

2.1. General characteristics and analysis of activity of LLC “TAKE IT EASY”

Limited Liability Company TAKE IT EASY was founded in 2017 in Ukraine, and operates in the field of education and supporting educational services. This company is titled as the atypical school of English language. At the moment, the company has the main and single office in the city Kryvyj Rih, Ukraine. It is a stable, dynamically developing organization. It is headed by professionals, and the staff are qualified employees. It is a commercial organization established by several persons, the authorized capital of which is divided into shares of certain sizes. The size of the share of each participant is fixed in the constituent documents. The participants are not liable for the obligations of the company and bear the risk of losses within the value of their investments. The supreme governing body is the general meeting of participants. The executive body of management is the Director. The logo of the company was developed by professionals and includes basically the name of the organization (see Fig. 2.1.1).



Fig. 2.1. “Logo of the LLC TAKE IT EASY”

Source: LLC TAKE IT EASY (2021).

As mentioned, LLC TAKE IT EASY operates in the field of education, so it covers a variety of spheres combined with this professional area. If we talk about the main professions in the field of education, which are currently in demand on the market of pedagogical services, then the following can be distinguished: teacher, lecturer, educator, methodologist, therapist, master of industrial training and many others. In the case of LLC TAKE IT EASY, the specialization of a teacher of foreign languages, and more specifically of English, is considered. However, there are prospects for the development of the company, which will expand its boundaries from an English language school to a foreign language school. Thus, the organization will be able to cover a large market share and greater part of potential customers.

If we consider the internal specialization of the company, and not the field of education in general, then we can highlight such spheres of activity as economic, commercial, marketing, operational – activities aimed at obtaining resources and their competent use, international and innovative.

However, there are difficulties in the development of the company LLC TAKE IT EASY. Despite the diversity of advertising methods in the Marketing department and the quality of performed work in the Operations department of the organization, the offspring of clients is not large enough to allow the company to open new offices and expand across the country. The problem of management is to identify problems in the functioning of the organization and provide solutions to them. These problems prevent the organization from becoming competitive in the field of education.

2.2. Research and analysis of economic activity of LLC “TAKE IT EASY”

The company's management system is a complex mechanism, and the Finance department is one of its most essential components. The essence and organizational tasks of the Finance department are the most important information blocks, where all data on the

activities of the enterprise are concentrated. The Finance department plans the budget. In addition, it carries out analytical and operational activities.

The number of employees of the entire company and specifically the Finance department is influenced by the nature of the activities performed, as well as the organizational and legal form. The financial turnover, as well as the number of payment documents depends on the production volume and the nature of the organization's activities. This includes suppliers, customers, lenders, private banks, and the budget itself. The number and composition of Finance department employees depends on how large-scale cash transactions are.

The Finance department of the company LLC TAKE IT EASY is small enough and includes only one person - an accountant who performs all the functions of the Finance department and monitors the economic state of the organization.

Functions of the Finance department:

- financial controlling, which consists in the formation of plans and control over their implementation; the performance of this function is associated not only with accounting and analysis, but also control over the execution of business processes of the enterprise;
- treasury - management of the company's funds, the formation of a payment calendar, control over the state of mutual settlements;
- organization and maintenance of accounting and tax accounting.

At the current stage of the company's development, there is no need to hire a large number of employees in the finance department, since one person can handle everything by him-/herself.

Some financial statistics of the LLC TAKE IT EASY is illustrated in the Tab. 2.1 and Tab. 2.2. The financial position of LLC TAKE IT EASY is characterized by a system of indicators reflecting the availability, placement, use of the company's financial resources and all operational and economic activities of the company.

Table 2.1.**Financial statistics of the LLC TAKE IT EASY**

	2017	2018	2019	2020	2021
General (thousand hrivnas)	22,8	35	37	44	80
Salaries (% from general)	44	43	41	55	40
Rent (% from general)	22	15	14	20	15
Utility bills (% from general)	9	12	14	10	10
Promotion (% from general)	7	14	15	9	15
Stationery (% from general)	10	10	10	4	5
Other (% from general)	8	6	6	2	15

Source: LLC TAKE IT EASY (2022).

The initial capital of the company was very small and did not exceed the level of the minimum salary in Ukraine. At the moment, the company is not in the process of termination and continues to gain momentum.

Table 2.2.**Financial statement of the LLC TAKE IT EASY for the period of time 2017-2021**

	2017	2018	2019	2020	2021
Total Revenue	70 000	110 000	120 000	180 000	300 000
Total Expenses	22 800	35 000	37 000	44 000	80 000
Operating surplus	47 200	75 000	83 000	136 000	220 000
Additional indicators					
Returns	-	-	5 000	8 000	-
Discounts	2 000	3 000	2 000	20 000	45 000
Cost of goods sold	17 328	23 800	24 050	34 760	48 000

(salaries + rent + stationery)					
Gross profit (TR – COGS)	52 672	86 200	95 950	145 240	252 000
Net sales (TR – returns – discounts)	68 000	107 000	113 000	152 000	255 000

Source: LLC TAKE IT EASY (2022).

In addition, the company is a regular taxpayer and has no tax arrears. Its incomes are legal and effective since 2017. Based on the table 2.2 and the fact that tax for the LLC TAKE IT EASY is 18% in Ukraine, net profit of the company has been developing as following:

In 2017: $47\,200 * (1 - 0,18) = 38\,704$ hrivnas.

In 2018: $75\,000 * (1 - 0,18) = 61\,500$ hrivnas.

In 2019: $83\,000 * (1 - 0,18) = 68\,060$ hrivnas.

In 2020: $136\,000 * (1 - 0,18) = 111\,520$ hrivnas.

In 2021: $220\,000 * (1 - 0,18) = 180\,400$ hrivnas.

But an increase in net profit is not always an indicator of an increase in profitability. Thus:

Profitability in 2017: $52\,672 / 68\,000 * 100 = 78\%$

Profitability in 2018: $86\,200 / 107\,000 * 100 = 81\%$

Profitability in 2019: $95\,950 / 113\,000 * 100 = 85\%$

Profitability in 2020: $145\,240 / 152\,000 * 100 = 96\%$

Profitability in 2021: $252\,000 / 255\,000 * 100 = 98\%$

The profitability at the LLC TAKE IT EASY is getting higher, but this is tightly connected to the fact of over stability. The company is existing only 5 years long and its customer flow is still increasing. However, sooner or later, this flow reaches its limit and the profitability starts to fall. Consequently, while the company's position allows it to invest in its growth, it is worth to realize.

The company has the separate Finance department, which is responsible for the economic activity of the organization. Its main task is effective financial management. There are two important details to consider when making any decisions for the Finance department. It is necessary to be guided by the strategic goals of the company and the specifics of its work. Judging by the economic position of the LLC TAKE IT EASY, the finance department is working well and completely fulfills its responsibilities.

The main form in the analysis of financial condition is the balance sheet. The balance sheet gives an approximate estimate of the amount of funds at the disposal of the enterprise. It is convenient to study the structure and dynamics of the financial condition of an enterprise using a comparative analytical balance.

After analyzing the financial statements of the company, there is noticeable that the largest amount of expenses goes to staff salaries. From this it follows that the Finance department is closely related to the Human Resources department: In 2017, the company's total expenses were amounted to 22 800 hrivnas, where salaries took 44%. Thus:

In 2017: $22\,800 * 0,44 = 10\,032$ hrivnas.

In 2018: $35\,000 * 0,43 = 15\,050$ hrivnas.

In 2019: $37\,000 * 0,41 = 15\,170$ hrivnas.

In 2020: $44\,000 * 0,55 = 24\,200$ hrivnas.

In 2021: $80\,000 * 0,40 = 32\,000$ hrivnas.

The total expenses of the company for the period from 2017 to 2021 is:

$22\,800 + 35\,000 + 37\,000 + 44\,000 + 80\,000 = 218\,800$ hrivnas.

While the total expenses for salaries are:

$10\,032 + 15\,050 + 15\,170 + 24\,200 + 32\,000 = 96\,452$ hrivnas.

The percentage of the salaries expenses for the whole period is:

$96\,452 / 218\,800 = 44\%$, that is almost a half of the whole expenses and, in comparison with other types of expenses, much higher than any other.

The analysis of the human resource management system and the financial condition of the organization shows that the company has created an effective Human Resources

department:

The revenue of the LLC TAKE IT EASY for the year 2017 was 70 000 hrivnas, and the quantity of hired personnel was 2 people. Thus:

Effectiveness of the HR department in 2017: $70\,000 / 2 = 35\,000$ hrivnas.

Effectiveness of the HR department in 2018: $110\,000 / 3 = 36\,667$ hrivnas.

Effectiveness of the HR department in 2019: $120\,000 / 3 = 40\,000$ hrivnas.

Effectiveness of the HR department in 2020: $180\,000 / 4 = 45\,000$ hrivnas.

Effectiveness of the HR department in 2021: $300\,000 / 6 = 50\,000$ hrivnas.

As we can see, the effectiveness of the HR department of the LLC TAKE IT EASY is growing from year to year. Moreover, the deviation from the actual and planned number of personnel is not significant. This allows us to conclude that LLC TAKE IT EASY employs professionals not only of an economic but also of a managerial nature.

Personnel management is an area of knowledge and practice aimed at providing an organization with quality personnel capable of performing the assigned labor functions and its optimal use. The sphere of competence of an LLC TAKE IT EASY is mainly material motivation. It is very important to know how and to be able to build a company HR management system by introducing progressive, working, and most importantly mutually beneficial systems of material motivation of personnel. For example, the company uses KPI, planning strategy specially for the staff, trainings, system of bonuses and gives each employee the freedom of choice.

The operation of HR department at LLC TAKE IT EASY can be characterized with a complete use of the available labor force, an increase in labor productivity, intensification of performing, comprehensive mechanization and automation of working processes, improvement of technology and careful organization of the work. The search for candidates for vacancies is carried out both inside the enterprise and outside it.

The company's position on HR management is rather unusual and interesting. The owners of the organization believe that in order to spend less on education of new employees for work, which does not always pay off, it is necessary to invest more in selection. Selection pays off more intellectual costs and other than education. This does

not mean that education should not be carried out at all, but still more emphasis should be shifted towards careful selection of personnel when applying for a new position. The company has a big advantage in reducing the cost of training newcomers and taking care of keeping inside information in the event of employee leaving.

On the basis of the request for personnel requirements, the HR department advertises vacancies where Marketing department is engaged.

The general goals of the company LLC TAKE IT EASY are the development of the organization on the basis of ensuring its stable position on the market and the implementation of efficient educational services, leading to the high profits. The objectives of the marketing department are aimed at achieving the general goals of the company.

The main goal of the Marketing department is to develop recommendations for the formation and implementation of the operation and sales policy of the company, as well as to coordinate the activities in this area of all divisions of the organization. Decisions affecting the company's market orientation are made by all departments of the organization on the basis of recommendations and in agreement with the Marketing department. All departments of the enterprise are obliged to provide the Marketing department with any information about the nature and results of their activities in order it could create the appropriate and effective advertisement for the language school. In turn, the Marketing department is obliged to provide all other departments of the company with the information necessary for the market orientation of their activities. The Marketing department orientates the activities of other departments to the market and correlates their work with the goals of market activity common for the entire organization.

A special budget for marketing activities is created. The structure and volume of the budget are determined by the Marketing department together with the Finance department of the enterprise and approved by the Director. The Senior Marketing Manager and the Senior Finance Manager are responsible for the spending of the allocated funds. The report on the expenditure of budget funds is monthly submitted by the Marketing department.

All the factors, mentioned above, create the stable economic position of the company, which lasts from the foundation of the organization.

It is also necessary to mention the cross-border activity which is a branch of economic activity that is carried out in the production, scientific and technical sphere, export, import of goods and services and the entry of enterprises into the international sales market.

The company is an independent entity that produces and sells its services. Cross-border activity of the company is a field of activity that is aimed at expanding external borders for the sale of its services. The implementation of cross-border activity of the organization is based on the signing of contracts or fulfilling of other types of agreements with foreign counterparties. The development of cross-border activity allows the company to expand the sales market, freedom of action in decision-making for the implementation of production tasks. The development of foreign trade of an organization is the key task of increasing the sustainability of any company. In addition, cross-border activity of a company can also be considered as complex of legal and economic relations in the field of foreign economic activity between local companies and foreign organizations.

Unfortunately, there is no cross-border activity in LLC TAKE IT EASY. Activities in this area can be vividly represented by the example of MindSumo company. This organization helps students develop problem-solving, communication and creative thinking skills on real-world assignments from corporations. This online platform allows students to apply the knowledge gained in the classroom in the conditions of their future profession. The main feature of the company, which has allowed it to enter the international market, is that MindSumo helps bridge the gap between higher education and real-life skills, giving students the most relevant and rewarding experiences from companies all over the world. This is a new way to increase students' interest in learning and at the same time improve their position in the labor market by helping to develop skills.

Currently, in the LLC TAKE IT EASY it is not planned to introduce any international innovation networks in this area, but in the future, the option of attracting native speakers of foreign languages to communicate with customers is being considered.

This opportunity is only desired in the company at the moment and is not yet considered as a goal. Consequently, no plans are being developed for finding foreign partners and possible cooperation with them.

At the moment, the company is focused on other objectives and is not ready to implement several projects at the same time.

2.3. Analysis of competitiveness of LLC “TAKE IT EASY”

Competition, as a phenomenon, is actual for every organization or personality who operates in the world of trade by all means. This term is interpreted differently in many areas, but, actually, all the definitions have the same sense. Competition, in the general sense, is competition for the right to obtain most of a certain type of limited resource. Competition between producers is competition between firms for more favorable conditions for the production and sale of goods or services. Competition is a mechanism that, in conditions of free market relations, provides such important functions:

- regulates the price-quality ratio in production;
- contributes to the fact that manufacturers create exactly the goods or services that customers need;
- encourages manufacturers to create new products or services.

The market leader is the company that captures most of it. Due to this, it can influence the following parameters:

- change prices;
- raise the bar for quality;
- increase the amount of spending on product or service advertising.

Changes in these parameters have to adapt first of all to a contender for leadership – a company that ranks second in the industry and is struggling to increase its market share.

There are several classifications of competition. Depending on the characteristics of goods, services, works, that competitors change, it can be as follows:

- price – provided by a decrease in the cost of the product or service;
- non-price – provided by improving the quality characteristics of the product or service (quality, reliability, durability) or by improving the conditions for its implementation. In this case, the cost remains the same.

Depending on the market situation:

- perfect (also called clean, ideal) – when there are many sellers and buyers of a similar, interchangeable product or service on the market, and none of them is able to significantly affect its value or sales volumes;
- imperfect – when the market situation allows manufacturers or buyers to control sales volumes and product prices.

In turn, imperfect competition is as follows:

- monopolistic – when there are a large number of sellers of similar goods or services on the market, competing for sales volumes;
- monopoly – when there is only one seller of a particular product or service on the market;
- oligopolistic – when there is a limited number of large sellers on the market, which significantly affect the cost of the goods or services they produce;
- monopsony – when there is only one buyer on the market. In the course of online trading, this is exactly the kind of competition that takes place between participants;
- oligopsony – when there are a limited number of buyers on the market.

Competition in education – the relationship of competition between the subjects of education, including between educational organizations as the main providers of educational services and products. Such a competition is the most important driving force behind the quality assurance of products and services.

Competition in education has its own significant differences from competition in business: a limited scale of competition in education, its non-price nature.

The instruments of competition in education are the high quality of education available to schools, rich material base, availability of competent specialists, original educational programs and technologies, convincing projects and development programs, the ability to work with authorities, the quality of elaboration of project ideas and applications, vibrant and energetic social initiatives, effective work with the media, etc.

For the successful management of a particular school, the answers to the following questions are relevant:

- which of the specified competitive arenas and sites are relevant for the school?
- which ones are already played on?
- which ones are especially successful?
- which ones are unsuccessful?
- which ones to learn?
- what and how should be done for this?
- what will it give?

Paying significant attention to the issues of competition in education, it is important to keep in mind that competition in education is not the only way of interaction between the school and other organizations. There are also cooperation, joint projects, and social partnership, which are competently organized by the school and play an equally important role.

Effective competition in education assumes that the school has a good idea of its competitors. For example, educational organizations, that provide educational services similar to the institution in question, are objectively and/or consciously in competition with it in the market for these services, as well as other organizations.

For the development of education, like any industry, healthy and fair competition is a very strong incentive factor. Therefore, sometimes schools that do not yet see competitors or do not have them are recommended to “invent them for themselves” in order to take better care of their own competitive advantages and better satisfy their

customers and clients. It is all the more important to know the experience of competitors for those schools that are really in a competitive situation. Indifference to competition in education and competitors in modern conditions leads schools to stagnation and loss of previously won positions.

When building their relationships with real or potential competitors, it is important for the subjects of intra-school management to strive not for confrontation with them, but for cooperation, compromise and partnership within wider educational systems, naturally, not forgetting about the interests of their own school and its customers.

Among the main competitors of LLC TAKE IT EASY, 3 great organizations can be highlighted: Speechyard, Skyeng and Duolingo. Each of these companies operate in the same field, but in the different way. Each has its own advantages which distinguish them among others (see Tab 2.3). An important thing is to be aware of the competitors not only for controlling the position on the competing arena, but also for having the opportunity to adopt some ideas from the competitors.

Table 2.3.

Advantages and disadvantages of Speechyard, Skyeng and Duolingo

	Advantages	Disadvantages
Speechyard	1. Free 2. Work at own pace 3. Diversity of educational methods 4. Possibility to combine study with hobby	1. Progress is not monitored 2. Complication of choosing right materials
Skyeng	1. Proactive training system 2. Convenient platform 3. Convenient mobile application	1. Inconvenient schedule 2. Programs are not compiled for older students 3. Deferred answer from manager

Duolingo	1. Free 2. Listening 3. Pronunciation 4. Interesting educational materials 5. Constant repetition of vocabulary in different lessons	1. Not all phrases are applicable in practice 2. Lessons are not organized 3. No grammar explanation 4. Too easy for high levels
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Created by author.

The description of Speechyard, Skyeng and Duolingo is presented in the following paragraphs.

Speechyard. You can learn in different ways. Someone processes tons of literature, someone is looking for tutors. One way or another, few people find the learning process enjoyable or exciting. However, there is in vain. There are many ways to acquire new knowledge easily, naturally and with pleasure. One of them is Speechyard, an online English learning service through videos and books.

The site is very easy to work with. A user have an opportunity to choose a video from over 15 categories and watch it with subtitles. If you did not understand a word, you need just hover your mouse over it and the translation will be seen. If there are any doubts about the pronunciation, there is a speaker icon next to the word. When you press it, you will hear the correct pronunciation. If you never met a word before, you can be sure to add it to the list of learners with one click on the “plus” button next to the word.

The same scheme works with books. In the "Books" tab you will find excerpts from works of various genres. The selection will appeal to both lovers of serious literature and adherents of light books.

After watching a few videos, a user will be ready for the next step in his or her training. Following the study, you select the "Learning" tab and you will see several exercises that will help you consolidate the pronunciation and spelling of words, as well as

better remember them using pictures. The exercises can be repeated until you decide that you have mastered the material well enough. If you want to see all the learned words, you can open your profile. There, the words and phrases that you previously selected are sorted by date added for your convenience.

If learning English yourself is boring or difficult, the “Community” tab will come to the rescue. You can view profiles of online English learners, meet people, add friends, follow each other's progress and share new words. This is not only a great opportunity to practice English, but also a chance to make good friends around the world.

What makes Speechyard different from other similar services is, first of all, an innovative approach to teaching. The system is equally well suited for both English learners and teachers as an additional material to the lessons. Speechyard is easy to use, accessible from computers and mobile devices, and the collection of videos and books is constantly updated. Moreover, perhaps, the main advantage of Speechyard is the ability to learn live English, and not the worn out academic phrases that are gradually falling out of use.

Skyeng. Skyeng is a Russian online English language school. The training is carried out on the Vimbox training platform, as well as using a mobile application, browser extensions and training mailings.

Learning English at school begins with an introductory lesson, during which the methodologist determines the level of knowledge, goals and interests of the student. On the basis of this information, he or she draws up personal recommendations for effective teaching, and the system selects a suitable teacher for the student, taking into account interests and, allegedly, psychotypes.

Classes at the school are held in a virtual classroom on its own training platform Vimbox. Through it, communication is carried out between students and teachers, as well as the issuance and control of assignments.

The system allows methodologists to track the implementation of the agreed training program by teachers, the proportion of the time spent by the teacher and the student, and

other indicators, on the basis of which the quality of teaching is assessed and improved. Training takes place at any time and day of the week.

Students have a personal dictionary that is synchronized with the mobile application, where during the lesson new words are added for the further study, and all information about the course of learning is displayed in the personal account.

Skyeng launched a number of mobile applications:

- the Aword trainer for memorizing English words using the algorithms of the "forgetting curve";
- the same Skyeng Words application for school students ;
- Skyeng Listening for listening practice.

There is also a Vimbox translator extension for Chrome and Safari browsers that helps students learn the language while reading English-language articles.

The language school also introduced a smart subtitling system to Netflix and Amazon Video online cinemas. Earlier, a similar project was launched in conjunction with the online cinema Amediateka.

What is more, the company launched a music browser extension – the Lyrics service that syncs with Yandex. Music provides literary translation of lyrics. The service is aimed at increasing the vocabulary of students.

In addition, the company created the Skysmart online school for teaching English to schoolchildren and preschoolers; it also included a full-fledged course in mathematics.

Since the Covid-19 epidemic began, Skysmart Online School and Enlightenment launched a free interactive workbook for distance learning. The tasks completed by the students are checked automatically, after which the data with the results is opened to the teacher. The interactive notebook presents assignments for schoolchildren from first to eleventh grade in English, mathematics, Russian and social studies. The materials were created by methodologists and experts Enlightenment on the basis of textbooks included in the Federal List of Textbooks.

A year ago, the company created a new service, Talks, to communicate with native English speakers in the form of 15 minute conversations, what becomes a very good experience for students.

This year, Skyeng launched the Skypro online skills and professions university, thus introducing itself to the continuing professional education market. It is planned to invest money in the development of the project. Thus, Skypro teaches three professions, such as data analyst, test engineer, Python developer, and also has 20 educational programs in areas such as programming, marketing, financial literacy and management. Skypro launched the Income Share Agreement educational model, according to which training and employment occurs without prepayment, and then paid through interest on salaries for two years. For example, using the Income Share Agreement model, clients can study the profession of a testing engineer.

In the spring of 2017, Skyeng, with the support of Rostelecom, organized an international educational online Olympiad in English for schoolchildren in grades 5-11, tasks for which were developed in accordance with the Main State Examination and the Unified State Exam standards.

In 2018, the Olympiad was included in the official list of the Ministry of Education and Science, and its winners can receive 100 points in Unified State Exam for English language or admission to a number of universities without entering exams.

Duolingo. Duolingo is a free platform for language learning and crowdsourced translation. In Duolingo, lessons are built around flashcards, quizzes and listening. Users can comment on materials and also join together to learn the language in communities.

As the statistic of using Duolingo shows, this application can teach people something, but it will not provide them with confident knowledge or the ability to freely maintain a conversation.

The strongest part of Duolingo is learning about different writing systems other than the English alphabet. These systems include Japanese, Korean and Russian languages. Duolingo helps people memorize new expressions well and teaches mostly the everyday language use.

For months of continuous use of application, learning sounds and symbols is quite a feasible task. This will not allow you to understand every new word in a foreign language, but it will definitely bring you closer to such a goal. However, the writing system is not the only part of the language. A simple understanding of the alphabet is not the same as being fluent in any language.

On the other hand, the app do a good job of building a basic list of phrases that come in handy when traveling. Moreover, we are not talking about simple memorization, but about real understanding. For example, using the app, students can memorize the Italian phrase "Dov'è il bagno?". It translates as "Where is the restroom here?". By breaking it down into its individual components, a person can adapt it for other expressions like "Where is the door/hotel/..etc.?".

The main thing that Duolingo teaches is perseverance. People need to devote a lot of time to a new hobby and do it regularly. That is why the program has such annoying notifications.

Writing systems and basic phrases are a good start, but far from complete proficiency in the language. Based on the international CEFR language proficiency classification, an active Duolingo user will not even reach B2 level. At this stage, it is already required to speak without hesitation with a native speaker – and, after all, in Duolingo it never comes to live communication.

Also, with the help of this program it is not easy to get comfortable with grammar and subtleties. A student, for example, can have difficulties with the Japanese language, where he or she was never clarified the meaning of individual particles when used in writing and in oral speech.

Another note about the program is that it ignores sign language. Of course, knowledge of individual movements and directions is not a requirement from the CEFR list, but it will definitely help in real communication.

Most importantly, however, Duolingo does not replace other people. It sounds corny, but the whole point of learning a language is communication. People can learn as

many words or sentences as they want, but until they can talk to another person, it's foolish to claim fluency.

My own opinion of using Duolingo is a good starting point, but far from the end. Once you've completed your entire Duolingo course, it's time to move on to group lessons or look for a medium to practice with.

Education abroad is another aspect which plays the great role in the global competition. It the dream of many students from Ukraine. The reason for this is often dissatisfaction with the domestic education system, and, unfortunately, there are reasons for this. Contrary to stereotypes, it is not difficult to enter a foreign university or to use other foreign educational services. The main thing is to prepare for it. And the first thing to do is decide on the country and budget.

Many people know that the higher education system abroad is better, but few people know why – usually it is just a look at the neighboring lawn, which always seems greener. In fact, education abroad has a number of very specific advantages:

- *effective organization of the educational process.* Unlike Ukrainian universities, where teachers often practice a formal and bureaucratic system and the goal of students often becomes to get rid of exams as soon as possible, Western educational organizations work in a different way. Students go there to study and do it with full dedication. The prospects of the teachers there are also much brighter, so they are not concerned about low salaries and nominal fulfillment of the plan, but about passing on their knowledge to students. It creates the atmosphere of motivation and mutual desire for knowledge that greatly increases the likelihood that students will leave the university not only with a diploma or certificate, but also with a head full of knowledge.
- *international recognition of the diplomas and certificates.* If finishing of some course or getting a university degree in Ukraine does not actually make people world-class professionals, then a diploma or a certificate obtained in Europe or the United States of America opens new doors on people's career path. The labor market is well aware of the educational systems of various countries, therefore, the

crust received on the basis of the principle “in order just to have it” does not guarantee a good job even in Ukraine, and even more so abroad. With a foreign diploma or certificate, it is easier to build a career both at home and abroad.

- *opportunity to stay to work in the country.* A foreign diploma or certificate increases one hundred times the chances of staying in the country as a professional for a long period of time. Despite the widespread belief that no one needs foreigners there, many countries purposefully attract people from other countries: for example, Denmark has launched a special program to catch successful graduates and their subsequent employment in Danish companies; US universities are actively encouraging graduates have found their place in life and offer several options for starting a career; engineers with a diploma from French polytechnics are willingly hired by successful global companies.
- *higher starting salary.* By investing in a foreign education, people can be sure that they will return with interest: the minimum starting salaries abroad are sometimes several times higher than salaries in Ukraine. At the same time, for those who do not plan to leave their homeland, a foreign diploma can also do a good job. Ukrainian employers value workers with foreign qualifications, attracting them with more favorable conditions and high salaries.
- *invaluable experience.* In addition to the education itself, anyone who goes to study abroad has the opportunity to get something unique: the experience of life and interaction in a new environment, useful acquaintances, the skill of independence. Education abroad, even if it is a month-long English course, really changes consciousness, teaches to communicate with people of different culture and mentality, and makes visible new facets of the global picture of the world.

Generally, education is actual in many countries (see Tab. 2.4). It brings us to the conclusion that competition in the educational field is and, probably, will be very high, so it is necessary to be ready to fight and win for your customers.

Table 2.4.**World statistic by level of expenditure on education**

Place	Country	Level of expenditure (%)
1	Cube	12.8
2	Norway	8
3	Switzerland	7.7
4	Iceland	7.5
5	Finland	6.9
6	New Zealand	6.4
7	Brazil	6.2

Source: Worldometer (2022).

2.4. Analysis of innovation activity of LLC “TAKE IT EASY”

To begin with, I should note that any international innovation network starts with the elaborate strategy. The term “strategy” is interpreted differently by all companies. It is necessary to clearly understand the entire system of the company, its main goals and the necessary conditions for achieving these goals. Thus, the strategy should be understood as the direction of the company's development.

When I asked the Director of LLC TAKE IT EASY what strategy means for him, he answered that “Strategy is the way to the future”. Thus, based on the words of the Director of LLC TAKE IT EASY and understanding of the company's system, I conclude that the organization orients its strategic management towards progress. That is, its main goal is to expand over time and make international innovation networks in the field of education.

Furthermore, the strategic management of the organization does not exclude an increase in profits today and in the future. After all, making a profit is the main goal of any organization. Development is impossible without increasing profits.

The main motives of the strategic management of the company LLC TAKE IT EASY:

- satisfying partners, customers and society as a whole;
- satisfying its own employees;
- taking the company to a new level.

Basically, while developing any strategic project, managers ask three main questions:

- what needs to be changed and why?
- what to change for?
- how to ensure change?

When I was developing a new project with the company's team of the Operations department, it was a part of strategic management, because we were creating international innovation networks in the company with the aim of developing it, attracting new customers and increasing profits.

In the first step, we identified the bottleneck, the so-called limitation of the company's system. We have directed all efforts to ensure that this limitation is maximally used. We wanted to get the best possible return in the shortest possible time so that further conclusions could be drawn. When all resources were devoted to the implementation of the international innovation networks, we began to expand it by increasing the level of involvement. This stage was associated with financial expenses, which is an integral part of strategic management. However, if the company continues to competently work on the progress of the strategic project, then there will be no need for additional financial waste.

As we can see, strategic management includes the work of absolutely all departments of the company. The company does not have a separate strategic department, but it has different types of strategies among the employees. These are:

- development strategy;
- competition strategy;
- communication strategy;
- marketing strategy;

- finance strategy.

The combined work of existing departments in the company creates the strategic management of the whole organization.

Any organization does not function in isolation, but in close interaction with the subjects around it. Thus, any internal processes occurring in the company are directly or indirectly the result of a more global change in the external environment.

Speaking about international innovation networks, there are two groups of factors that are prerequisites for its development: internal and external. Internal factors mean problems that have developed within the company and require a solution through the implementation of certain innovations. External factors are understood as any changes occurring in the external business environment, leading to the adaptation of market actors to new conditions also through the introduction of innovations (See Annex C).

In LLC TAKE IT EASY, the result of its innovative activities are new ideas of employees, which are loyally accepted by the superior management, new and improved services, and new forms of management of its various structures which appear over time. When the company was first founded, there were only two types of employment: management and teaching staff. After 4 years, the company expanded to 5 departments:

- Human Resource Management department;
- Marketing department;
- Finance department;
- Research and Development department;
- Operations department.

Together they lead both strategic management and international innovation networks, which is expressed in the form of innovative services.

All of the company's international innovation networks have indescribable personalization. So, in Kryvyj Rih, everyone knows LLC TAKE IT EASY as an atypical school of English language and comes there to find out why exactly it is atypical.

What is more, many people immediately recognize the company by its trademark, which was also developed by the employees of the organization. This mark is officially

registered and used in all media, as well as in documentary reporting. It is widely used by the personnel as well as printed on the certificates, which customers receive after having finished a particular language course.

A trademark of LLC TAKE IT EASY performs the following functions:

- serves as a guide when choosing a service;
- indicates the presence of the appropriate quality of the service;
- separates the service from similar services;
- shows the source of origin of the services, since information about the founders (who are considered as owners now) of the trademark is included in the national register of trademarks;
- advertises a service, as it provides the owners with prominence, which stimulates and maintains demand for services;
- allows the owners to take a certain position in the market through the recognition of the trademark.

A feature of the modern stage of development of innovative activity in LLC TAKE IT EASY is the formation of a single Research and Development department, which combines research and implementation of international innovation networks into a single process. This department exists for a year and successfully develops projects, possible for the realization in the future.

The analysis of the company's competitiveness allows us to draw the following conclusions:

The LLC TAKE IT EASY activities are profitable. This has been a positive side of the organization's work since 2017. To this day, the company's activities are becoming more successful, and this is the result of a more efficient use of internal reserves, especially labor force.

The market of educational services in Kryvyj Rih, in Ukraine and in the whole world is quite saturated and only a company with a stable position in the market can survive in these conditions. The LLC TAKE IT EASY has competitors not only in the world market, but also in its core city, but the organization has significant competitive

advantages here. This is, first of all, the status of an atypical school, a developed online platform, the ability to choose a teacher, flexible class schedules and groups with a small number of people. This allows the company to remain a leader in Kryvyj Rih, but not enough to enter the world market. This goal requires additional innovative strategies.

CHAPTER 3. PROPOSALS FOR STRENGTHENING OF INTERNATIONAL INNOVATION NETWORKS OF LLC “TAKE IT EASY” IN CONDITIONS OF GLOBAL COMPETITION

3.1. Recommendations on innovation networks directions of LLC “TAKE IT EASY”

International innovation networks in the field of education are understood as everything that is connected with the introduction of advanced pedagogical experience into practice. Changes are dictated by time, a change in attitude to training, education, development, global trends and changes in business administration. Innovative technologies in education make it possible to regulate studying, increasing the efficiency of the educational process. Innovative behavior not only offers students to adapt to the new conditions of educational interaction, but also it implies the formation of their own individuality and self-development. It is important to understand that innovative education is, first of all, a way of educating a harmonious and comprehensively developed personality. Pedagogical innovations should not bring “ready-made templates” to students; international innovation networks in the field of education are aimed at actually increasing the intellectual level of the student. An educational institution that has got rid of "complexes", psychological barriers, stagnation, should become a full-fledged participant in innovative transformations.

The purpose of the innovative activity of the educational institute is to change the personality of the student and expand the traditional system. These changes become possible by analyzing the current position of the company, setting goals, developing a strategy and introducing new programs into professional activity. The development of the ability to find motivation for one's actions, independently navigate the information received, the formation of creative unconventional thinking, development through the maximum disclosure of competitive advantages, using the latest achievements of science and practice, are the main goals of educational international innovation networks.

It is well known that modern traditional education involves overloading academic disciplines with redundant information. With innovative education, the management of the educational process is organized in such a way that the teacher acts as a tutor or a mentor for students. The priority task of innovative education is the development of analytical thinking, self-development and self-improvement. Thus, to achieve this goal, a training manual is used, which contains the most necessary information for studying the discipline, in our case the English language.

If the teacher is accustomed only to the implementation of externally set norms and rules, then his or her innovative abilities go out. Lack of adaptation to the manual and technologies of the company leads to the loss of professional status within the company and replacement by another specialist. The standardization of the teacher's behavior and inner world is accompanied by the fact that instructive instructions occupy an increasing place in his or her activity. More and more ready-made models of pedagogical activity are accumulating in the mind. This leads to a decrease in creativity. That is why one of the most important activities of the heads of educational institutions is the analysis and evaluation of the introduced pedagogical innovations and innovative technologies, the creation of conditions for their successful development and application.

This stage of innovative activity in the field of education has been successfully applied by the LLC TAKE IT EASY (see Annex D). The founders of the company, together with the managers, developed a practical, innovative manual for the English language, which is used to the present days. The results of its content and the work of professional mentors in the discipline of English are the rapid development of English at a certain level, a sense of self-development and self-motivation. However, the company's aforementioned achievement is no longer considered an innovative introduction to the current date. Consequently, the company suffers from the lack of novelties in its educational system.

The main problem in the working system of LLC TAKE IT EASY is the too high level of stability of the company, which overgrows in the absence of any development both within the organization and outside it, including the general market for the field of

education. The introduction of a system of intra-organizational training to ensure the implementation of the organization's development strategy, taking into account the internal environment and the market situation in which it is located, aimed at intra-school interaction and interaction with the external environment of the educational organization, will allow the formation of an organizational culture of the organization that ensures high quality education, including and through the use of marketing technologies in the educational process and in management. In studies on pedagogy, psychology, management, such an important characteristic of a modern organization as competence is highlighted, and scientists introduce the concept of "competent organization", the leading characteristic of which is the competence of all its employees in regularly solving problems, acquiring and mastering new knowledge reported by consumers, members organizations to each other, their effective dissemination within the organization due to continuous learning based on their own experience and the experience of others. Also, one of the tasks of intraorganizational learning is not only the formation of a common organizational knowledge, but also the development of organizational culture. Without conducting special economic and empirical research, it is possible to draw some intermediate proposals and conclusions for improving the company's working system. The main problem is the lack of creativity of owners and staff, as well as a certain fear, which leads to tension, conflict situations and increased competition.

The psychological climate of the collective, which reveals itself, first of all, in the relations of people to each other and to the common deal, is still not exhausted by this. However, it should be noted that the employees of the LLC TAKE IT EASY work very well. The lack of new projects inevitably affects the attitude of clients towards the organization as a whole, as well as their flow and the financial condition of the company. And this, in turn, can manifest itself in the entire working system of the organization, which may one day be shaken due to the lack of competitive privileges. Thus, the company needs an urgent international innovation network, which I, together with the managers, began to implement during my internship.

In order to correct the existing negative effects of the problem in the organization, it is necessary to develop a number of measures that would contribute to improving corporate efficiency in general and increasing the level of competitiveness in particular.

There are many effective ways to correct a problem situation. A simple lack of efficiency and creativity of the staff should not be considered the cause of the problem, although, of course, this also has its impact on the difficulties of the company, but in general it is just one of the factors. It is needed to start by analyzing the actual causes, and then to apply the appropriate methodology.

What is more, a special role in the management of a modern educational organization belongs to the readiness and ability of the teaching staff to use marketing technologies. In many ways, this affects how competently the promotion policy will be managed and how each employee of the educational organization is involved in the process of marketing communications.

Considering the promotion policy in a managerial context, it should be noted that a modern educational organization is an open system that actively interacts with the external environment and responds to its changes. No matter how informative and technologically advanced the proposed educational product is, if no one knows about it, then it does not exist for the market, since global and sectoral market development trends such as globalization and informatization form a new type of consumer, ready for dialogue and an abundance of information, making decisions based on the analysis of available data and experience, including decisions related to the choice of educational services. In this regard, the management of the LLC TAKE IT EASY presupposes its readiness to implement an active communication policy that corresponds to its strategy, mission and tasks and is accessible to both real and potential consumers of educational services.

Generally, talking about international innovation networks, we must underline that these mean professional associations of infrastructure organizations whose activities and services are related to the commercialization and transfer of technologies, the creation and management of innovative start-up companies and innovative development. The main function that the network interaction of such organizations provides is the dissemination of

information of various kinds and in various forms. Such information includes methods and technologies for carrying out activities or providing services, technological requests or proposals for finding partners, examples of best practice and other international innovation networks.

The need for participation of innovation centers in international innovation networks is usually determined by the following:

- services of innovation centers, the provision of which can be effectively provided through interaction and cooperation with other infrastructure organizations, either located in other regions (countries), or having a different thematic specialization;
- the need to improve the qualifications of staff, acquire new skills and competencies, study examples of best practice.

Participation in international innovation networks allows innovation centers to:

- develop and maintain high standards of their services;
- significantly increase opportunities to find partners for technology commercialization projects;
- be involved in the formation and implementation of innovation policy at the interregional and international levels.

Innovation centers, participating in technology transfer networks, can more effectively provide their clients with the following services:

- Search for partners for joint implementation of technology commercialization projects, Research & Development, entering new markets, etc.
- Dissemination of technological information is a relevant service for scientific organizations that are interested in widely informing industry and companies about their research capabilities and competencies.
- Promotion of technology projects – using various networking tools, centers participating in networking can promote the ideas of new projects in a targeted and more efficient way, and explore potential interest in them.

- Carrying out technological marketing – by constantly monitoring the technological information distributed among the members of the network, the centers can conduct a primary analysis of supply and demand in various subject areas of research.

In the European Union, as the closest potential partner to Ukraine, where LLC TAKE IT EASY Is located, there are a fairly large number of international innovation networks, for example:

- Innovation Relay Center Network;
- European Regions Research and Innovation Network;
- European Business and Innovation Center Network.

The diversity of network organizations, despite their apparent similarity, is associated with different emphasis in the main areas of activity, goals and approaches to achieving them. For European innovative organizations, a characteristic feature is involvement in several network structures. At the same time, it should be noted that participation in international innovation networks is not an end in itself for these organizations. Membership in networks is associated with the provision of services, the need to develop new competencies or lobbying their interests.

For the effective participation of the Central Committee in the work of international innovation networks, it is first necessary to determine:

- What tasks or problems of the center will network cooperation help solve?
- What international innovation networks declare goals and objectives that coincide with the center's professional interests or needs?
- What are the procedures and mechanisms for integration and follow-up work in international innovation networks?

Without a doubt, taking into account specifically the LLC TAKE IT EASY, it is too early to talk about large European innovation networks, because the organization is quite small. Nevertheless, the company can base its own international innovation networks on the basis of the previously mentioned organizations.

The Innovation Relay Center Network's mission is to support innovative and transnational technology cooperation in Europe, with a range of specialized business

support services. It provides the support for its members in the form of the coordination of network activities from a single center; development of a common methodology; promotion; mutual assistance in the implementation of core activities; personal training. In its activities, the IRCN uses such networking tools as annual conferences, technology transfer days, thematic working groups, brokerage congresses; website, Intranet communications system and lectures, study sessions, advanced seminars, introductory courses for new employees.

The European Regions Research and Innovation Network's mission is to be a platform for cooperation and exchange of experience for regions developing or implementing regional innovation strategies. The objective of the network is to provide member regions with access to new tools, mechanisms for innovative development, training opportunities in the field of implementing innovation policy aimed at increasing the innovative and competitive potential of companies in the region. ERRIN helps shape and disseminate new methods and tools for regional innovation development; find and attract experts and consultants to work in the regions; organize study tours; find partners for the implementation of interregional cooperation projects, including joint participation in projects funded by the European Commission; support the implementation of the Regional Innovation Strategies; organize and conduct thematic seminars and conferences.

European Business and Innovation Center Network is the leading European network of 160 business innovation centers and similar organizations such as incubators, innovation centers and entrepreneurship centers. EBICN provides its members with services in such areas as strategic lobbying and promotion of network members; thematic networks and projects of the European Commission; maintenance and coordination of networks; technical assistance and quality improvement.

Integration and cooperation of the LLC TAKE IT EASY with European innovation networks allows the organization to expand the geographic scope for targeted dissemination of its educational services and to offer its clients new services which can be presented in the form of various possibilities and advantages from the international innovation cooperation. However, I again would like to emphasize the fact that the

reviewed company does not reach the level of the European innovation networks. In this case, it is worth considering the possibility of cooperation with simple foreign companies and/or individual entrepreneurs, who are related to the educational area of operating, coordinating the principles of the European innovation networks and, possibly, enlisting their help.

The main recommendation for improving innovation activity and international innovation networks for the LLC TAKE IT EASY is the development of internal projects and the diversity of its services. This should be done in order to increase the organization's chance of attracting good and qualified foreign partners. The next step should be the search for possible cooperation and the involvement of the external market in the work of the company. This will allow partners to exchange experiences, use each other's services for their own goals and invent different directions of international innovation networks using different techniques, including brainstorming. In this way, the LLC TAKE IT EASY will build its own international innovation networks step by step.

3.2. Appraisalment of the process of implementation of priority proposals

During the internship in the LLC TAKE IT EASY, the process of implementation of one of the proposals for the development of innovative activities of the enterprise and its entry into a wider market in the field of education was started. After negotiations on the project with the founders of the company and discussion of the international innovation networks with all departments of the organization, it was decided to develop a strategy for the realization of this project. Confirmation was received from directors and all departments that this initiative was unique and relevant. What is more important, the relevance of the goal of the project was confirmed. All departments of the organization were involved in the full implementation process, but close cooperation was carried out with the Operations department.

In order to start the project development process, it was necessary to carry out analyzes. The necessary data were given to evaluate the parameters of the proposal and justify it. As an object for analysis, there was taken the customers database for all the time who took courses and for some reason refused, and the following aspects were identified:

- what requests were received;
- what requests were rejected by the company;
- for what reasons requests were rejected;
- what are the most rejected requests.

Based on this analysis, we received the following results (see Tab. 3.1):

- 85% of clients apply for learning English;
- 10% of customers request German;
- 4% of customers request Spanish;
- 1% of customers request other languages such as Polish, Italian and French.

Table 3.1.

Analysis of customers languages requests of the LLC TAKE IT EASY

	2017	2018	2019	2020	Total
English (prs)	30	80	268	294	672
German (prs)	9	15	20	35	79
Spanish (prs)	13	7	8	4	32

Other (prs)	3 for Polish	1 for Polish 1 for French	1 for Turk.	1 for Polish 1 for Italian	8
Total (prs)	55	104	297	335	791

Source: LLC TAKE IT EASY (2021).

Thus, it was proposed to develop and implement a new German language course. The proposal for the implementation of the project was prepared in accordance with the requirements. The necessary activities for the preparation of the project program were identified, the main risks and opportunities that could significantly affect the achievement of the goal were assessed, and ways to minimize risks were indicated. At this step, decomposition of goals was developed in accordance with the requirements and transformed into quantitative indicators for convenience. The main executors and co-executors were identified; the level of qualification of the proposed project leader met the requirements, and all participants in the implementation of the international innovation networks were organized. The experience of implementing similar projects was also analyzed, and in the case of the LLC TAKE IT EASY, their first project "English Courses". Furthermore, the preliminary cost estimates were varied out on the basis of available assets. Also, the estimated duration of the project was counted and submitted to be adequate to the wished indicators and results. The requirements for the results of the project were detailed, their qualitative and quantitative characteristics were determined, and the reliability of the accepted restrictions and assumptions was verified. It was concluded that the presentation of information on milestones and milestones was appropriate, and information on possible organizational changes was prepared and communicated to the project participants. In general, the planned project was accurately justified in accordance with the requirements.

To implement this project, first of all, it was necessary to develop a methodology according to which students would learn the language. I was the only German-speaking employee in the company, so I completely carried out scientific work, including the

definition of the main aspects of grammar and vocabulary that students needed so that after 3 months they could communicate in German in everyday life. I worked together with the manager of the Operations department, with whom we coordinated the very structure of the manual. As an example, a training manual for the English language was taken. At the same time, the alternative ways to achieve the goal were indicated. In case, the developed manual would not complete the testing successfully, there was an opportunity to apply to native speaker who had experience in German teaching.

After the German language manual was compiled and checked, it was necessary to test it. To do this, we decided to recruit a free test group of customers who want to learn German. The main stage of recruiting the group was advertising, which was dealt with by the Marketing department. In addition to this, we called customers from the database who had previously made a request to learn German. Most of the people came from advertising, while one person returned from the base, because the rest either did not need German anymore, or found other ways to learn the language. As a result, a test group of five people was organized.

The manual was designed for 3 months of training and I personally conducted the first classes. Over time, other potential customers began to respond to advertising and we recruited 2 more groups of 5 people each. Since we have already seen that learning a new language is successful and customers are assimilating the material, it was decided to establish a minimum tuition fee for the second and third groups. A German teacher was also hired, and she leads all three groups to this day.

It is too early to speak about the results, since none of the groups completed their studies. After the test group finishes their course (they will be the first, since they started earlier than everyone else), a final exam will be held, which will show the results of the work. In addition to this, a survey will be conducted among course students to receive feedback. The survey will include closed questions (for example, rate from 0 to 5, how much you liked the course) and open questions, such as:

- describe what you were missing on the course;
- do you feel that you have mastered the German language? Why?

- what would you like to change on the course?

From an economic point of view, if the course is finally approved by the company owners, then the organization's income will increase by increasing the number of courses. First of all, the expenses incurred on the implementation of the project will pay off (teacher's salary, purchase of materials for conducting classes for the test group), and then the company can expect a net income.

Also, the level of competitiveness of the organization will be noticeably increased, since there is not a single full-time language school in Kryvyi Rih that would teach German.

Over time, when German courses become an integral part of the company, it will be possible to think about introducing other languages, such as Spanish. If the school continues to develop in this direction, it will not only expand through the opening of new offices, but also become more popular among other organizations of this kind. This will take it to a new level in the market and open up opportunities for intercity expansion and international cooperation.

In addition, it is worth paying special attention to international cooperation, as this is a powerful lever for the development of any education system. Since the school is focused on learning foreign languages, cooperation with native speakers of these languages would be very beneficial for both employees and students, and would also raise the company's rating in the educational services market. International educational cooperation has various forms. At the present stage, international educational exchange can take place at the state, non-state and individual levels. It is carried out on the basis of interstate, interdepartmental or intercorporate agreements and individual ties. However, the most important and relevant for the LLC TAKE IT EASY are the forms of individual academic exchanges, such as various programs, direct agreements with similar companies or work with foreign freelancers.

There are a lot of academic mobility programs, or, as they are more commonly called, international student exchange programs. If we consider this option of cooperation for the LLC TAKE IT EASY, then this form of international educational relations should

be designed for a regional circle of participants and carried out on a bilateral basis, that is, directly with a certain organization.

International educational relations today can be attributed to the most important and promising areas of international cultural exchange. It can rightfully be called one of the most dynamically developing aspects of humanitarian cooperation, since the student body is characterized by mobility and sociability, the desire to change places and travel, the constant search for new knowledge and information.

Now international education occupies an important place in the system of international relations, modern trends in the field of education convincingly demonstrate the main problems and prospects of the world community. The problems of globalization and integration inherent in the entire system of international relations are reflected in international educational contacts and should not bypass any prestigious place of education.

For the LLC TAKE IT EASY, this type of international cooperation can be quite costly at first, but it is worth trying to look for grants for cooperation and/or implementation of innovative ideas and participate in grant programs. There are a huge number of programs in the European Union, UNESCO and other international organizations. In the European Union, for several decades now, a holistic policy in the field of education, including higher education, has been developed and implemented, and supranational institutions of coordination and management are being formed. Seven conventions have been prepared and adopted on the mutual recognition of documents on graduation from secondary educational institutions, courses and periods of study, diplomas of education, academic degrees, creating a regulatory framework for the integration process in the field of EU education. Many programs provide for a competition for the place of a partner or for the place of a participant in the program. There are also separate competitions for cash grants for the most promising and beneficial idea for the community. International organizations provide many opportunities to take advantage of, so it would be worthwhile to make the task of finding opportunities abroad as a priority in the R&D

department. Some examples of major programs that in the future could become an arena for the LLC TAKE IT EASY for the creation of international innovation networks are:

- LINGUAPAX is a program for learning foreign languages and foreign cultures through immersion in a given cultural environment.
- SOMMET is a program for retraining and professional development of teachers abroad.

As follows, these two programs cover both students and teachers, which can help improve the quality of language learning and teaching.

The listed programs of the European Union do not exhaust all programs of possible partnership and cooperation. They are aimed at strengthening educational ties not only among EU members, but also among countries that are not members of the Union. In recent years, many CIS countries have become participants in European educational programs, which indicates a serious interest on the part of European countries in them as actors in international educational cooperation.

In addition to European student exchange programs, there are a large number of academic programs provided by the United States of America, where international educational activity has long been considered a priority in foreign policy and public diplomacy. This situation is largely provided by financial support from both the state and non-state, public sources, in particular, from the funds of the Bureau of Educational and Cultural Programs of the US State Department. There are a number of regional programs for the CIS countries aimed at vocational training, business training and various programs for activists.

One of the main institutions of the US government responsible for the implementation of educational programs abroad is the Bureau of Educational and Cultural Affairs in the structure of the State Department of the United States of America. This state structure should contribute to the development of mutual understanding between the United States and other states through the development and implementation of international educational programs and seminars. This body promotes communication on a personal, professional and institutional level between individuals and organizations in the

United States and abroad, and also informs the world community about American history, contemporary US society, American art and culture. In particular, the Bureau provides support in the implementation of the following programs:

- for learning English;
- for the CIS countries, Eastern European and Balkan states, which provide for the provision of scholarships, and also contribute to the development of relations at the institutional level;
- educational partnership programs aimed at maintaining contacts between US and foreign institutions in the field of education.

Through the relevant structures, the Bureau of Educational and Cultural Affairs provides extensive information on new grants and cultural and educational exchange programs and cooperates with various educational organizations in order to intensify international exchanges.

In order to summarize, the entire period of the innovation activities at the LLC TAKE IT EASY can be very intense and include analytical work on various points of the company's activities. These areas of activity included not only the development of a new project, but also economic and financial issues of the company's functioning in the market, the general system of the organization as a whole and the search for and strengthening of the international innovation networks.

In the course of apprising the process of implementation of priority proposals for development of the international innovation networks of the LLC TAKE IT EASY, the main issues related to the company's working system were analyzed and investigated. As a result of the analysis, it turned out that LLC TAKE IT EASY is a successfully operating company in the field of education, which has a high level of organization, however, against the background of extremely high stability, there is a lack of development and its planning in the organization. As a recommendation, a project was developed for the introduction of courses for the study of the German language, which contributed to the economic and progressive development of the company and the improvement of its competitiveness. As further steps, the company can integrate into the international

education system in the way of cooperating with international organizations and taking part in international education programs.

As the result, the implementation of language projects has already begun and should continue with the possibility of expanding the headquarters, target audience and offices. The company should develop a direction to the international market, and then begin to implement proposals for the introduction of international cooperation and the search for international innovation networks. If a company develops a strategy with concrete, consistent steps, then it will have every chance of growing from a small organization into a large, successful international company.

3.3. Analysis of the effectiveness of the proposed improvements

In modern literature, the composition and content of the effects of an innovative project, as a rule, is defined as the unity of economic, scientific, technical, social and environmental effects.

The content of the economic effect is disclosed through indicators - profit from innovative activities, the introduction of inventions, patents, know-how; increase in sales, improve the use of production capacity; increasing labor productivity, return on assets, accelerating the circulation of working capital and other similar indicators related to the organization implementing an innovative project.

The scientific and technical effect is revealed through indicators - the number of copyright certificates, an increase in the share of information technologies, new progressive technological processes, production automation, an increase in the organizational level of labor productivity, and an increase in the number of publications.

The social effect is shown on the basis of an increase in the income of workers, an increase in the degree of safety of workers, satisfaction of spiritual needs, an increase in the number of jobs, an increase in the qualifications of workers, and an improvement in working conditions.

Ecological effect - ensuring safe conditions for the environment and similar indicators.

The task of the examination of an innovative project is to provide the person responsible for the activities of the company and / or making a decision to invest, information about the prospects of new innovative organizational solutions, formalized in the form of a project, the economic feasibility and riskiness of international innovation networks based on an assessment of the most innovative solution, taking into account external conditions, in which it will be carried out.

To conduct an examination of an innovative project, the following actions were performed:

- formalized verification of the completeness and quality of the project and its sections, based on the methods of organization recognized at the state level and easy to use;
- forecasting by experts and specialists in specific narrow areas of knowledge of various indicators of the innovative level of the project, the time for its implementation, costs, estimated income, market volume, demand;
- summarizing the obtained expert assessments using special methods, on the basis of which the final decision is made on the feasibility of implementing an innovative project.

To analyze the business plan of the innovative project, the following set of interrelated works was carried out together with the specialists of the LLC TAKE IT EASY:

- formalized assessment of an innovative project, the presence and sequence of the main sections of the project, the degree of completeness of the presentation of each of the sections of the business plan, the use of confirmed data, computer technologies;
- a meaningful assessment of each of the sections of the project with an explanation of deviations from the standard version. It was proposed to take into account, first of all, the differences associated with the characteristics of international innovation

networks on the basis of the degree of influence on the work of the company and on the education market as a whole.

Thus, the features of the innovative business process were evaluated at the second stage, taking into account the characteristics of international innovation networks. Obviously, the quality of the marketing research conducted, the dynamics of the market situation, the characteristics of potential buyers and their solvency, the activities of competitors, risk accounting methods and their adequacy to the characteristics of international innovation networks, the method of financing and its adequacy of international innovation networks were also analyzed.

The process of processing and analysis of project documentation included a comprehensive and detailed analysis of the business plan of the innovative project.

The analysis of the effectiveness of the proposed improvements was carried out jointly with the Director and heads of all departments of the LLC TAKE IT EASY on 9 main points: the name of the project; the target of the project; the team involved in the implementation of the project; the scientific and technical part; the evaluation of the sales market, the market competition and the marketing strategy; the realization plan of the project; the financial plan of the project; the risk management; the application list.

The name of the project. The name of the innovative project clearly reflects the essence of the task. In addition, the content of the work on the project has been clearly disclosed and its final result has been determined.

The target of the project. Specific measurable goals for the project have been specified, as well as the time frame for achieving them (according to the project manager).

The team involved in the implementation of the project. Project managers, participants from all departments of the organization and co-executors participate in the creation, development and implementation of the project. The latter include interns (my role during the internship at the company) and potential partners who can influence the implementation of the project.

The scientific and technical part. The scientific and technical groundwork for the project has been clearly described (purpose, features, advantages, forms of implementation, current state, patent and legal protection).

The evaluation of the sales market, the market competition and the marketing strategy. The market analysis (segmentation, saturation, potential buyers and planned sales volumes, competitiveness analysis), as well as the implementation strategy (methods of promoting services to the selected market segment: sales through intermediaries or direct interaction with customers and potential partners, price) have been successfully carried out. In addition to this, an advertising plan has been developed.

The realization plan of the project. Planned implementation dates have been established, including the date when services are ready for implementation. A work schedule has been developed. The organization of the development has been carried out (a list of works, the estimated scope of tasks, a description of the available and required technical capital, the number and qualifications of personnel, including new ones, a list of components and materials necessary for the implementation of services, the terms and conditions for their delivery, cooperation, the need for licensing activities).

The financial plan of the project. Firstly, a forecast has been developed for the income statement (reflects operating activities in the target period), a plan for the balance sheet and a cash flow statement. The cash flow statement characterizes the formation and outflow of cash from operating, investing and financial activities, and cash balances - in dynamics. Secondly, the need for investment resources has been calculated, including intangible assets and working capital (total amount, available own funds, available additional funds and sources of their receipt, copies of documents confirming financing from other sources, previously used sources of financing for such a project or part of it and the amount of funds spent, the amount of additional funds required). Thirdly, the directions of spending funds have been formed (registration and acquisition of rights, technological preparation of production, provision of technological conditions for documentation, salary, co-executors, marketing costs, staff training, purchase of equipment, travel materials, transportation costs, rental of premises, etc.). Finally,

indicators such as payback and profit have been indicated; discount rates for an innovative project have been justified; possible benefits, subsidies, repayment of interest rates on loans, other benefits under the project have been identified; the social and budgetary efficiency of the project has been determined (taking into account the options for the proposed benefits).

The risk management. The main risks of non-execution of the project and their assessment, as well as the proposed actions to minimize the risks, have been indicated. The project risk analysis has been accompanied by a study of the sensitivity of critical project parameters to international innovation networks parameters.

The application list. As a result of the conducted analysis of the effectiveness of the proposed improvements in the LLC TAKE IT EASY, the following documents were developed and submitted:

- the work schedule;
- the financing of the innovative project;
- the directions for spending funds;
- the profit and loss statements;
- the phased balance plan (the final one will be developed at the end of the project);
- cash flow statement.

Moreover, in case of international cooperation in carrying out innovative activities in the field of educational services, copies of contracts or agreements on cooperation indicating the financial conditions of cooperation and the planned conditions should be attached. When implementing innovative projects in the future, the contractor will attach copies of contracts, agreements, contracts, letters of guarantee for the implementation of these projects. When implementing innovative projects, the co-executor of the project shall attach copies of contracts or agreements indicating the financial terms of cooperation and the share of the contractor in the planned scope of work. Copies of licenses and/or certificates, if any, may also be included.

A brief description of the results on the conducted analysis of the effectiveness of the proposed improvements in the LLC TAKE IT EASY is presented in the Annex E.

In the practice of evaluating the effectiveness of investment projects, methodological recommendations have been used to evaluate the effectiveness of investment projects. Recommendations have been used to evaluate investment projects, incl. project applying for external financial support:

- consideration of the project throughout its entire life cycle – from conducting pre-investment studies to terminating the project;
- modeling of cash flows, including all cash receipts and expenses related to the implementation of the project for the billing period, taking into account the possibility of using different currencies;
- comparability of conditions for comparison of various projects (project options);
- the principle of positivity and maximum effect. In order for an innovation project to be recognized as effective from the point of view of an investor, it is necessary that the effect of the implementation of the project that generates it be positive; when comparing alternative investment projects, preference should be given to the project with the highest effect value;
- taking into account the time factor (including the dynamism of the project parameters and its economic environment; gaps in time between the production of products or the receipt of resources and their payment; as well as the disparity of costs and/or results at different times);
- accounting for future costs and revenues only. When calculating performance indicators, only future costs and revenues during the implementation of the project should be taken into account, including costs associated with attracting previously created production assets, as well as future losses directly caused by the implementation of the project (for example, from the termination of existing production in connection with the organization in its place new). Previously created resources used in a project are valued not at their cost of creation, but at their opportunity cost, reflecting the maximum value of lost profit associated with their best possible alternative use;

- comparison not “with the project” and “without the project”, but “before the project” and “after the project”;
- taking into account all the most significant consequences of the project. When determining the effectiveness of an innovation project, all the consequences of its implementation, both directly economic and non-economic, should be taken into account. If it is impossible to make a cost or quantitative assessment, then experts are involved;
- taking into account the presence of different project participants, the discrepancy between their interests and different estimates of the cost of capital, expressed in individual values of the discount rate;
- multi-stage evaluation. At various stages of project development and implementation (feasibility study of investments, feasibility study of investments, selection of a financing scheme, economic monitoring), its effectiveness is determined anew with different depths of study;
- taking into account the impact on the efficiency of the innovation project of the need for working capital necessary for the functioning of the production assets created during the implementation of the project;
- taking into account the impact of inflation (taking into account changes in prices for various types of products and resources during the project implementation period) and the possibility of using several currencies in the project implementation;
- taking into account (in quantitative form) the impact of uncertainties and risks accompanying the implementation of the project.

All of the above principles of effectiveness analysis were followed in the analysis of the effectiveness of the proposed improvements in the LLC TAKE IT EASY. The German project has already been implemented and is considered successful. The Innovation networks project is supposed to be successful with a detailed development of the strategy and the precise implementation of all its points without deviations. This project has good prospects for the company and can become a key stage in the development of the LLC TAKE IT EASY.

In conclusion, in order to increase the competitiveness of the LLC TAKE IT EASY, it should follow the strategy of binding new potential connections for further cooperation and creating joint innovation networks in the field of education. Orientation to consumers of such services will change. Existing customers will remain, as well as new language offerings and special needs of people will enter the market.

Thus, when implementing the recommendations developed by the company's team together with external co-creators, the LLC TAKE IT EASY will not only be able to firmly establish itself in the international market of educational services in conditions of global competition, but also gradually win new customers and increase its share in the market.

CONCLUSION

Today, of the many socio-economic problems, the problem of enhancing international innovation networks in its severity comes to one of the first places. Many problems of the formation of an innovative market have taken on a deep character. From the considered material it can be seen that it is the innovative activity of an organization that can give it a qualitative competitive advantage and the ability to adapt to changes in the environment.

International innovation networks are the most effective factor which ensures competitiveness and sustainable development in the whole world. This paper is the result of research in the field of international economic relations and international innovation networks on the basis of the LLC TAKE IT EASY. Moreover, it is based on the concept of six waves of innovation, which has become a model of economic development since the 18th century, as well as on the basis of international frameworks of innovation activity regulation. In the course of the work, the main patterns of development of innovative waves are described, it is pointed to how and why they affect international innovation networks and which results we can receive in the near future. There are also indicated main factors which influence international innovation networks. The article defines the concept of a participant in international innovation networks, and also considers specific cases of participants in international innovation networks on the examples of the companies which operates in the field of educational services.

The analysis of the main tasks of the bachelor's qualification work on the basis of the LLC TAKE IT EASY in the frames of its international innovation networks has been carried out. The LLC TAKE IT EASY is the Ukrainian organization which is operating in the field of education and is famous as the atypical school of languages. Currently, the company is faced with the issue of improvement of its services diversity and innovation department towards the cooperation with local and foreign potential partners developing new way of teaching and improving existing services. International innovation networks play a key role in addressing this issue.

As the first step, the term “innovation activity” was analyzed. The word “innovation” itself does not have a single clear definition, but the most used and process-appropriate explanation of this term suggests that innovation is the process of creating and sometimes introducing novelty. Many classifications of innovations that have contradictions and intersections do not allow building a single classifier that would look plausible and logical. However, for the practical implementation of the innovation classifier, sufficiently clear definitions and classifications are needed to measure the effectiveness of innovation activity and its components (primarily economic) at a quantitative level.

Also, prerequisites for the international innovation activity were set. Speaking about international innovation activity, two groups of factors, that are prerequisites for the international innovation networks of the company, can be distinguished: internal and external. Internal factors are understood as problems that have developed within the company and require a solution through the introduction of certain innovations. In the case of the LLC TAKE IT EASY, these are over stability and impasse in its development. External factors are understood as any changes occurring in the external business environment, leading to the adaptation of market entities to new conditions, including through the introduction of innovations. For the current company competition here plays the great role because the field of educational services is developing more each day accepting the fact, that online platforms are gaining more popularity.

What is more, the international frameworks of the innovation activity regulation were determined. The international regulation of innovation networks includes sections in the following areas: healthcare, food, agriculture, information, communication and biotechnology, environment and climate change, socio-economic and human sciences, transport, aeronautics, security and space. International cooperation implies the openness of all activities in various thematic areas of research for scientists and organizations of all countries, including Ukraine. As for the international innovation networks regulation in the LLC TAKE IT EASY, its result is new ideas of employees, loyally accepted by senior management, new and improved services, new forms of management of its various

structures that appear over time. In the future, the company can enlist the support, first of all, of the state, and then of the European Union. Attention should be paid to the creation of innovative networks with the United States, since they have a wide range of development in the field of education and business.

As the next step, the internal and external activity of the company was characterized and analyzed. The LLC TAKE IT EASY is successful and profitable company. This is the result not only of the professional team and well-developed system, but also of a more efficient use of internal reserves, especially labor force. In my opinion, the company has bright perspectives for gaining a stable position in the global educational market. An organization's high focus on workforce could, in theory, put the company at risk of high staff costs and low profitability. But the company has created the operational efficiency of the personnel department so professionally that they only benefit from it. Based on the quantitative analyzes carried out, the statistics show that every year one employee of the company exaggerates the total income, which is certainly a huge progress for the creation of international innovation networks.

In addition to the previous point, the economic activity of the LLC TAKE IT EASY was characterized and analyzed. It shows a huge increase in the profitability of the company from year to year. Profitability is still not competitive compared to other organizations operating in this area, however, with such a pace of development, the company has every chance to correct this. With a stable economy now and a clear economic strategy to create international innovation networks in the future, the company should start implementing its projects as soon as possible in order to become one of the first to patent its innovation in the field of education.

It was also analyzed which level of competitiveness the LLC TAKE IT EASY has. It has significant competitive advantages, such as the status of an atypical school, a developed online platform, the ability to choose a teacher, flexible class schedules and groups with a small number of people. This allows the company to remain one of the leaders in its field of operating.

The innovation activity of the LLC TAKE IT EASY was characterized and analyzed. Innovative activity of the company as a whole justifies itself. At the same time, the main direction of measures to improve innovative activity in the organization should be to increase its international innovation networks. To do this, it is proposed to diversify the list of available language courses and increase the level of international innovation activity of the company in order to create innovation networks. For the company, an innovative strategy is the way to the future. The organization focuses its innovation management on progress and sets the main goal of expansion, increase in profits and absolute innovation in the field of educational services.

The company is able to clearly define its restrictive places and work them out. The team of the organization directs all efforts to ensure that these restrictions are used to the maximum. This is a completely correct and well-thought-out approach, because with a long process of innovation, the company will be able to reach a level where there will be no need for additional financial expenses and it will only be able to profit from the efforts invested earlier.

That is the main reason, why the main goal of this paper is to develop recommendations on international innovation networks directions of LLC TAKE IT EASY. They were to improve innovation activity and international innovation networks for the company by developing its internal projects and diversifying its services. The main purpose for the organization is to increase its chance of attracting good and qualified foreign partners. I am sure, it helps the company find possible cooperation and set the involvement of the external market in the work of the organizational system. This will allow the employees to exchange experiences and companies to use each other's services for their own goals and invent different directions of international innovation networks using different techniques. In this way, the LLC TAKE IT EASY builds its own international innovation networks.

What is more, the process of implementation of priority proposals was appraised. The company has started with the implementation of language project already. In the future, it helps to expand the headquarters, target audience and offices. The company develops a

direction to the international market, and then begins to implement proposals for the introduction of international cooperation and the search for international innovation networks. If a company develops a strategy with concrete, consistent steps, then it will have every chance of growing from a small organization into a large, successful international company.

At the end of the innovation proposals development, the effectiveness of the proposed improvements was analyzed. The German project has already been implemented and is considered successful. The Innovation networks project is supposed to be successful with a detailed development of the strategy and the precise implementation of all its points without deviations. This project has good prospects for the company and can become a key stage in the development of the LLC TAKE IT EASY.

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ANNEX A

The history of innovation cycles. Source: Nuefeld, D. (2021).

The History of

INNOVATION CYCLES

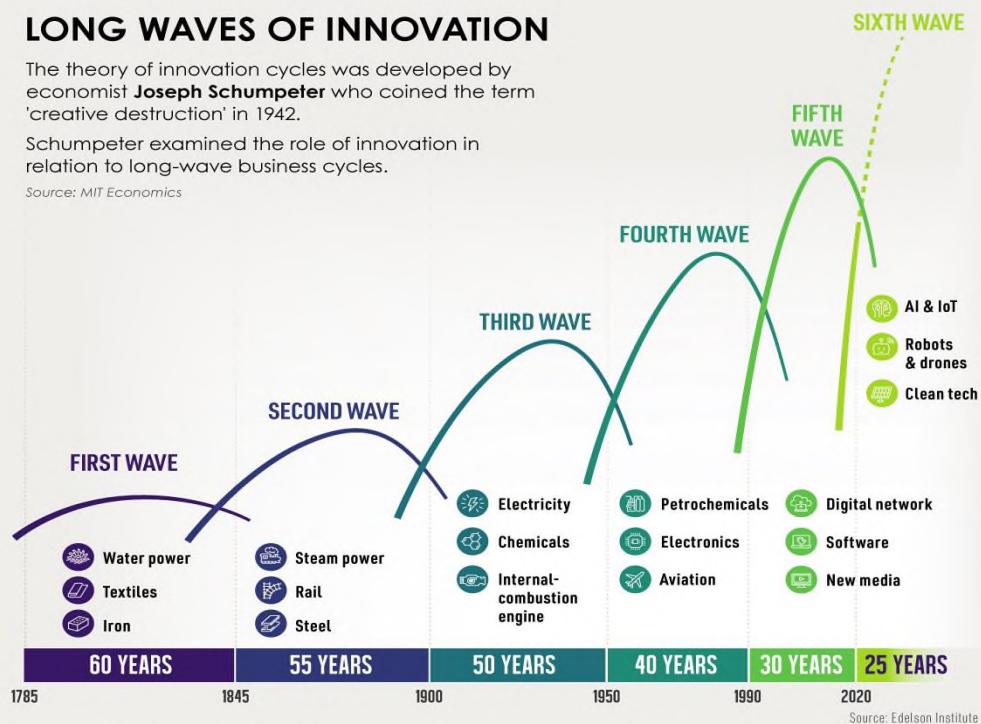
Below, we show waves of innovation across 250 years, from the Industrial Revolution to sustainable technology.

LONG WAVES OF INNOVATION

The theory of innovation cycles was developed by economist **Joseph Schumpeter** who coined the term 'creative destruction' in 1942.

Schumpeter examined the role of innovation in relation to long-wave business cycles.

Source: MIT Economics



KEY BREAKTHROUGHS

FIRST WAVE

During the Industrial Revolution, the first factory emerged—a cotton mill in Britain.



THIRD WAVE

Henry Ford's Model T introduced the assembly line, revolutionizing the automotive industry.



FIFTH WAVE

In 1990, 2.3M used the internet—by 2016 this reached 3.4B.

Source: World Bank



SECOND WAVE

As railways proliferated, their networks strongly influenced urban growth.

Source: Nacima Baron, HAL



FOURTH WAVE

Aviation gains mass adoption on a global scale, providing a lever to economic integration.

Source: OECD



SIXTH WAVE

As climate challenges intensify, clean tech may reshape business models and consumption patterns.



ANNEX B

Stages of development of the Ukrainian legislation in the scientific and technical and innovative sphere. Source: Rusnak, A. V., & Karnaushenko, A. S., & Petrenko, V. S. (2018).

Stage	Period	Description
I	1991-1998	<ul style="list-style-type: none"> - adoption of the first framework law on scientific and technical and innovation activities (Law of Ukraine “On research and scientific and technical activities”) in 1991; - introduction of tax privileges for scientific and technical activities; - set-up of activity of the State Innovation Fund of Ukraine, the structure of which and the target financing independent of the general budget expenditures, provided a model of financial support for innovations new in the world at that time, which combined support for innovative projects at the regional, central and sectoral levels.
II	1999-2007	<ul style="list-style-type: none"> - cancellation of tax privileges; - liquidation of the State Innovation Fund; - avoiding the orientation on the programs of structural change in industry; - overwhelming attention to foreign loans; - adoption of the Law of Ukraine “On Innovation Activity” in 2002; - adoption of the Law of Ukraine “On State Regulation in the Sphere of Technology Transfer” (the norms of these laws, which related to the financial support for innovations and technology transfer were stopped by subsequent acts) in

		2006.
III	2008-present time	<ul style="list-style-type: none"> - adoption of a number of concepts and programs related to the development of science and innovation, at the same time: - the decisions taken are not effected in the implementation of financial, credit, tax, customs mechanisms for the development of innovation activities; - draft documents on financing, granting of tax privileges and crediting of innovations are not approved by financial authorities; - the scientific and technical and innovation spheres are not considered to be important at the level of executive authorities.

ANNEX C

Management of innovation activity of the LLC TAKE IT EASY. Source: LLC TAKE IT EASY (2021).

INNOVATION PREREQUISITES			
Internal		External	
Within the company		In the external environment	
Positive	Negative	Direct	Indirect
Growth in potential demand Possibility of additional innovations The emergence of new competitive advantages Opening new sales markets etc.	Decline in profitability Decline in market share Decreased efficiency Increased employee turnover Accounts payable growth Decrease in service quality Strengthening bureaucracy etc.	Consumers Competitors State bodies and public organizations Contact audiences	Scientific and technical environment Economic environment Political environment Social environment Demographic environment Ecology

ANNEX D

Pedagogical conditions for the use of active learning technologies of the LLC TAKE IT EASY. Source: LLC TAKE IT EASY (2017).

Method and its purpose	Teaching tools	Conditions for successful performance
IT methods – effective management of the educational process, providing visibility, the possibility of multiple reproduction and detailed analysis, increasing the proportion of independent work.	Tablets with Internet access and the necessary software, various technical means: PC, interactive whiteboard, innovative smart technologies, etc.	Careful preparation of materials, including Internet sites of the department and teacher, clear instructions, the ability to access remote learning for homework, establishing feedback.
Educational discussion – consolidation of constructive methods of dialogue.	Issues that cause discussion and dispute.	Preliminary preparation of the participants of the discussion in terms of content.
Psychotechnical games and trainings; simulation training – consolidation of professional vocabulary, development of professional skills in a foreign language.	Interactive tools, task cards, tests.	Preliminary study of the vocabulary used, preparation of tasks and instructions.
Case-study (the method of specific situations, modeling the subject and	Interactive tools, cards with tasks and roles, diagnostic cards, etc.	Preliminary study of task elements, instructions and accompanying materials.

social contexts of activity) – the formation of professional competencies for solving typical tasks of a specialist in situations of foreign language communication.		
Business game that models the subject, social and psychological contexts of activity – the formation of professional competencies for solving typical tasks of a specialist in situations of foreign language communication.	Interactive tools, game set, audiovisual and object equipment.	Preliminary mastery of the algorithms of professional activity and communication by students.

ANNEX E

Analysis of the effectiveness of the proposed innovation business plan on the development of the international innovation networks of the LLC TAKE IT EASY.

Source: LLC TAKE IT EASY (2022).

Section	Assessment
Name of the project	<ol style="list-style-type: none"> 1. German project. 2. Innovation networks project.
Target	<ol style="list-style-type: none"> 1. To verify services and increase market share. 2. To establish new cooperation for opportunity of innovations in field of educational services on international level.
Team involved in implementation	Director, co-founders; personnel of Human Resource Management, Marketing, Finance, Research and Development, Operations departments; co-executors.
Scientific and technical part	Development of main parts of projects is carried out at local company; potential partner can be considered as supporting forces.
Evaluation of sales markets. Market competition. Marketing strategy	Local market in sense of particular city must grow to state market. Competition level is high. Competitive advantage is atypical way of teaching. External advertising techniques.

Realization plan	<ol style="list-style-type: none"> 1. German project – half a year since first step was taken. 2. Innovation networks project – start date after finishing German project; duration undefined; monthly reports must give directions for further steps and possible strategy improvements.
Financial plan	<ol style="list-style-type: none"> 1. German project – no investments; available assets are used. 2. Innovation networks project – additional investments are needed; search for investors and analyzes of grant programs.
Risk management	<ol style="list-style-type: none"> 1. German project – low risks level. 2. Innovation networks project – high risks level.
Application list	<ol style="list-style-type: none"> 1. German project – all documents are archived. 2. Innovation networks project – documents are in process; before start date are expected to be developed; additional documents will be received during implementation phase.