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Business incubator as an organizational structure for supporting innovative entrepreneurship

In the creation of innovations and their practical application, a significant role is played by a small business, which can be included in the innovation process at its various stages: from the creation of innovations to their use at the fading stage. The flexibility and mobility of small enterprises ensures high receptivity to innovation. However, due to the small scale of activity, very often these firms are unable to implement a promising business idea on their own, as they do not have the appropriate funds. Therefore, in order to support the development of entrepreneurial structures at the stage of their formation, many countries create business incubators.

A business incubator (BI) is an organizational form of an innovative enterprise, the purpose of which is to create favorable conditions for the effective operation of small innovative and manufacturing enterprises that develop and implement new technologies, equipment, products, services [1].

Also, BIs are an important part of the startup and business environment. They often become partners of innovation centers, technology companies, scientific or technical parks and investment funds. Incubator experts help newcomers establish useful connections and help attract investments, provide mentoring support, legal, financial, communication consulting and also teach business management.

The main services of business incubators include: lease of space (office, production, laboratory, conference halls); technical and administrative service (mail, Internet, telephone, copier, office secretary, etc.); consulting (on business planning, legal, tax and other issues); economic (services of an accountant, financier, economist, marketer, manager); investment (search for investors, attraction of loans, start-up financing of newly created companies, creation of credit unions); scientific and technical (introduction of new technologies, know-how, new products); educational (trainings, retraining courses, training in the program of general management and other economic disciplines necessary for running a business); presentational (exhibitions, contests, conferences); information (creation of databases, transfer of new information technologies that can be used in business, Internet centers and networks); publishing (publication of booklets, advertising brochures, leaflets, latest methodical developments, etc.); employment (job search, entry into the database of professions and vacancies, preparation of resumes, preparation for interviews with employers, etc.).

The pioneers in the creation of business incubators were the USA, in total there are about 1,300 of them today, they contributed to the creation of 19,000 small firms and more than 245,000 jobs.

The importance of the introduction and development of business incubators in Ukraine is determined by a number of factors, including: growth in the demand of business structures for new learning technologies, information support; the credit

policy of banks does not contribute to the company's ability to take loans for the purchase of fixed assets; enterprises that are just starting their work, in terms of the country's tax policy, need time to establish themselves in the market and adapt to it, other factors.

Currently, with the beginning of mass digitalization and the gradual state support of the innovative direction of the Ukrainian economy's development, business incubators are emerging, which are still relatively new, but are already operating and bring considerable benefit to the participants of these business incubators and the regions as a whole.

Thus, one of the platforms that provide mentoring assistance and support to projects at all stages (from the birth of an idea to its implementation and business development) is the first full-cycle state business incubator, the "Ukrainian Future" business incubator of the Small Academy of Sciences. This BI includes an educational and consulting center (here innovative ideas are transformed into effective business models and teachers are upgraded); co-working (a comfortable space is provided for the coordinated work of like-minded people); prototyping laboratory (production of various prototypes); access to the Library of materials with a database of more than 10,000 copies; meeting rooms and a conference hall for business negotiations and other events.

Priority sectors of "Ukrainian Future" include mechanical engineering, electronics and instrument engineering, materials science and nanotechnology, information and communication technologies, robotics, ecology and resource conservation, artificial intelligence, biotechnology, virtual reality [2].

Unfortunately, so far business incubators are only beginning to develop normally in Ukraine, financial support from the state is insufficient, mostly domestic BIs exist at the expense of the finances of international donor organizations, grant programs, and only to a small extent at the expense of local state administrations.

Summing up, it should be noted that the functioning of business incubators brings great benefits not only to those who gain entrepreneurial experience as part of them, but also to the region in which they are created, since the business structures that came out of the care of the business incubator later help to solve a number of problems of this region: increasing number of jobs, population employment; revenues to local budgets are increasing, regional infrastructure is being developed, and the standard of living of the population is improving. Therefore, a business incubator as an organizational structure of assistance to innovative entrepreneurship in Ukraine is extremely important and requires support and development from the state.

References:

1. Savchenko, V. F. & Dolhopolov, M. H. 2017. Business Incubators As An Instrument Of State Support Of Small Business. Scientific bulletin of Polissia. 2, 4(8) (Mar. 2017), 202–207.
2. Business incubator «Ukrainian Future». URL: <https://www.ufincubator.com/ua/pro-uf/pro-uf>.