

VENTURE CAPITAL IN THE DEVELOPMENT OF INNOVATIVE ENTREPRENEURSHIP

Annotation. It is suggested that the in the development of innovative entrepreneurship is understood like the ratio of economic effect obtained from entrepreneurial activity. In the current conditions of instability and increasing unpredictability of the country socio-economic development, industrial enterprises need to increase the adaptive capacity and assessment to ensure the effectiveness of attracting in the development of innovative entrepreneurship. First of all, it is possible by measuring the dynamic nature of the market conditions and ensuring the improvement of venture business efficiency, developing reproduction projects by formalizing the conditions of efficiency and assessing the level of product competitiveness on the basis of venture enterprise strategy and forming organizational and economic support to implement such projects. Ensuring the effectiveness of attracting in the development of innovative entrepreneurship includes a set of methodological approaches to assessing the effectiveness of enterprise development, selecting venture projects and organizing the process of attracting a venture business, predicting its effectiveness.

Keywords: venture business, efficiency, attracting venture business, industrial enterprise development, the process of attracting venture business, organizing the process of attracting venture business.

The competitiveness and profitability of national industrial enterprises products, the economic and social efficiency of their activities mainly depend on the ability to ensure continuous growth, renovation and involvement of venture business to the industrial enterprises' development.

It should be considered that in the current conditions of instability and increasing unpredictability of the country socio-economic development, industrial enterprises need to increase the adaptive capacity and assessment to ensure the effectiveness of attracting venture capital to the industrial enterprises' development. First of all, it is possible by measuring the dynamic nature of the market conditions and ensuring the improvement of venture business efficiency, developing reproduction projects by formalizing the conditions of efficiency and assessing the level of product competitiveness on the basis of venture enterprise strategy and forming organizational and economic support to implement such projects.

The purpose of the article is to consider the developing process of ensuring the efficiency of attracting venture business in the industrial enterprises development.

From the point of view of the article purpose implementation, such tasks were set as justifying the development process on estimation the efficiency of enterprises of Ukraine development attracting venture business and implementing the efficiency forecast as for developing industrial enterprises through attracting venture business.

The current state of the economy of Ukraine is characterized by a series of crisis phenomena such as volatile exchange rates, uncertainty in trade relations with partner countries, reduction of domestic and foreign investments, sharp decline in the population solvency, and reduced demand for Ukrainian products in foreign and domestic markets. It is necessary to find new ways of doing business that allow functioning fully in the environment of unstable and risky conditions, one of such innovative ways of doing business is venture business.

Having started a free trade area with the EU, Ukraine has embarked on the path of economic integration, which, as it is known, consists of successive stages of deepening economic relations. Therefore, at the present stage of economic development, one of the leading issues is to modernize domestic industries and their transition to an innovative path of development. At present, for the sake of compliance with EU standards in the economy of Ukraine, significant changes are taking place within the framework of "Sustainable Development Strategy "Ukraine – 2020", namely harmonizing tax legislation, centralizing research and development funding programs and creating a mechanism to ensure financial stability.

Despite attempts to obtain satisfactory results, the mechanisms for introducing new ideas and new technologies into the production, management and organization of the relevant processes requires detailed research and further improvement. The sharpest their imperfection is reflected in the country's industry which shapes not only the country's production capacity but also its socio-economic development. Attracting venture business in the development of industrial enterprises of Ukraine allows enterprises to enter the world trade markets with industrial products and become competitive.

Merriam-Webster, the most complete dictionary of English vocabulary as a major interpretation of the word "venture" indicates that it is a verb that appeared in medieval English around the 15th century and represents the abbreviation and alternative of the word "aventuren": the so-called risk, game, in some sense danger. Obviously, it is from here the direct interpretation of the definition venture business has become traditional [2].

On the other hand, Professor J. B. Tidell, a prominent American linguist, mentioned that this word appeared firstly in English translations of the Bible. From his point of view, “venture” is a noun that appears in the first book of Kings, where the interpretation of this definition is associated with such meaning as chance, luck and fate [11]. Under these conditions, the definition “venture business” appears in a slightly different form. It is no longer a risky business but a “business of luck” business that is based on a chance.

Venture business can be also interpreted as a small business. It is a process of investing one or more individuals, as well as groups in a business, with a financial benefit calculation for all investors. The majority of classic commercial enterprises are created on the basis of market demand or lack of supply in the market. Venture enterprises, based on direct accounting of consumer needs, offer to develop market ideas and sell a product or service that has just been developed for this purpose [3]. In foreign sources of scientific literature, the term “venture business” (original venture business) is not as common as “venture capital” (original venture capital) and private equity (original private equity).

The process of engaging venture business in enterprise development arises when it is necessary to analyze the definition “efficiency”. The definition “efficiency” is not clearly defined. Till nowadays, this definition has been the subject of scientific debate in various fields and it is undoubtedly it is one of the central ones in economic science. Many economists consider that efficiency is an objective economic category that is with the skillful use of existing economic laws, has its own qualitative and quantitative characteristics. It expresses the effect from using aggregate social work and capital invested in the production of social and economic spheres [4].

The development of industrial enterprise should be understood as a positive change in the quantitative and qualitative indicators of the efficiency of the industrial enterprise functioning. It is subjected to outside influence to transit to another state.

Conclusions. Thus, according to the results of the existing approaches analysis of to the evaluation of the enterprise activity, the author concluded that the above mentioned scientists did not pay sufficient attention to the innovative component of development. After all, the trends and phenomena that today mainly determine the state of the Ukrainian economy, namely structural and sectoral problems of production, its large resource dependence, the situational nature of economic growth, the necessity for diversification, the threat of recession due to instability of the fuel and energy market, domination of non-competitive goods and services produced by industrial enterprises are primarily a consequence of the low level of innovative development of the country.

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