



Human Potential as a Condition for Innovative Development of the Region

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Abstract

Purpose: to reveal the characteristic of innovation based on human factor. The peculiarities of its formation and implementation taking into account regional specifics are noted. **Design/methodology/approach:** A number of features were identified on the Krasnoyarsk Territory. The initial hypothesis is that innovative economic activity requires an innovative potential that is a prerequisite for its implementation. **Findings:** To date, the leading role of man in the development of economic processes is generally recognized. Informatization of production, increased innovation focus place higher demands on the labor resource. The tendency to form workers of an innovative type. This underlines the importance of the human role in reproducible processes and highlights the challenges of human capacity and its effective realization. **Originality/value:** The findings seek to address a number of issues raised by and around the institution of human capacity in the context of its role and relevance to economies at different levels, and especially to the innovation economy. The strategic development of the Krasnoyarsk Territory includes the need to develop the educational and research spheres as a source of the formation of “its” innovative personnel potential, which is used later in various regional innovative activities. It has been established that the region should become an active generator of knowledge and innovation.

Keywords

Innovative development • Innovative economic activity • Region • Socio-economic development • Human potential • Economy

JEL Code

R58

1 Introduction

Characteristics and at the same time a condition affecting its development is the understanding of the special importance of the person for it, as a result of which an increased interest in the formation, development, and effective realization of human potential in various economic sectors and directions becomes quite obvious.

As a result, it has become generally accepted that human potential is a core resource of strategic importance, focusing on accelerating its technological development, by improving the existing and creating new technologies, which would ensure the efficiency of the economy according to various characteristics.

Content reliability is ensured by the use of theoretical and statistical information and regulatory legal acts that are freely available.

2 Method

The founder of the theory of innovation as such is considered the Austrian economist Schumpeter, who in 1911 in his work “Theory of Economic Development”, first used the concept of “implementation of new combinations” (Schumpeter, 2007).

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These days, innovation is considered mainly in two directions: as a process, for example, this is the position of authors such as (Kokurin et al., 2011; Santo, 1990) and others.

At the same time, one can also find a critical approach to the use of the term “innovation” in this area that this terminology is not accurate in its definition by the concepts of innovative management (Kruglova & Paukova, 2016; Vlasov, 2019).

An analysis of the origin, formation, development, and changing understanding of human productive abilities, which became prerequisites for the emergence of the concept of human potential, and then the concept itself, summarized by many foreign and Russian scientists, is available in the works of Letyagina et al. (2019). Therefore, pioneers in this direction can be called Petty, Buagilber, Smith, Ricardo, Mendeleev, Pososhkov, Strumilin, and other foreign and Russian classic economists who did not attach much importance to this element of the economic structure. Representatives of the next stage—Blaug, Bowles, Kendrick, Psacharopoulos and others, for the first time come to the realization that all human abilities are a special form of capital directly involved in the production process. The realization then begins to emerge that development of a human and human development as a whole is a priority for socio-economic development and progress. And the modern period, in turn, is characterized by the further development of theories defining the role of man as a subject of economic activity, which such modern Russian scientists as: Basov, Goylo, Dainovsky, Kapelyushnikov, Korchagin, Klochkov, Marcinkevich, Dobrynin, and others, and to which a number of other prominent authors have now joined: Agranovich, Andreev, Bobylev, Warsaw, Vishnevsky, Danilov-Danilyan, Doctorovich, Dynkin, etc.

In general, it can be concluded that the theoretical basis of issues related to the category of “human potential” and its place and role for the economy in general and for the innovative development of regions, among other things, is quite intensive and diverse, however, the implementation of relevant processes in a particular region will have its own specificity, which is due both to the peculiarities of national legislation and directly to the region itself.

3 Results

The development strategy of a particular state should be based on its peculiarities.

Federal Law of 28.06.2014 No. 172-FZ (last updated 18.07.2019) “On Strategic Planning in the Russian Federation” establishes the concept to all three levels (it was this term that the legislator considered the most correct, although

another is more often used in theoretical sources—a development strategy): in which the key elements are the targeting (Federal law of 28.06.2014 No. 172-FZ).

“The goal of socio-economic development is the state of the economy and social sphere, which is determined by participants in strategic planning as a benchmark for their activities and is characterized by quantitative and (or) qualitative indicators” [1, art. 3, paragraph. 13].

The strategic objective defining the regional development strategy is characterized by:

- its vector is directed toward the future, with the starting point in the present, at the moment of defining the development strategy;
- availability of the close link between ways and means of achieving it;
- it should be able to be adjusted to reflect developments at the appropriate levels;
- in order to assess its impact, it must be quantifiable.

The strategic development of the region should reflect the interests of all actors and promote coordination among them, including for consensus-building in diverging views, if any. Such entities are:

- legislative and executive authorities that administer the socio-economic life of the region on behalf of citizens; for example, the “Interregional Directorate of the Federal Service for Supervision of Environmental Management in the Krasnoyarsk Territory and the Republic of Tuva” is vested with the appropriate powers of the administrator (Kurbatova et al., 2019);
- business units and non-profit organizations - business entities focused on profiting from their activities and providing non-profit services;
- households that are the main consumers of products, and some engaged in production activities (Federal law of 28.06.2014 No. 172-FZ).

The tasks are:

1. coordinate strategic management and budget policy measures;
2. monitor, control over the implementation of processes and documents on the strategic development of the region;
3. to consider scientific and technical, information, resource, and personnel support of strategic development of the region;
4. create conditions that would attract citizens and economic entities to this sector.

However, all this cannot be achieved without the main condition - human potential.

This potential is at the heart of modern approaches to reforming the economy in order to accelerate both its technological development and guarantee the growth of competitiveness and sustainable development. Moreover, increasing the efficiency of its use in the economic sector is significant both on a global scale (Naumkina, 2019), and on the scale of Russia and at the regional level (Kolmakov et al., 2016).

A major role in solving this problem is played by modern vocational education, namely its quality. Therefore, university science and the scientific potential of higher educational institutions, including taking into account industry specifics, acquires special importance (Rachinskii, 2016). At the same time, it should be understood that a number of factors influence the education system itself (Aisner & Trashkova, 2017; Fursik, 2014; Mityugina & Kravchenko, 2017).

The Krasnoyarsk Territory occupies high positions in terms of investment activity, being one of the top ten among the regions of the country (Strategy of social & economic development of Krasnoyarsk Territory till, 2030). It is planned to increasingly focus on the production of new competitive and innovative products. As a result, by 2030, an increase in the share of manufacturing industries with innovative products (from the current 20 to 30%); growth of products of new sectors of the innovative economy (will triple); creation of new, innovative forms of economic activity, in particular, agro-industrial clusters for the development of agriculture (Kurbatova et al., 2019; Trashkova & Aisner, 2017; Vlasov, 2018) etc.

The requirements for human potential are quite clear: it is a high educational level, scientific thinking, the ability to create and the ability to generate new knowledge and innovation.

4 Conclusion

The importance of human potential to the modern economy is a recognized fact. The theory gives sufficient attention to this component of the economy, while within a particular region its meaningful characteristics will have their own characteristics.

Developing the educational, research, and innovative spheres, the region itself will develop human potential under the standards it defines, used later in the innovative clusters of the region, thereby developing education, stimulating scientific research, and innovative development in areas that ensure the development of its traditional and new, innovative industries, forming and developing elements of a new economy—the knowledge economy.

The findings seek to address a number of issues raised by the institution of human capacity in the context of its role and relevance to economies at different levels, and especially to the innovation economy. Positive experience in developing regional level methodological frameworks can be useful for adapting by other regions, as well as at the state level, in particular by:

1. unleashing an understanding of the human potential through the lens of characteristics and from a position of importance for the formation of the region's innovative economy;
2. by establishing a direct link between the establishment of innovative regional economic standards and human potential and the indirect influence on a number of related institutions, among which education is of particular importance, since, on the one hand, it prepares appropriate personnel, which will form human potential in the future and on the other hand, the need for human resources is an incentive for the development of education defined by the labor market.
3. determining the place and importance of human potential and innovation for the formation of a new regional economy.

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