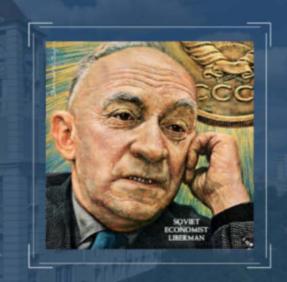
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«КОНКУРЕНТОСПРОМОЖНІСТЬ ТА ІННОВАЦІЇ: ПРОБЛЕМИ НАУКИ ТА ПРАКТИКИ»



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Household management and innovation

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Economic systems share the facts that they all fall short in predicting the future. They have all failed to promote equitable distribution of wealth or promote positive visions and hope for the future. Yet they serve as successful and prosperous instruments to rule the nation and its citizens. Household management, on the other hand, is different, and it plays an important and specific role in democratic development. Development is a distinct process than growth, because it is based on innovation. Innovation is a process that creates new opportunities and its successful implementation in the economic system implies that one can do something that previously could not be done, or at least not so efficiently or economically [3].

Innovation is the carrying out of new combinations of land and labor as input factors in the production process. Innovation creates a surplus over cost, the entrepreneurial profit, which belongs to the entrepreneur himself. The entrepreneur is always a single person, not a committee, team or group of board members or any other group of stakeholders [1; 2]. The motivating factor is not of any hedonistic character, the profit only functions as a proof that the entrepreneur was right, he succeeded in his economic endeavors. Entrepreneurial profits are still important from both a micro and macro perspective. It elevates the entrepreneur and his family to a higher social class affiliation as the value connected to his name increases.

Successful innovation opens new perspectives on life for the entrepreneur and his family and makes it possible to meet life's potential based on his talent and strength. Throughout history, it has been shown

that the entrepreneur is usually a young person, although there are examples of successful entrepreneurs in all age groups. Younger persons tend to be less conservative than older people, and this is one of the most important facts behind the realities of live.

Conservative in this regard does not necessarily mean that they are politically conservative, religiously conservative or culturally conservative or have any other conservative attitude other than the truth that they have not yet made an entrepreneurial profit and invested it in the enterprise. In other words, they have nothing to lose but their good name and reputation. Older people usually have their capital invested and are not willing to risk it on an innovation with uncertain outcome. Successful innovation gives the entrepreneur and his family freedom and less dependency.

They are self-reliant based on vision, will and action, both financially and socially and their success on the marked enables the entrepreneur to extend a hand to those who are less prioritized and not well off in the society. Entrepreneurial profit creates social value by interacting in the social sector by the entrepreneur doing good, his philanthropy, by helping the needy, and as social entrepreneur. Economic and social freedom for the entrepreneur and his family makes the world a better place for everyone when he intervenes in social issues in society on a micro and macro level.

This interaction is democratic, because public authorities cannot perform the same services that social entrepreneurs can [3]. Social entrepreneurs can go further and above the capacity of authorities because their actions are based on innovation. Successful entrepreneurship means there will be followers and adaptors who transform their businesses to the new modes of production; a shift from static to dynamic production takes place.

On the macro level whole industries transform to the new technological and economic realities, which is the essence of development. New products and services spread to new markets and consumers, and new

jobs are created in the new industries, the class of workers will benefit double because they can get more for the same amount of money as the market prices fall and their wages rise.

New technology requires new qualifications from the working man. When new jobs are created in the dynamic market, the most popular workers are recruited first. What is needed for new employment after the shift is relevant and up-to-date education, high performance, skills, moral ethical personal attitude and reliability. Much of the personal qualifications that are needed as an entrepreneur and as employee are taught and achieved at home. The family plays a crucial role for the success of the entrepreneur.

The successful worker also benefits from his family background as long as the family values are relevant to him. The family is the most basic unit of human beings in every society, and it existed as a sovereign and independent self-sufficient and prosperous structure long before any state was founded. Household management covers household finances and the explicit role assigned to each family member.

Family is something else than the state, society, business, organization and enterprise. Family is a private unit of individuals related by blood, marriage or other commitments, passion and lifelong existence, it is not a project or a temporary structure or production unit for sharing its wealth, culture, values or moral ethical principles with others except of their own free will. The successful management of household reflects the economy, comprising most activities in the family as well as in the society.

Cleaning, cooking, farming, hiring workers and maintaining properties and wealth are the same practical and theoretical activities in the family as in the advanced society. The philosophy of economy and practice of successful household management is an excellent background for the effective management of every society, business and enterprise because the principles and logics are the same. Social value consists of several freedom values. The highest social value is to achieve economic

freedom, the position of owning a company and being self-reliant in financial affairs. In addition, the free man must be able to contribute to the well-being of others who do not have the opportunity to live a good life. A good life means being well in material values such as owning a home and a business, freedom to social interaction and prosperous safe and independent future and excellence of moral quality.

Household management is just as important today as in the past, both in the family and in society. Yet family values and household management face daunting challenges. The entrepreneur is motivated by factors connected to family life and family values. Innovations are created by individuals to serve people and the fruits of that makes the world to a better place for everyone, both poor and rich alike. A better world means more freedom for the individual, a safe and more independent life and moral ethical excellence as the basis for both the nations and the people in their life journeys and behavior

Literature

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