

Chapter 13

Cost Control Strategy for the Implementation of the User Innovation Potential in the Digital Economy

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ABSTRACT

Currently there is a change of economic model associated with the transition from the stage of industrialization to the post-industrial economy. Emphasis shifts from production to the provision of services. In the digital economy, where the major resources required for the production of quality products are time and information, should be reconsidered the concept of cost management. The new paradigm of cost management should take into account the changes in the approaches to the management of material, labor and financial costs, and include approaches, tools and methods of cost management of resources, updated by digital post-industrial economy. Sectoral and territorial specifics of the process of change of economic model requires a strategic approach to cost management. The typology of costs, which provides optimal decision making in the implementation of the innovative capacity of the user is proposed by authors. Approaches to the formation and implementation of cost management strategies at the present time are developed.

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INTRODUCTION

Prospects of development of Russian entrepreneurs' innovation activity depend on the degree of innovation development. The scope of innovation is determined by the size of innovation potential and the size of the cost of innovation.

In the context of changing economic model and limited resources (primarily, time and information) has become even more acute the problem of creating high-quality strategy of cost management.

Implementation of such a strategy, which provides the implementation of the innovative capacity and efficiency of innovative projects, is a key problem of users in the digital economy. The present study aims to develop conceptual approaches to strategic cost management of user of digital technology.

The purpose of present research is to study theoretical problems of improving cost management, development of guidelines and practical proposals on formation of cost management strategies for development and implementation of innovations in the digital economy.

The objectives of the study are as follows:

- To specify the content of the cost management strategies in the digital economy;
 - To form a typology of resources and digital technology user's costs;
 - To build a model of strategic cost management in the digital economy;
 - To form an algorithm development and implementation of cost management strategy, which allows to make management decisions, considering the Russian specificity, in the implementation of the innovation potential.

Background

A great deal of scientific works is devoted to the different aspects of innovation activity.

The study of links between the perspectives of long-term economic growth and firms' innovation activity is reflected in the works of D.N. Kondratev, B. Santo, R. Foster, D. Forrester, V. Hartman, V. Shtok, J. Schumpeter (Mkrttchian et al., 2016). Theoretical and practical problems of strategic innovation management are developed in the writings of scholars such as L. Vodachek, P. Draker, M. Porter (Mkrttchian & Aleshina, 2017).

Consideration items such as the problem solving of organization and management of scientific and technical training, development of production of new products, financial problems, issues of planning of research and development, the economic problems of production preparation, the use of the labor potential in the implementation of innovation, organizational and economic problems of providing an integrated preparedness of manufacturing to accelerate development of new products in a transition economy, are reflected in the works of L.S. Boryutin, S.V. Valdaytsev, L.M. Gohberg, N.I. Lapin, A.I. Prigozhin and others (Mkrttchian, et al., 2016).

A significant contribution in the research of innovation cost management of firms was made by such scholars as Y.P. Aniskin, A.S. Borodkin, I.S. Minko, A.V. Proskuryakov, B. Tviss, S.M. Yampolsky (Mkrttchian, et al., 2016).

Of particular interest is the experience of cost management on innovations introduced in the works of T. Rayt, A. Morit, L. Yakkok (Mkrttchian & Aleshina, 2017).

However, studies do not give a comprehensive presentation on the specifics of the strategic cost management for the implementation of user innovation in the digital economy.

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