

## ABSTRACTS

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### **BASIC DIRECTIONS OF INNOVATIVE FACTOR USING FOR IMPROVING LABOR PRODUCTIVITY**

The current strategy of economic development of Ukraine directed on economic restructuring and foreign economic relations creation, requires, first of all, improve of existing and finding new ways to increase labour productivity.

The role of innovation grows considerably in the modern terms of economic development, because only those enterprises occupy key positions which can adapt to market needs in the shortest time under increased competition, namely those companies that have the greatest mobility, which promotes innovation.

The role of innovation component in the system of traditional drivers of labour productivity growth increases in recent time, which is influenced by science and technological progress, knowledge intellectualization and the increasing role of innovations on enterprises.

Firms engaged in innovation to increase profitability and labour productivity, as reflected by lower costs, increase in output, diversification of product range, increase in market share of enterprise, replace the limited efficiency products with more effective ones, improve quality of goods and services, achieve flexibility and improve power production, improve working conditions and new job creation, better customer service, reduce pollution, strengthen relationships with customers, improve collaboration and knowledge sharing between different departments and divisions and with other companies, gain the customers' loyalty and more.

Taking into account the demographic social and political situation in Ukraine, one of the key tasks for a wide range of problems is to increase labour productivity. The analysis shows the importance of innovation to increase productivity, that's why it should be created an environment that will stimulate innovation activity of enterprises in Ukraine in order to support economic growth, rising living standards and social development.