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INVESTING IN INNOVATION

Investment refers to an activity aimed at generating income. The resources used for this activity provide returns in the medium and long term. In this respect, investment is putting money into financial instruments, such as shares or properties, with the aim of making a profit. Additionally, it can be defined as devoting one's time or energy to an initiative with the expectation of a valuable outcome (2, p. 100). Innovation is a multi-stage process in which organizations transforms ideas into new products, services, or processes to successfully advance, compete, and differentiate themselves in the market. In this respect, innovation is a development and change (1, p. 1334). Innovation requires resources, and these resources need to be financed. In this respect, the decision to invest in innovation depends on two critical factors: First, there is the initial incentive to allocate resources for innovation. The second is the capacity to increase the necessary financial instruments. Among industrial sectors, business services are the area of activity that faces the greatest financing-related barriers to innovation, possibly due to their stronger dependence on intangible assets. Large firms as well as small firms almost equally perceive the high cost of innovation and excessive economic risks as inhibiting factors. However, access to appropriate financing resources is a much bigger problem for small businesses than for medium-sized businesses, while large companies are least affected by this situation (4, p. 518).

Seeking innovation and investing in innovation is an entrepreneurial activity. While this activity includes opportunities, it also includes risks. The first problem that may be experienced in the investment-oriented innovation process is the lack of knowledge and skills in the management of the innovation process and the changes that the process may cause. If this deficiency is supported by institutional managers, this can turn the innovation process into an opportunity (3, p. 3). Increasing the knowledge and skill potential of the company as a whole can both shorten the innovation process and pave the way for new innovation initiatives in the future. The growth of the company as a result of innovation processes may create new external connection opportunities for the company. Since innovation processes always require an optimal strategy, it can also develop a high level of planning ability within the company. For innovation to be sustainable, the company should have the appropriate infrastructure and personnel. In this sense, low company capacity may cause the expected return from investment in innovation to remain low.

We can say that the opportunities that arise as a result of investment in innovation are in several areas. Although these emerging opportunities cause some negativity, they can be eliminated by the emerging innovative culture. Thanks to innovation, especially with new technology, investment opportunities can increase. The best use of these emerging opportunities varies depending on managerial effectiveness and vision.

On the other hand, entrepreneurial opportunities for new entrepreneurial activities may arise through innovation. This is only possible by supporting ideas within the organization. Innovation also increases production and personnel efficiency. The sustainability of this increase is possible with a sustainable corporate innovation culture. In this respect, the ability of innovation to produce beneficial results in the long term can be achieved with an acceptable corporate innovation culture. Otherwise, an institutional structure limited to short-term productivity increases will be formed. It will not be possible for this structure to create an understanding that supports innovation in the long term.

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