Research of modern opportunities for obtaining the grant support for innovative projects financing

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Abstract: This paper examines innovative, including social entrepreneurship and modern opportunities for obtaining grant support for financing innovative projects, including social ones. The possibility of receiving grants from various funds is being considered. Detailed attention is paid to the stages of project development for drawing up an application for grant funding. Attention is drawn to certain nuances in the writing and processing of grant applications. We also conduct research on current conditions and factors that influence the development of innovative entrepreneurship, and compare Russian indicators with foreign ones. Detailed attention is paid to economic and innovative conditions, educational factors, measures to promote competition and tax incentives.

1. Rationale

Today, Russia has a great intellectual and innovative potential and many individual researchers and inventors, especially among young scientists and specialists. However, the most of them do not have market and commercial knowledge as well as thinking consistency and scale. Often, they cannot describe the essence of the proposed innovation and its significance for the modern market. There are also underdeveloped institutions that ensure the collective work of researchers and innovators with economists, sponsors and authorities.

Scientists L. Gokhberg and D. Meissner in their study of the problems and prospects of innovative development in Russia and the United States¹, note that, firstly, no economy can survive solely on its own digitalization, as is currently happening in the Russian economy, and it needs, first of all, a powerful intellectual and industrial base. Secondly, in Russia, many scientists are psychologically stuck in the Soviet era, when science and universities were separated from enterprises and businesses, while in the United States scientists have a wide outlook and economic knowledge, and they are ready to take risks and commercialize their research results. Analyzing the innovation policy of the two countries, L. Gokhberg and D. Meissner note that in Russia it is necessary to set the task of increasing the industrial sector and ensuring its automation, which will require attracting highly qualified specialists, providing...
opportunities for their training, using robotics and the final digitalization of the entire production process [1].

2. Conditions for the creation and successful functioning of the company in terms of the relationship between the subjects of innovation and production processes

Nevertheless, intellectual capital in the country can be started to form and enterprises can be created from the small innovative start up companies if the team built up from the sole scientists-inventors would be created. The creation of innovative enterprises presupposes a high level of involvement of science and/or the availability of the own innovative technologies. For their creation and successful development in the economy, a number of prevailing conditions are required, and first of all, the possibility of meeting the subjects of these companies and productive negotiations between them. So, the subjects of the formation of innovative capital and the creation of innovative firms are:

- owners of innovation capital (developers of new products and services, innovators, inventors),
- business representatives - investors,
- entrepreneurs - project managers, heads of firms, representatives of top management of firms.

Each subject has its own economic interests: investors and businessmen - making a profit and interest on capital, entrepreneurs - creating an efficiently operating enterprise and making a profit or wages, an inventor - commercializing his scientific development and obtaining intellectual income [2].

Subjects will receive various types of income depending on the legal consolidation of enterprise ownership relations.

The first option is to create a company owned by a business representative who invests his own funds. The businessman will receive a portion of the company's net profit. At the same time, the entrepreneur will receive a salary.

The second option is when the owner of the company is an entrepreneur and the businessman is only an investor. Here a part of the profit will be received by the entrepreneur, and the businessman will receive an interest on the invested capital.

Receiving of intellectual income by the inventor depends on how the intellectual property for the created goods and services will be formalized.

If a patent (model, design, brand, etc.) is registered for the inventor, then he will receive income from it (intellectual income). And if a monopoly is established and fixed in the market, then this income will become an intellectual rent.

If the patent is registered for a company, then the owner of the company (investor or entrepreneur) will receive intellectual income, and the inventor will receive only wages for his innovative developments, similar to the work in universities and research and development work (R&D) of state enterprises. Here, the contradiction in the nature of the creation and appropriation of intellectual profit and rent is vividly manifested [3].

The first scenario is preferable for the owner of intellectual capital, the second one is preferable for the owner of the company.

Thus, the key point for the creation and successful operation of a company is the establishment and maintenance of stable links between the subjects of innovation and production processes: inventors, entrepreneurs (manufacturing companies), investors and businessmen (venture structures).

Due to the small number of innovative companies, the modern innovation system does not provide the full need for the formation and use of intellectual capital, and also cannot fully provide space for the interaction of the three subjects of the process under consideration (the block of intellectual, social and entrepreneurial capital). Often, these three subjects of innovative enterprises are in different institutional layers, belong to different social strata of society, do not know each other and do not communicate with each other.

In addition, in the modern Russian innovation system, there are currently no institutions that can organize or provide a platform for entrepreneurs, investors and inventors-intellectuals to meet each other
and create joint innovative enterprises. Platforms called "Boiling Point" have been created on the basis of the ASI LEADERID Internet platform in the leading universities of large cities in 2019. These platforms are intended for meeting of young people with representatives of government, business and top management of companies and discuss issues of a public and social nature. However, they are intended to discuss broader public issues and are not intended for targeted meetings to create specific businesses. Participants of such meetings have to choose the place for meetings themselves.

3. Creation and implementation of innovative projects as platforms for meetings of subjects of innovation processes

The creation and implementation of public innovation-oriented projects as institutional innovations can be used as an example of solution of this problem. These projects act as meeting platforms for the subjects of innovation processes and accelerators of innovation projects to launch them on the market. Within the framework of these projects, investors, innovator-developers and entrepreneurs of various levels can be attracted as subjects, and both subsidized and grant financing and direct investments from the business side can act as financial support for the implementation of projects until the firm reaches a self-sustaining basis. The project form of activity in the modern economy is experiencing rapid development and is good in that it allows you to quickly assemble a suitable team, test a model or a new development for compliance with market needs and make a profit, and clearly see the result and evaluate the effectiveness of the project at the end of its implementation period. This makes it possible to quickly test projects, screen out unprofitable ones, revise promising and valuable projects in the future and develop new companies based on projects that have proven their effectiveness. In our opinion, currently it is already the first step for building an operating "innovative lift" in the existing Russian innovation system. Such projects can become a good catalyst for the innovative development of both the individual himself and the region and the state as a whole [4].

In the modern Russian and world economy, project activities are currently experiencing rapid development, which is also associated with an increase in the number of freelancers and self-employment, when a person can work in several project areas without leaving home. Projects differ from other types of activity in the absence of an internal corporate and organizational framework, when their participants can be completely different people working in different directions, specialties and fields of activity in various organizations, regions and even states (in the case of international projects), and unite to implement common interests and goals.

Modern projects are innovative, social, entrepreneurial, educational, organizational, developmental, etc.

The project form of activity is good in that it allows you to quickly assemble a suitable team, test a model or a new development for compliance with market needs and make a profit, and clearly see the result and evaluate the effectiveness of the project at the end of its implementation period. This makes it possible to quickly test projects, screen out unprofitable ones, revise promising and valuable projects in the future and develop new companies based on projects that have proven their effectiveness. In our opinion, currently it is already the first step for the successful development of innovative start-up companies and the construction of a functioning "innovative lift" in the existing Russian innovation system. Such projects can become a good catalyst for the innovative development of both the person himself and his team, and the whole region and the state. Successfully implemented projects then grow into enterprises, companies, organizations, including public and charitable ones [5,6].

Financing of modern innovative projects, both at the stage of the pre-organizational design stage and at the stage of creating an enterprise, can take place in a subsidiary form (subsidies, subventions and state assignments), grant support, funds from partners and benefactors, investments from business until the company enters self-sustaining basis or through entrepreneurial activity. The issues of grant financing will be considered below in details.
4. Grant financing in the modern economy
Grant financing serves as one of the most affordable funding opportunities, especially in the case of public project initiatives and social projects. It is a receiving of grant funds for the implementation of a project on a competitive basis. To receive a grant, it is necessary to draw up a project, correctly execute and present it and win over competitors. Here a person have to carefully approach the development of his or her project, take into account many components and constantly revise it in case of failure. Thus, grant support is good specifically for innovative projects, because it allows to see their shortcomings already at the initial stage of the search for financial resources. It allows to begin serious revision and correction of the project to the real market needs. And such a revision of it is already the first step towards transferring it to an entrepreneurial basis, because grant financing is urgent, and after the funding period expires, it will be necessary to search for funds again, where the presence of real market support for the project will be a significant plus.

In the modern Russian and world economy, project activities in the field of social entrepreneurship are rapidly developing. At present, it is becoming much easier to launch your own project and open your own organization, subject to the solution of any public or social problem (for example, protection of socially vulnerable groups of citizens, assistance to low-income families, home improvement in low-income families, assistance to homeless animals, promotion of healthy lifestyle, etc.). Social entrepreneurship and design, the creation of public, non-profit organizations and foundations are developed [7]. Social engineering, for example, offers great opportunities for further development. Firstly, a person, continuing to do what he loves, receives a new round of development of his project and financial support. Secondly, project activity is a way to a new level, since at the same time, a social problem is solved and a team of participants is involved. Thirdly, as a result of the successful implementation of the project, new opportunities open up for a person to open his own business, to create a public organization. Fourthly, this is a colossal experience of development and drawing the attention of the media to solving a public problem. And fifthly, there is an additional attraction of funds to the region to solve socially significant problems.

First of all to receive grant funds, the person must select the grant fund from which he or she wants to receive the support. There are many similar funds (the Potanin Fund, the Rybakov Fund, etc.). The Presidential Grants Fund is a particularly significant one. This fund provides support to projects with a pronounced public or social orientation. The Foundation accepts applications 2 times a year, but additional competitions are also possible. In the summer of 2020, the Presidential Grants Fund held an additional competition for projects focused on fight against COVID-19 [8].

Next, the person needs to go through training courses or meetings, seminars where he or she gets an idea of the composition of the required documentation and the nuances of its provision. And then comes the actual writing and design of the project and its submission for consideration.

Usually, writing a project includes the following stages: developing an innovative project idea, discussing and revising it, creating a project team, choosing an applicant organization and project partners, drawing up a project description, drawing up an action plan, drawing up a budget and finding of financial support and project launching itself. These steps are considered in details below.

1. Development of an innovative project idea
At the stage of developing an innovative idea, the person needs to declare him- or herself to the public and assemble a team of like-minded people. In the modern Russian innovation system, there are currently no institutions as such that can organize or provide a platform for meeting entrepreneurs, investors and intellectuals to create joint innovative enterprises. Due to ASI LEADERID internet platform support, platforms called "Boiling Point" have been created in the universities in 2019. These platforms are intended for meeting of young people with representatives of government, business and top management of companies and discuss issues of a public and social nature6. But they are intended to discuss broader public issues and are not intended for more targeted meetings to create specific project initiatives. And now participants of such meetings have to choose the place for meetings themselves [9].
Due to the small number of innovative companies, the modern innovation system does not provide the full need for the formation and use of intellectual capital, and also cannot fully provide space for the interaction of the three subjects of the process under consideration (the block of intellectual, social and entrepreneurial capital). Often, these three subjects of innovative enterprises are in different institutional layers, belong to different social strata of society, do not know about each other and do not communicate with each other [10].

2. Discussion and revising of the idea
Here it is important to carefully work out the very innovative idea of the project, to understand what is its innovativeness and what is its social orientation, to establish the correspondence of goals and objectives, the geography and timing of the project, to substantiate the relevance and social significance or focus of the project.

3. Project team creation
The team can include both direct innovators and subject specialists and administrative specialists (for example, an accountant, marketer, system administrator, lawyer, manager, curator, coordinator, etc.)

4. Selection of the applicant organization and project partners
The selection of the applicant organization must be consistent with the objectives of the project. It is also important to clearly spell out its activities over the past few years and attach the required documents (charter).

Project partners shall also be consistent with the focus of the project, provide assistance in project implementation, organize events and be able to provide co-financing. It is usually required to sign the letter of support with them. Partners can be both business angels firms as well as public and charitable non-profit organizations, budgetary and other organizations.

5. Execution of the project description and application
Grant financing of projects is the receiving of grant funds for the implementation of a project on a competitive basis. To receive a grant, it is necessary to draw up a project, correctly execute and present it and win over competitors. Here a person have to carefully approach the development of his or her project, take into account many components and constantly revise and repeatedly send it in case of failure.

During writing of a project, attention shall be paid to the clarity, conciseness and compliance of the formulations of goals, objectives, the choice of the target audience of the project to the stated requirements and the chosen direction of financing, in view of the fact that this is clearly tracked by the funds and the discrepancy is the reason for the shortage of points [11].

Particular attention shall be paid to working out the quantitative and qualitative results of the project implementation, since during making reports and agreeing on control points representatives of the funds will be guided by the implementation of these results. These indicators, first of all, shall be realistic and achievable in the existing conditions and shall have a documented support (reports, photos, videos, etc.). Control points represent the final indicators of the project, broken down by the periods of its implementation and laid down as planned indicators in the reporting. Accordingly, it is necessary to monitor strict reporting and compliance with benchmarks, only in this case the project will be recognized as successful. Person also shall monitor the targeted use of funds and spend money only on the declared target budget areas.

In addition, the attention shall be paid to the information support of the project. It is important to understand how and where (on which sites) the information about the project will be posted.

At the same time, it is necessary to think over the options for the further development of the project after the end of the grant period, because the project shall not be terminated after the expiration of the funding period and it is necessary to work out the sources of its support in the future [12].

In case of a loss of grant funding, person can attend meetings and consultations with representatives of the foundations, identify errors and inaccuracies, re-apply his or her project, or try to submit it to another fund. At the same time, experience and knowledge in the submission of grant applications inevitably grows.

6. Drawing up an action plan
The application shall clearly indicate the timing of the activities, and the action plan itself shall correspond to the main stages and tasks of the project. It is advisable to justify each held event.

7. Budgeting and search of financial support

Particular attention shall be paid to the development of the project budget, reflect here the salaries of participants that are adequate to their work performed and the average salary in federal districts, reflect the real market value of purchased goods and services, and even add more costs taking into account future inflation, but with reflection of the real market commercial offers.

Leading organization also shall pay attention to the need to co-finance part of the project from its own funds. It shows the own interest of the leading organization in the implementation of the project.

In addition, it is advisable to start working on the project in social networks and indicate links to these social networks, as well as attach visual materials: a link to the project website (if available), photo and video materials, project presentation, etc.

8. Project launch

The launch of the project takes place after receiving funding, agreeing on all milestones and signing the contract.

The completion of all stages, as a rule, takes from several months to a year or more, depending on the length of time spent on finding finances.

Thus, the means of grant financing allow to launch the implementation of the project in a short time without a significant contribution of own or borrowed funds and, most importantly, relatively quickly begin to implement a solution to a significant social problem in the city, region, etc.

Thus, project activity is the most important modern organizational inter-firm institution for the creation, development and promotion of innovative and intellectual ideas. It allows to develop the own line of business from the level of an idea to a finished project that is ready for creation of an enterprise.

The successful implementation of intellectual and innovative projects directly affects the indicators of innovative and socio-economic development of the declared territory (in case of social projects).

5. Findings

Thus, in the modern Russian economic and institutional system, there is an active work on development and support of a system of benefits and preferences to stimulate the development of innovative entrepreneurship (the most significant ones among them are tax benefits, simplified regimes, and a decrease in tax rates).

However, at the same time, despite the incentive measures taken, the high level of tax burden in Russia remains one of the serious obstacles to the development of innovations, especially for small businesses. And now the situation is exacerbated by the 2020 crisis. In addition, the positive results from tax measures in Russia are hampered by a high level of corruption, which manifests itself in obtaining additional funding, tax benefits and paying taxes, although measures are now being taken to limit inspections of small businesses, a unified principle of registration of legal entities, etc.

The institutional setting and environment for economic growth is different from the environment that directly promotes innovative development. In Russia, a relatively high level of development of the intellectual resources of the population is combined with the raw-material nature of the economy, low rates of economic development and a low quality of the institutional environment. We are witnessing permanent financial crises, ruble fluctuations and slight economic growth in 2019, which was not accompanied by qualitative changes in the institutional system. For innovative development in these conditions, it is necessary to develop appropriate institutions or institutional factors: institutions of legal regulation and protection of property rights, financial institutions, innovation infrastructure, institutions for consulting business management and development, insurance institutions, etc. Support from the state and legal regulation of innovative activities are intended to contribute to the growth and promotion of innovations in the field of production.

Summing up the study, it can be noted that until now, both state and public and private aspirations for the creation and development of innovative companies, despite positive shifts, have not yet yielded
the desired results, which is associated with the system-wide institutional problems of the development of the Russian socio-economic system.

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