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Business Technology Innovations for Full Economic Happiness

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Abstract

The main goal of the research was to refine the analytical framework for assessing economic well-being and we obtained new economic indicators that very interestingly described the current state in the innovation sphere and the corresponding reserves and fiscal-technological mechanisms for economic activity. When researching the presented topic, methods of grouping, proportionality and comparative analysis were used. Consequently, selected correlations were obtained for the indicator of business-technological prerequisites for economic happiness. The happiness indicator was calculated by Revaz Lordkipanidze (as Level of satisfaction from working place multiplied by Level of satisfaction from salary multiplied by Level of satisfaction from non-working hours) and the business-technology basis indicator at the Faculty of Business Technologies of Georgian Technical University under the guidance Anzor Abralava. We calculated the indicator of business-technological prerequisites for happiness using the formula: The share of machinery and equipment (including rationally robotic technologies) in fixed capital divided by multiplying the share of managerial costs (in total costs) and the tax burden (the ratio of taxes to total income). As a result, the Integral coefficient of economic happiness from business technology innovations can be calculated by multiplying the indicators of innovations and economic happiness.

Keywords

Business Technology Innovation, Economic Happiness, Fixed Capital

1. Introduction

As we know, issues of economic well-being and happiness are being studied

quite extensively not only in developed countries, but also in developing countries, which is acquiring universal significance at the international level. But we noticed some gap in the weak connection of modern research with the technological breakthrough of modern times and the lack of connection with the tax burden. In some countries, technologies are invented and used to a lesser extent, or in some countries taxes are too heavy or, on the contrary, they are so light that businesses are not interested in the rational use of resources.

Despite the humane or reactionary styles of government of different eras, the standard of living of mankind is improving largely due to scientific innovations and increasing technological levels. Although a lot depends on the managerial style, since it is the political system and, consequently, economic mechanisms that determine the significant acceleration or slowdown of technological breakthroughs.

We especially appreciate the works of scientists who positively view the political economic research of the classics (Brady, 2024a, 2024b) and pay special attention to the issues of critical understanding of modern economic problems, the causes and results of unreasonable regulation, military conflicts, corruption, psycho-mathematical assessment of reality and improvement of management (Thapa et al., 2023; Zak, 2013; Dalkey & Helmer, 1963; Kuprashvili, 2022; Papava, 2023; Jibuti, 2013).

Our country—Georgia is not very large territorially and in population number, and it was particularly difficult to endure the political and economic crisis of the 90s of the last century, when the country fell to last place in terms of GDP per capita in the world, but the economic reforms currently taking place give great hope and we are trying to identify priorities for a happy future in mutually beneficial international economic relations from our significant geopolitical center of famous Asia-European transport arteries of the global economy (Lordkipanidze, 2024; Abralava et al., 2022).

2. Why Do We Need an Economic Happiness Indicator?

A wisely selected economic indicator is a mirror for observing our behavior and identifying reserves and ways of improvement. As we know, the UN presented global happiness reports (Lordkipanidze 2024), which included main 14 directions for research and generalization. We hope, that the calculation of the additional concrete economic happiness indicator will help the processes of displaying the real situation both at the level of the global economy and for macro economies (or regions, families and specific individuals).

In this study, we have deepened our understanding of the happiness indicator, with the coefficient of the so-called technological basis, since we want the understanding of well-being to be increasingly linked to technological innovations. We know that countries that receive their income primarily from raw materials rather than from knowledge-intensive industries are not considered developed countries. And we believe that if economic happiness is mainly achieved by the

costly mechanisms and rigid tax administration of the "penalty economy", such artificial well-being is less valued.

By Lordkipanidze's formula:

$$EIH = LSWP \times LSWS \times LSFT,$$

where EIH is Economic Indicator of Happiness, LSWP—Level of satisfaction with working place per capita, LSWS—Level of satisfaction with salary per capita, LSFT—Level of satisfaction with free time per capita during breaks (after working hours, weekends or holidays) and each level of satisfaction defines with a 10-point score using the Delphi method (see ibid).

By our newest research, for maximally full integral generalization of economic happiness coefficient, it's needed the business-technology innovations indicator like the most humane prerequisites for happiness using the formula:

$$BTI = SME \div (SMC \times TB),$$

where BTIis business-technology innovations, SME—share of machinery and equipment (including rationally robotic technologies) in fixed capital, SMC—share of managerial costs (in total costs), TB—tax burden (ratio of taxes to total income).

Finally, we calculate the Integral Coefficient of Economic Happiness (ICEH) from business technology innovations by formula:

$$ICEH = BTI \times EIH.$$

As we see, the business-technology innovations indicator shows to what extent we use the latest technology in the most active part of the fixed capital and how large are the unwanted management costs and tax problems, and the integral coefficient summarizes the overall effect of the indicators of happiness and its technological basis.

3. Conclusion: What the Calculation of the Integral Happiness Coefficient Showed

An assessment of the statistical basis for the transition of the Georgian economy from a directive management system to a free market clearly confirmed the pattern of our priorities. Nowadays, the humanization reform has significantly intensified, but in the initial period of transition the following were noted: 1) Demonstrative "honesty" and increased interference in business with various fines and unnecessary violent administrative mechanisms; 2) Inflating managerial costs, especially with joint public-private forms of governance of enterprises; 3) Purchasing expensive equipment that was not used for its intended purpose; 4) The decoupling of labor productivity growth from the capital-labor ratio.

Using statistical data and expert observations, starting with doctoral research on enterprises of the Georgian economy in 1990-2024 (see **Figure 1**), we came to the conclusion that even the most progressive innovations cannot be introduced too much, since this will significantly increase costs and prices of goods. Rational innovation and humane tax burden always give the best results for the complete happiness of a person.

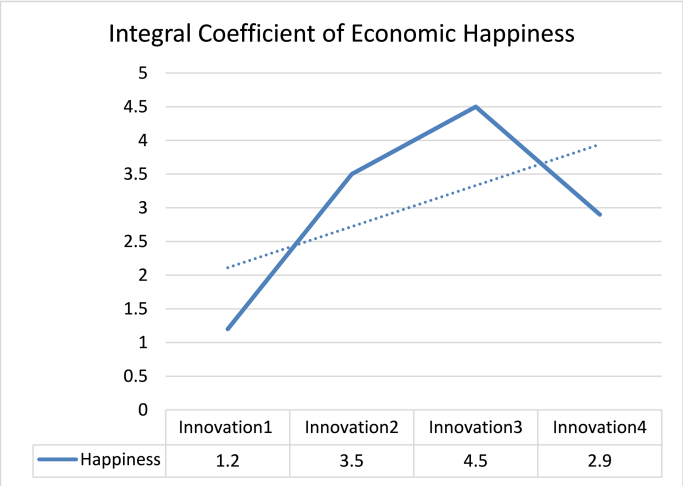

Figure 1. Approximate estimates of R. Lordkipanidze by the Georgian economy 192 cases in 1990-2024.

In addition to the above, it should be especially noted that before introducing an innovation into practice, it is necessary to carry out adaptive training of personnel, since it very often happens that the best robotic machines are not so well known to those using them, which is why the competitive advantages of advanced technologies are significantly lost.

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Conflicts of Interest

The author declares no conflicts of interest regarding the publication of this paper.

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