# INNOVATION AND RESEARCH & DEVELOPMENT PERSPECTIVE OF SMES IN TURKEY

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**Keywords:**Innovation, Research and Development, SMEs in Turkey, New Production Design.

ABSTRACT

Small and Medium-sized Enterprises (SMEs) in Turkey similar to all countries, holds largest share of the economy. It should be considered together with all the functions affecting these enterprises, in order to ensure them successful in competitive markets. New technologies, new competitors, reduced profit margins, etc. reasons adversely affect revenues of the enterprises. In this case, enterprises are required to activate new factors to stay afloat. Today, one of the most important factor of competition is innovation and technological development. The number of SMEs has reached 255 thousand in Turkey and these enteprises have 75% of total employment, 65% of total production capacity . In addition to economic and cultural characteristics of these enterprises, their perception to innovation and R&D(research and develoment) should be examined as well. Aim of this study to assess the perspectives of SMEs in Turkey to technological innovation and R&D. The study examined enterprises that give importance to technological innovation. It is seen from the the studies cited in this study that the SMEs are aware of the importance of innovation to survive competitive market conditions. However, cited studies show that SMEs in Turkey are insufficient in terms of innovation culture and technology management.