

A Concept of Innovation Skills and Strategy

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Abstract: *Innovative skills constitute the consequential changes, capacity strengthening, good performance and implementation of growth in every organization. The concept is distinguished from others which use innovative skills to indicate long-term pattern of strategic characteristics. Innovative skills is practiced with lesser or greater frequency in all industrial firms, that practice long-term innovative or conservative behavior of strategy. It is questioned that such strategy could be seen in cycles, occurring at the single unit-levels of business responding to organizational and environmental climate reflecting the choice of small moves of basic strategy*

INTRODUCTION

Innovation calls for house cleaning exercise in product and process implementation strategies. New knowledge and skills are continually sought and contributed for new things that can match consumption ideas and preferabilities. Innovation gives rise to complete alterations and overhauled of problematic conditions of technical, electronic, chemical and mathematical implications etc. within a system including administrative and material credentials to create new productive and product systems suitable to match taste demand of consumers. In support, BAUMOL W.J and BLIDNER A.S (2004). *Microeconomics principles and policy*. 9th ed. indicates: "A process **innovation** is an innovation that changes the way in which a commodity is produced however, a **product innovation** is the introduction of a good or service that entirely new or involves major modifications is the process by which new products or new methods of production are introduced, including all the steps from the inventor's ideal to bringing the new item to market" (e.g. Baumol and Blinder 9th ed. P. 252). In the 18th century in England saw what is called the industrial revolution; a system of new technology exploded which resulted in growth output. This time, the status quo was entirely broken-thus Men began to learning newly ways of doing things as well as solving problems to safeguard humanity in product and technological world. One may ask of the emergence of these new practices? It came into force when government agencies, Universities and organizations were seeking new ways to invent and improve new

products. This is the main evolution of research as indicated by (Baumol and Blinder, 2004 9th ed. P. 252) that "research and development (R&D) is the activity of firms, universities, and government agencies that seeks to invent new products and processes and to improve those inventions so that they are ready for the market or other users". This re-birth of learning gave birth to **network** and globalization which describe "a set of interconnected activities, such as the sending and receipt of telephone messages, with each user requiring the availability of access to any other whereby, globalization refers to the increasing share of sales and purchases in any country coming from other countries, with more and more countries playing a roles in the market of any country". (e.g. Baumol and Blinder, 2004 9th ed. P. 252).

Elements of innovation

The behavior of an industrial firm or an organization have four controlled elemental systems around which the organization displays its interrelationships that connect the organization to the external environments i.e. environmental, organizational, input and output. These interrelationships shape the performing structure of the organization and chooses what the system wishes to be or the kind of state it prefers, "and will continuously attempt to approach. From this for strategy-for means to achieve the chosen ends" (Murray, 1984). In argue that, unsafe environment cannot foster good running expectations of an organization. Elements which contribute to favorable environment include; political stability, safer legal systems, availability of water, sunshine's and rainfall patterns, conducive tax system and availability of market, communication networks , without which the organization may suffer in efficiency or inability to run after all. The internal environment is another serious issue of interest-the building of effective human relations. (Lussier, 1996, human relations in organizations 3rd ed. P. 17) states; "the goal of human relations is to create win-win situations. The best way to get what you want is to help other people get what they want of in exchange". The following guidelines include effective human relations; to optimistic, have interties in others genuinely, call people by

name, try to be positive, smile and laugh, try listening to others, always think before you act, help others and create a win-win situation. However, in an organization, you encounter problems of disagreement with other employees. In situations like this, you either choose, solve it avoid it. If special attention is given to employees, performance will also increase. This raises output than tangible changes that take place in the work-it is called the "Hawthorn effect".

The organizational structure connected with the quantum of input also contributes immensely to elemental support for innovation. I argue that, innovation is never an operating concept on its own-rather, this a dynamic component of well structured potential and foresight organization without which innovation becomes only a 'spoken word', instead of being pragmatic, application concept or construct within an industrial organization.

Organization input determines its effective performance to match a competitive landscape. This has fallen within the domain of volume, type and quality of ability contributed the degree of employee to strengthen organizational potentials to carry-on business.

CYCLES OR PATTERNS?

The departmental components of organizations cannot function well if they remain as separate entities. These components must form homogeneous strategic whole before they can function as a competent production organization to tell a better that we can observe cycles of innovation skills behavior spreading across the organization with ideas of consideration and efficiency-incremental as positive returns of investment and appreciating cash flows. "However, if an enterprise is constructed as a portfolio of resource commitments- whether consisting of a product portfolio alone or of product portfolios nested within strategic business units which may in turn be nested within a cooperate business portfolio-then it may be hypothesized that one will observe strategic behavior of both" (Murray, 1984) innovative and non-innovative nature which may be seen occurring simultaneously. "If the general validity o stages of growth models is accepted, then it becomes essential to acknowledge that transitions of a fundamental nature a r experienced by an organization as it develops" (Murray, 1984). : Passages from one stage to another require a thorough going redesign of structures and processes" (Murray, 1984). Relatively, organizations face complex dilemmas during the implementation strategic management level that

can carry the company across a success point of break-even. this calls for a contributory reason by (Murray, 1984) to deduce that, "the strategic management problems is then further complicated by the probable existence, in a diversified portfolio, of business units at varying stages of development , necessitating a variety of operating structures". However, "a complex divisional zed enterprise may of course be characterized by a long-run or persistent pattern of behavior in the" (Murray, 1984) innovative or non-innovative form. "This long-run bias is a function of the environment or environments in which the organization moves, of the style of management driven by the nature of the organizations purpose, and of the mix of life-cycle stages among the constituent business units" (Murray, 1984).

"Organizations resist reversals in the direction of change in strategy and structure. Given that a firm is in the process of say, centralizing power, it is far more likely for this trend to be continued or arrested rather than revised. Btu more important, there is a statistically significant tendency for periods of organizational history to demonstrate two extremes: periods of momentum in which no, or almost no trend is reversed; and dramatic periods of revolution in which a very great many trends are reversed" (Miller & Friesen, 1979) (quoted from: Murray, 1984) "The pattern of organizational adaption of therefore seen as one of successive phases of momentum and evolution" (Murray, 1984). The medium for pushing on dynamic internal activities and external relations is a major empowerment received from organizational communication abilities. Lussier Robert in his dimension of successful companies is open communication that values diversity. However, before management can beginning to communicate what the organization is doing , there is a need to understand the values of its members. This provides ideas for improving human relation and achieving the goal of human relations. The open flow of communication is the means by which the dilemma of balancing the needs, of the individual and the needs of the organization are achieved" (Lussier, 1996 3rd. P. 138). Because global environment becomes diverse and complex increasingly, change is a pattern of life. This continually changing environment needs an increasing stages of what we call, communication skills of an organization. Meanwhile, the cocktail obstacle to effective communication of an organization is its member's failure to comprehend the function for communication. The implementation of total quality management by organizations as well as the development of self-directed work teams, it means that companies are training their employees the way to communicate

effectively more to overcome such communication obstacles. "In general, organizational communication is the compounded interpersonal communication process across an organization" (Lussier, 1996 3rd ed. P. 138). The building blocks of interpersonal communication strictly affect the performance of the organization. The efficiency of functioning increased at organizational levels when there occurs an exchange of job-related information freely and effectively among work groups in the organization including when supervisors devote some of their time to communicate. Good communication reduces organizational operating cost however, increase output and profit.

Innovation

This constitutes the process involved in the production of new products or new methods introduced in the production process, together with every step taken by the ideologist (inventor) to make sure the new product is on the market for consumption.

Spending on innovation gives growth

Innovation creates new economy in business quantitatively by ignoring qualitative features. As a result, what was done in the past is being done today but in a faster way than before. The industrial funding of research and development continued to increase a virtual encouragement of trade and incremental profit as well. Moreover, activities of innovation received higher boost of consolidation in most business than to put the work load on a single individual. In the recent industrial world, about 70 percent of company's budget is allocated for innovation activities. In these industrial firms only very little activities are left to chance. The development of new product or process prompts the company to devote money for such project on decision basis. As new technology begins to spread with speed impressively, obsolete processes and product no longer have the chance to retard economic growth. (Baumol and Blinder, 2005. P. 256) declared; "in the new economy, firms are spending ever larger amounts on innovative activity inside the firm. The new inventions also are becoming available more quickly to other firms, including competitors of the firms that own them. Moreover, competitive pressures ensure that these innovations are rapidly put to use".

The innovation "Arms Race"

Innovation has become a tool and weapon of industrial choice among competitors. Managers have much interest in product and process development. Most of the high-tech industrial firms compete for position in the market-they are medical equipment ,computers , aeronautics and

automobiles. In industrial firms where process and product development are not the target for competition, it does not guarantee management to forget about activities of research and development. "For if one firm fails to adopt the latest technology-even if the technology is created by others-then its rivals can easily take the lead and make disaster inroads into the slower firm's sales' (Baumol and Blinder, 2005 P. 257). Innovation is never left to chance by firms within the high-tech culture. Competitive markets have high demand for innovation over firms. This is why; most firms recently budget seriously for research and Development, hiring engineers and/or scientists for this purpose and however, price and promote their innovations on decision bases. "This arms race feature of an industry's innovation process probably plays a critical role in the continuing outpouring of innovations that characterize the new economy. The new economy itself has become a giant *innovation machine* whose predictable output is a stream of new technology" (Baumol and Blinder, 2005 p. 257). This crucial race has induced competition among firms by reducing laxity and the culture of turning a blind eye towards expectations. (Baumol and Blidner, 2005 P. 257) says " the result is an innovation arms race in which no firm in a high-tech industry can afford to fall behind its rivals. Indeed, only by staying abreast of the others can the firm hope to preserve its place in the market. In its innovation, it is forced to run as fast as it can just to stand still-because its rivals are doing the same. Any firm that can compete up with a better model than its rivals will gain a critical advantage".

Innovation Arms Race Financing

Within the new economy, innovative activity on large-scale is associated with cost. This determines for firms to spending considerable amount of money throughout the years continuously. Some of these firms spend over 40% of the company's total cost on R&D alone. Before an innovative firm can be in business, it must price its products in such a way that it can recover its expenses. "Firms that are force by competition to spend a great deal on research and development year after year, but that use the result of the R&D to improve a product whose marginal costs are low, cannot expect to recover their R&D costs if they set their prices equal or close to marginal costs, as occurs under perfect competition" (Baumol and Blinder, 2005 p. 158). This type of pricing situation pushes a headache because it can mislead firms if care is not taken.

Innovation and Environmental changes

As the environments and environmental conditions are diverse-innovation must be controlled to roll within the medium of flexibility so that, there can be continual changes of adjustments in degrees. The desires and acceptability's of product qualities varies from place to place depending on tests and preferences. Diverse people require diverse product qualities, and even what is quality to one community cannot be quality to another because taste varies as well. In sweets production company in an environment, sweets produced to standard can be dangerous to one community than the other, forcing the company to reduce content percentages in the next production before they can win the people's desire.

This gives the company a clear chance to make profit because they have to use less resources to produce for the same price they fixed. Environmental conditions help firms to change their production lines continually-this is innovation in dynamic circumstances to make money. For example, addible oil products are not continuously accepted in high temperature zones like Ghana and northern zones where average temperatures are so high. Oil-high temperature in human bodies induces diverse ailments such as yellow fever, typhoid fever, toxin in the body etc. Products of reduced oil content can be sold the same price as oil-rich products if and only if the products are seen as antidotes to their consumption problems. On the other hand, oil-rich edible, products are much accepted in cold(low temperate) countries like the U.S.A. Canada, Kenya etc, because science has revealed that, oil and fats give the most energy but do not oxidize in fully hence. Oil-rich product consumed in cold weather countries gives a boost of body temperature rise to support the anatomic systems of the people so that they can be active. It does not give rise to unwanted sicknesses like fever on frequent basis. A company producing products for sale in these two environments thus hot weather and cold weather can never follow the same innovative principles for the two. The company will spend less on oil to produce the same product into a hot weather countries and however, spend more on oil to produce the same product into cold-weather countries. The lesser you spend on oil, the more you gain and the more you spend on oil the lesser you gain unless marginal cost shifts closer to real cost in favor of the company or where sales are made, do not consider higher cost but concentrate on product quality and the relative benefit therein.

Conclusion

Innovative ideas, formulation, implementation and processes remain the focal subset of strategies adopted by most companies in the business world. Even though innovative strategy had reached

popular front of industrializations around the globe, many organizations could not hit the target of satisfying consumers the way they want it. Human beings are *insatiable* – this means that humans are never satisfied for their *needs* and *wants* no matter the volume of new quality products at the their disposal. Every organization has to pick this economic term of *insatiability* as a major tool factor it into their vision statement, implement it and let it match with organizational goals to increase performance, choice of customers, and break-even points., organizations are required to work harder, never to leave innovative circumstances to chance whatsoever and try to break record on the competitive landscape. Innovative activities are required to be clearly spelt out in organizational policies for continual implementation to foster the framework of policy adherence in the organization. As social research is into easy to o by, likewise dealing with human begins is a duty of continues fatigue. I therefore advice businesses to always bite the bullet when it comes to dealing with people and use the idea of extreme patience, the law of integrity and good human relations as a mandate to guide their interdependent and independent activities in running their organizations to achieve viability and requisite goals in the long-run.

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