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Innovative approach in Companies: Case Study – Accenture

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Abstract

Currently organizations are increasingly changing from the outset in their technological resources which is run through the processes of innovation.

What is the purpose of this constant change? Organizations are seeking to become more effective and efficient in all its methods and departments, this is being achieved by a key tool that is innovation.

Based on the literature review I realized that innovation in today's business days is a crucial factor for success, change management and efficiency of many developed procedures.

An organization in order to succeed, sooner or later ends up creating innovation. The process of creating an innovation is critical to organizations and according to words of famous authors (Keeble & Wilkinson, 1999) is the result of a process of collective learning. Innovation is a spiralling process which begins at the individual level and goes up which means launching interaction between departments within organization.

This work will also refer to a practical case study performed in Accenture Services and Operations main offices in Warsaw, conducted by surveys, with the purpose to understand what are the implications of innovations on employees' on a daily basis.

Keywords: Innovation; Knowledge; Organizational Culture; Intrapreneurship; Dynamic Capacity

Resumo

Atualmente, as organizações estão em constante mudança, cada vez mais ao nível dos seus recursos tecnológicos, que são geridos por processos de inovação.

Qual é o propósito desta mudança constante? As organizações procuram e ambicionam tornarem-se mais eficazes e eficientes em todos os seus métodos, sistemas e departamentos, o que está sendo alcançado por um conceito chave que é a inovação.

Com base na revisão da literatura, percebi que a inovação nos dias de hoje é um fator crucial para o sucesso, gestão, transformação e eficiência de muitos procedimentos desenvolvidos.

Uma organização para ter sucesso, mais cedo ou mais tarde, cria inovação. O processo de criação de uma inovação é fundamental para as organizações e de acordo com as palavras de autores famosos (Keeble & Wilkinson, 1999) é o resultado de um processo de aprendizagem coletiva. A inovação é um processo em espiral que começa num nível individual e aumenta, o que significa que inicia e desenvolve a interação entre os departamentos dentro da organização.

Este trabalho também tem como foco e objetivo um estudo de caso prático realizado nos escritórios principais da Accenture Serviços e Operações, localizados em Varsóvia. Esta componente prática é realizada sobretudo através de questionários, pesquisas e observações, com o intuito de entender quais são as implicações da inovação para a empresa e sobretudo para os colaboradores nos seus processos diários.

Palavras-chave: Inovação; Conhecimento; Intra-empendedorismo; Capacidade dinâmica; Cultura organizacional

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1. Introduction

1.1. Contextualization

Innovation is an area that makes a difference on the market. This difference could have an impact on several aspects from starting point of a service or product creation to the final selling stage. Meaning of this difference could be visible in structure of an organization, its ideals and implementations, environment, leadership or culture of a company.

Nowadays companies are well aware that area of innovation could change the entire market, global operations is a treasure trove of ideas and capabilities for innovation. But it seems harder than expected to unearth those ideas or exploit those capabilities in global innovation projects. Some of the challenges of global projects are familiar: figuring out the right role for top executives, for example, or finding a good balance between formal and informal project management processes.

It is documented that innovation add exponential growth to the economic well-being of global companies by reducing costs, time, stages of the process, and increasing the overall level of income, which translates into better procedures and methods to produce services or products. International experience shows that it leads to better governance and increases the ability of a company to compete globally.

1.2. Object of study

Global companies don't stop, they're changing on a daily basis as fast as the competitors. Services and products are constantly entering on the market with new upgrades, strengths and novel details and functions.

The goal of this study is analysed and determine the impact and relevance that innovations have nowadays inside of the companies and their environment. The aim of the study will be also to indicate key points to build it and maintain this innovation through the different areas of the companies in an internal and external view.

1.3. Methodological procedures

The work will be divided into three main chapters, each with its own methodology. The first one is compound of the introduction with a theme presentation. This will be proceeded with a review of the literature that is made by research on web and mostly usage of articles and books about innovation which could be divided into general and specialized library books.

In a third part of the dissertation there will be performed an empirical analysis of the study done through the collection of information from Accenture employees from different departments and roles.

Finally, the data collected will be analysed to try to answer to the proposed initial assumptions.

1.4. Structural Framework

Following this introduction there will be performed a review of the literature on the theme of Innovation. Research will be done on the origin and definition of the concept, followed by the types, models and stages of innovation. Study will tackle correlation between innovation, companies' culture and the influence of knowledge and the importance of these concepts.

After reviewing the literature there will be analysed the panorama of innovations within the company Accenture in the main offices in Warsaw, Poland. This will be done by analysing the various procedures and incentives related to innovation and its collaborators.

Finally, in the conclusion, a critical analysis of the research will be performed in order to try to understand if the approach of Innovation, enumerated in the literature and case study has a positive impact on the corporation. This will be evaluated by the theoretical indicators and the surveys used.

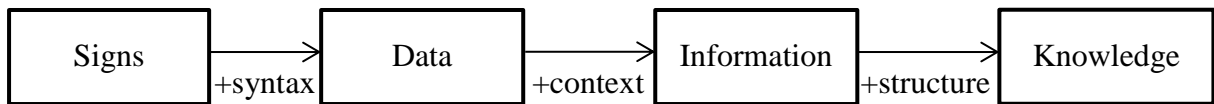
2. Literature Review

2.1. Knowledge Definition

Knowledge is defined as ‘organised information together with understanding of what it means’.¹ T.H. Davenport and L. Prusak indicate the complexity of knowledge, saying that ‘Knowledge is a fluid mix of framed experience, values, contextual information, new experiences and information.’²

There are close links between the concepts of knowledge, information and data (Figure1). The concept of data is understood as the strings of signs deprived of context, whilst the concept of information is understood as data structured within a certain context. The structured information constitutes knowledge.

Figure 1. Dependencies in the hierarchy of concepts



Source: G. Probst, S. Raub, K. Romhardt, *Managing Knowledge: Building Blocks for Success*, Krakow: Economics Publishing House, 2002, p.27.

2.1.1. Explicit and Tacit Knowledge

Knowledge is divided into various types according to various criteria. The most popular and widely used is the division into explicit knowledge and tacit knowledge. Explicit knowledge is characterised by clear clarification and systematisation, and is presented in a formal way. By contrast, tacit knowledge is not formalised and is a collection of individual skills and experiences of employees. The differences between explicit and implicit knowledge are presented in Table 1. According to Perechuda (2005), the Western approach, these two kinds of knowledge operate in isolation, while according to the

¹ Brooking, A. (1999). Corporate Memory: Strategies for Knowledge Management. *International Thomson Business Press*, London, p.6.

² Davenport, H. & Prusak, L. (2000) Working Knowledge: How Organizations Manage What They Know. *Harvard Business School Press*, Boston, Mass, p.5.

Eastern approach they complement each other and merge, forming one whole (the holistic approach).

Table 1. Tacit knowledge and explicit knowledge

Tacit Knowledge	Explicit Knowledge
Subjective Experimental and intuitive Simultaneous Individual	Objective Rational Sequential Intersubjective

Source: Nonaka, I. & Takeuchi, H. (1995). *The Knowledge-Creating Company: How Japanese Companies Create the Dynamics of Innovation*. Oxford University Press, New York, p. 61.

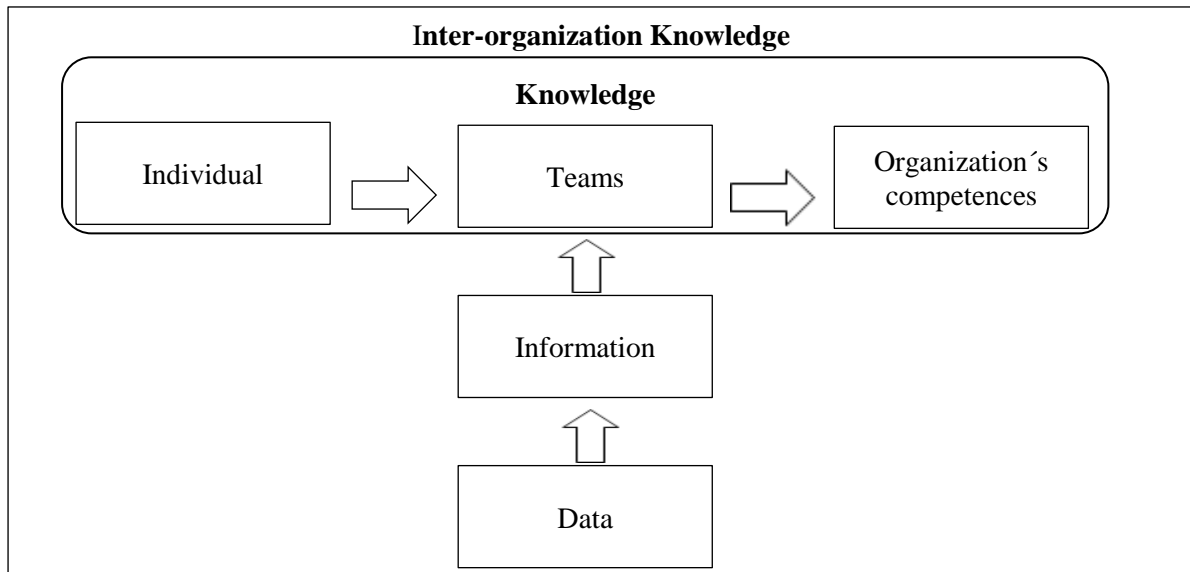
2.1.2. Kinds of Knowledge in the Company

From the perspective of management sciences, there exists an important differentiation of knowledge, considering view of levels and existing knowledge (Figure 2):

- Knowledge on inter-organizational system level, external knowledge, which concerns general situations surrounding a company. This knowledge could affect fundamental decisions about company existence. Thanks to it, opportunities and threats concerning development or collapse of a certain sector are identified. The knowledge on the level of a whole economic system gives possibility to describe general trends in economy and in the sector.
- Knowledge on company level created from individual experience or science. This type of knowledge is one of the main factors of the company's growth and contributes to achieve success by it as a whole.
- Knowledge on team level which includes company knowledge and which is important from the point of view of creating new knowledge and learning about organization.
- Knowledge on individual level (employee's knowledge).³

³ Barcik, A., Dziwinski, P. & Jakubiek, M. (2015). *Management of Enterprise in the 21st Century: Conditions and Perspectives of Growth*. Warsaw: Difin, p.22.

Figure 2. Knowledge as a resource of organization



Source: personal elaboration

2.1.3. Knowledge Management

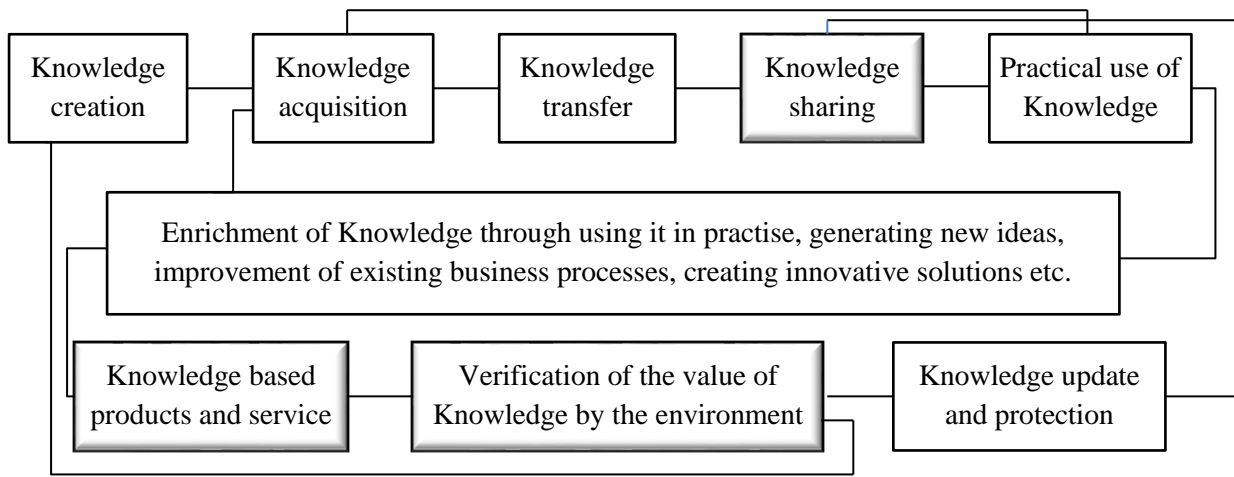
The concept of knowledge management attracts more and more interest both in theory and practise of business. For most organizations, knowledge is a chance to improve their competitive edge, meet their needs, improve their innovativeness, and help their employees to develop.

Knowledge management in an enterprise should be perceived as an integrated organizational process, which integrates management of human resources and key business processes and procedures. This integration should be supported by using the latest technology and information systems. Mutual connections and dynamics of processes influencing the creation of knowledge in an enterprise constitute an important element which is a part of a cycle of knowledge management (Figure 3).

Knowledge management is a conception of uniting all undertakings carried out by an organization. It involves above all such elements as: generating new knowledge, obtaining new knowledge from the environment (from partners, costumers etc.), processing individual knowledge into collective (organizational) one, codification of knowledge (rendering it easy to understand and presenting it in the form of documents,

databases etc.), transfer of knowledge between particular units of an enterprise, using knowledge for taking appropriate decisions, resigning from knowledge which is burden for an enterprise, discovering hidden relations between particular constituents of knowledge, using intellectual potential of people and teams, building corporate knowledge bases, and introducing a culture of knowledge that should involve the whole enterprise⁴.

Figure 3. Cycle of knowledge management in an enterprise



Source: Sikorova, E. & Dziendziodora, J. (2011). *Managing the Organization Chosen Problems of Theory and Practise*. Bielsko-Biala University of Economics and Humanities, p. 15.

Putting the conception described above into practise is possible thanks to the development of modern information and communication technologies, which became an instrument ensuring a better creation of the capital of knowledge. The use of knowledge in management leads to a conscious increase in the value of non-material resources of an organization.

2.1.4. Knowledge Management and Innovation

In the globalization era, the competitiveness of companies depends on their innovative products and innovations in other areas. Innovation is associated directly with knowledge management.

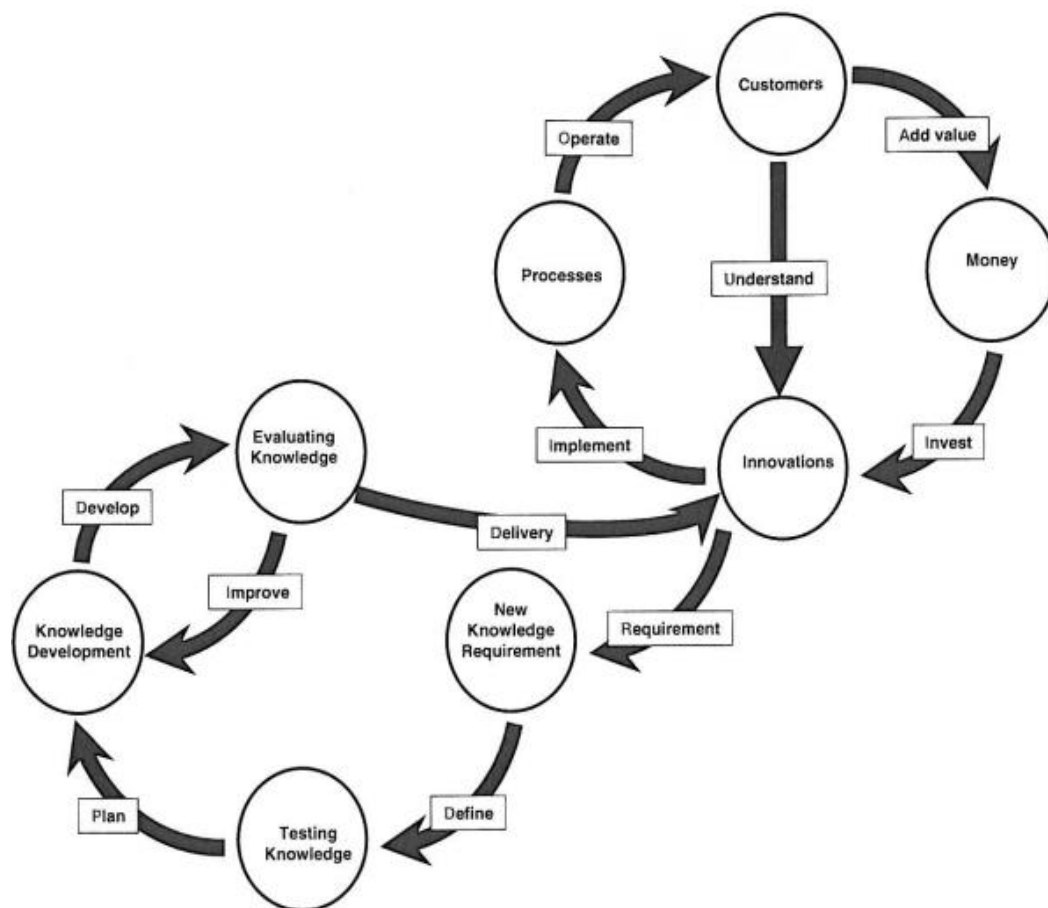
⁴ Sikorova, E. & Dziendziodora, J. (2011). *Managing the Organization Chosen Problems of Theory and Practise*. Bielsko-Biala University of Economics and Humanities, p. 15.

Knowledge management enables change management. To be precise, knowledge management facilitates the introduction of organization changes, changes in technology and production. Consequently, it leads to the better usage of resources and improvement of company's effectiveness. This in turn leads to the growth of company's competitiveness⁵.

How to connect the knowledge management process and innovation management process? Here is the proposition made by (Kosturiak, 2010).

All these elements – market and costumers, finance, innovations and processes – should create a busyness system.

Figure 4. Business system and knowledge management



Source: Kosturiak, J. (2010). Innovations and knowledge management, *Human Systems Management*, Vol. 29, Issue 1, p. 57.

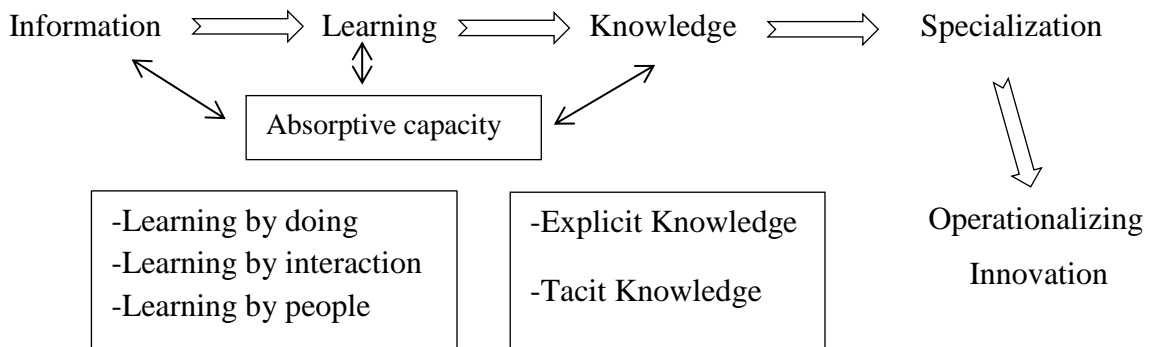
⁵ Kardas, J. & Brodowska, J. S., (2012). *Efficiency in Business*, Publishing House of Siedlce, p. 41.

The outcome of research shows that knowledge as a company's resource makes possible to introduce some changes and innovations, as well as increase in its labour effectiveness. So, for enterprises it is important to formulate a policy which enables gaining, storing, combining and exploitation of knowledge. These must be done in the continuously changing business environment.

Innovations are one of the best ways of staying on the market and achieving success by an enterprise. Introduction of changes allows enterprises to achieve and maintain competitive edge. Innovations are considered as the most effective means of gaining and improving position on the market by a corporation. The more the innovativeness of a company, the bigger demand for information and knowledge, which means that knowledge is a basic notion connected with competitiveness and innovativeness. It is an elusive and difficult resource of an enterprise. Knowledge is an effect of human potential, and contributes to the introduction of innovations in an enterprise.

2.1.5. What innovation has about Learning and Knowledge?

Everything, due the fact that someone can just create something (innovative) after assimilating the knowledge that is gives by learning and knowledge.



Source: Casper, S. & Waarden, F. (2005). *Innovation and Institutions: A Multidisciplinary Review of the study of Innovation Systems*. Cheltenham: Edward Edgar, p.120.

Knowledge may also be largely tacit, embedded in people, organizational structures, routines or cultures. This includes ways of thinking, seeing and sense making. Knowledge may also be embedded in machinery, instruments and other tools. These forms of knowledge may be transferred by flows of machinery, tools, or people, and by the takeover of parts of firms or whole firms. However, here we should also be aware that

adoption of innovations, whether they are embedded or not, will in general require a form of reinventions by the adopter, who needs to transform his cognitive structures, organizational structures, routines, and modes of perception, to absorb the information. In principle, knowledge is never simply absorbed but reproduced. The real challenge, however, is to go beyond increase of efficiency in production and knowledge transfer and deal with qualitative change (Saviotti, 1996) and discovery of novelty.

2.2. Innovation Definition

It is interesting that the hierarchical model of top-down power, which is still prevalent within most large organizations, is struggling under the pressures of contemporary business life. In agreement with (Keegan, 2015), it is more difficult that it has ever been for senior managers to monitor staff, control and steer their organization in the face of a deluge of data, fast turnarounds, fragmented work groups, diverse sites, international connections, cultural specialization, technological advances and the many other aspects of business life that have changed in recent decades due to innovation.

In the first approach, innovation consists of all the decisions and activities that occur from the recognition of a need or a problem, through research, development and commercialization of an invention (Rogers, 2003, p.137). In the second approach, innovation means the introduction of a new or significantly improved product or service, process, marketing method or methods in organizational practices within a company, in the workplace or in foreign affairs (OECD, 2005, p.46).

The study and comparison of innovations and the analysis of the process of their implementation requires an outline of the basic concepts used.

The literature on the subject contains many varying definitions of innovation, pointing to the considerable diversity of understanding this concept, its ambiguity and its very wide range.⁶

⁶ Zuber, R. (2002). *Innovation and Knowledge Management: select theoretical and practical issues*. Difin, p.9.

Many authors have provided definitions for this concept, and each has its own nuance, as we can see in their definitions below:

-Innovation is defined as the act which endows resources with a new capacity to create wealth (Drucker, 1985).

-Innovative firms enter the market first will be able to develop a stronger base for building competitive advantage. Therefore, innovation is the basis of wealth creation, and by implication the future success of firms is driven through innovation (While Lieberman & Montgomery, 1988).

-An innovation is an idea, practise, or object that is perceived as being new by an individual or other unit of adoption (Rogers, 1995).

-It's something quite different from invention; innovation means invention implemented and taken to market (Chesbrough, 2003).

-In today's world, where the only constant is change, the task of managing innovation is vital for companies of every size in every industry. Innovation is vital to sustain and advantage companies' current businesses; it is critical to growing new businesses (Chesbrough, 2003).

-Innovation is the specific tool of entrepreneurs, by which changes lead to establishing new business or providing new services. It is a specific instrument of entrepreneurship, an action that gives the resources new opportunities for creating wealth (Drucker, 1992).

-Innovation, like love, is a many-splendored thing. Whether in the form of a shiny new gadget sought out by eager consumers, or a new technique that saves business time and money, or a new service that destroys the value of existing services, innovations come in many forms and affect our lives in different ways (J. Prabhu & R. Chandy, 2009).

-The competence of organizing and implementing R&D, unremittingly bringing forth a new technology and a new product to meet costumer's demands (Chen et al., 2004).

-Innovativeness allows a company to survive and succeed both 'today' and in the future (Koc & Ceylan, 2007).

It's a market-differentiating change that generates a sustainable competitive advantage in a product, service or business model and that leads to measurable value creation for an organization (A. Aldon & D. Elron, 2016).

-The author Scott Anthony (2011) offers a simple, five-word definition: "Something different that has impact."

-Innovation is significant positive change. It's a result. It's an outcome. It's something you work towards achieving on a project. If you are successful at solving important problems, peers you respect will call your work innovative and you an innovator (S. Berkun, 2013).

-Innovation is the process that turns an idea into value for the customer and results in sustainable profit for the enterprise (Carlson & Wilmot, 2006).

-Innovative is the development of new product/ value/ idea through solutions that meet or exceed existing and/or new customer requirements (needs). For business, this could mean implementing new ideas, creating dynamic products or improving existing services (Kumar, 2009).

-Innovation can be a catalyst for the growth and success of any business, and help business to adapt and grow in the marketplace (Kumar, 2014).

There are various innovation approaches in the literature, for example, end-user-innovation, Von Hippel (1988), chain-linked model of innovation (Kline, 1985), companies' growth through innovation (Davila et al., 2006) and research development innovation model (Mark et al., 2008). Robotic engineer Engelberger (1982) strongly believes that innovation requires three things:

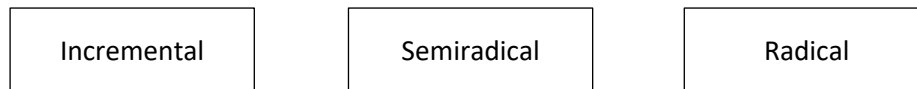
1. A recognized need.
2. Competent people with relevant technology.
3. Financial Support.

Summarizing all these ideas, an innovation is understood as a process of including, implementing and achieving all activities connected with the creation of an idea, transforming it into invention and introducing the new or improved product, process or service into the market.

Nowadays innovation becomes so complete and complex that we need to be innovative in the area of innovation itself.

2.2.1. Types of Innovation

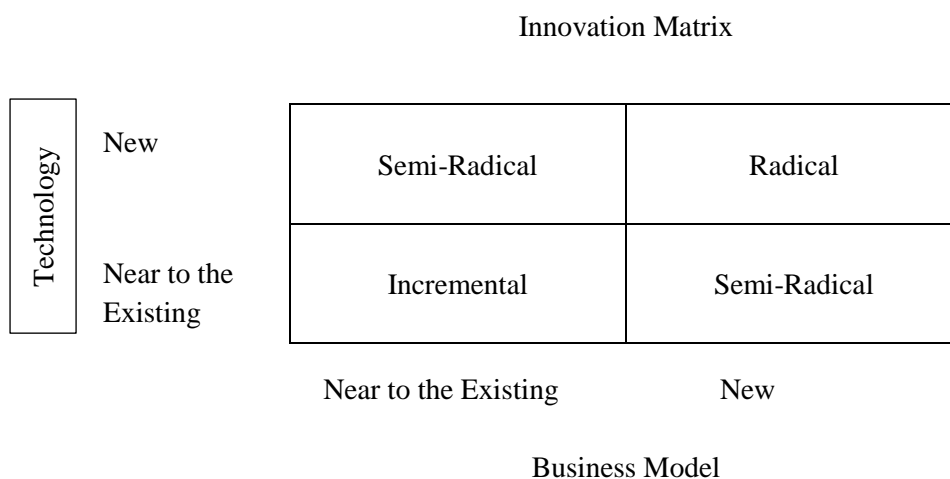
The innovations are created in some different ways to generate distinct rewards. The generic types of innovation include the following:



Incremental innovation leads to small improvements to existing products and business processes. It can be thought of as an exercise in problem solving, with a clear goal but a puzzle to solve in how to get there. At the opposite end, radical innovation results in new products or services in exploration, pursuing something relevant but unknown in a particular direction. To make the best strategic decisions regarding innovation, it is necessary to understand the characteristics of each type and when it is appropriate to use each.

The Innovation Framework, illustrated below, shows how the difference types of innovation fit into the Innovation Matrix.

Figure 5. The Innovation Framework



Source: Davila T., Epstein M. & Shelton R. (2013). *Making Innovation Work: How to Manage It, Measure It, and Profit from It*. New Jersey: Pearson FT Press.

Innovation always involves combining something old and something new from the technology and business model levers. Incremental innovation always firmly embraces the existing technologies and business model. Although some elements might change slightly in the incremental innovation, most stay unchanged. Semiradical innovations include little or no changes to the levers of one of the innovation drivers – either the technology or the business model. Radical innovations include changes to levers in both the technology and business model, but usually not to all six levers of innovation.⁷

Table 2. The Levers for the three types of innovation

Types of Innovation \ Levers	Business Model Levers			Technology Levers		
	Value Proposition	Value Chain	Target Customer	Product Service	Process Technology	Enabling Technology
Incremental	Small change in one or more of the six levers					
Semi-Radical Business Model Driven	Significant change in one or more of the three levers			Small change in one or more of the three levers		
Semi-Radical Technology Driven	Small change in one or more of the three levers			Significant change in one or more of the three levers		
Radical	Significant change in one or more of the three levers			Significant change in one or more of the three levers		

Source: Davila T., Epstein M. & Shelton R. (2013). *Making Innovation Work: How to Manage It, Measure It, and Profit from It*. New Jersey: Pearson FT Press.

2.2.2. Innovation Management Matrix

Satell (2013) presented the Innovation management matrix in *Harvard Business Review* and applied to some situations in his blog on innovationexcellence.com in Figure 6. Each of the four quadrants represents an area of innovation, and in each quadrant, requires

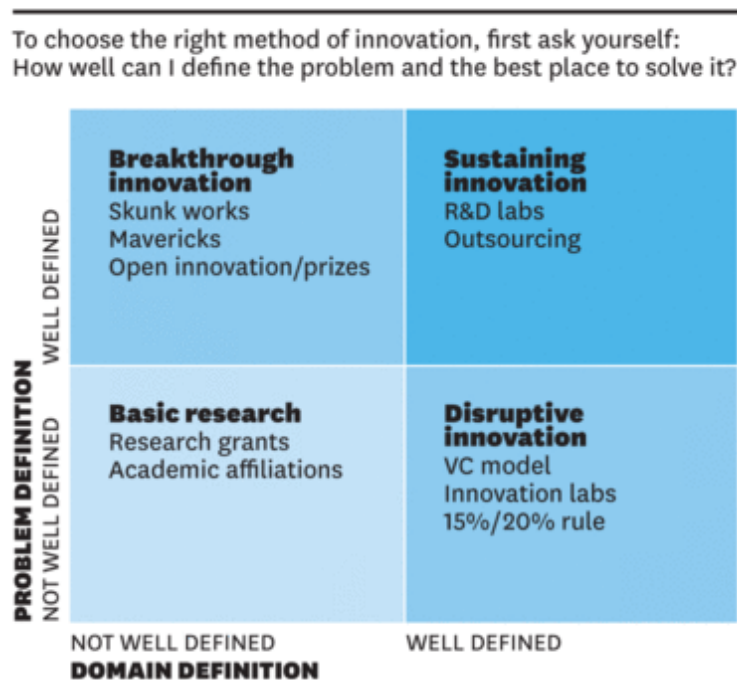
⁷ Source: Davila T., Epstein M. & Shelton R. (2013). *Making Innovation Work: How to Manage It, Measure It, and Profit from It*. New Jersey: Pearson FT Press, p. 39.

finding novel solutions to important problems as well as the opportunity to create new products and services.

By arbitrarily determining that Netflix and the iPhone are innovations and the discovery of the structure of DNA and quantum teleportation are not, this would be unnecessarily limiting the classifications and therefore missing opportunities. After all, one man’s purpose is another man’s folly. They do, however, require separate and distinct innovation process and that’s where the discussion becomes important. In order to manage innovation effectively, leaders need to focus on one set of processes or their organizations will become hopelessly muddled.

However, leaders will still need to gain some competence in other quadrants (as Apple is doing now) or they will miss opportunities. Finding the right mix of research, partnering, mining the organization for disruptive ideas and engineering improvements is essential for every organization.

Figure 6. Innovation management matrix



Source: Satell, G. (2013). Before You Innovate, Ask the Right Questions. *Harvard Business Review*. Available at: <https://hbr.org/2013/02/before-you-innovate-ask-the-ri>

Therefore, innovation can help business to adapt and evolve to survive and grow. Innovation is generally driven by the need to solve a problem or capture a new

opportunity. Business could improve old products or services are used, find new uses for them, or even create new ones.

Innovation also includes changes that business executives would like to make to run their business – business leaders can create new processes or a new business model. There are many ways to be innovative. Business leader could implement a big change, a small or gradual changes over time.⁸

There is a general miss-understanding that innovation deals with new products only, but actually it can be applied to any business area. According to Davila et al. (2006) study, large number of manufacturing and services organizations ranked the following activities in decreasing order to popularity for innovation: improved production processes, reduced materials, reduced environmental damage, replacement of product/ service, reduced energy consumption and conformance to regulation. To achieve successful goals through innovation depends greatly on the environment prevailing in the business (Khan, 1989).

2.2.3. Open and Centralized Innovation

Open Innovation:

Open Innovation is the use of purposive inflows and outflows of knowledge to accelerate internal innovation, and expand the markets for external use of innovation, respectively. This paradigm assumes that firms can and should use external ideas as well as internal ideas, and internal and external paths to markets, as they look to advance their technology (Chesbrough, 2006:1).

Open innovation means treating innovation like anything else – something that can be bought and sold on the open market, not just produced and used within the boundaries of the firm. Firms that embrace open innovation employ markets rather than hierarches to obtain and commercialize innovations.⁹

Open innovation breaks from traditional approaches by including outsiders in the innovation process. For significantly lower costs than traditional R&D, open innovation

⁸ Kumar, D. (2015). *Building Sustainable Competitive Advantage: Through Executive Enterprise Leadership*. England: Gower Publishing Limited, p. 42.

⁹ Source: Bayus B., Malhotra N. & Sheth J. (2011). *Product Innovation and Management*, Wiley, (5), p.144.

puts a billion IQ points in play for any company that can figure out how to collaborate effectively and find the right people.

Leading companies have now embraced the idea that innovation is a looking-out concept and have departments scouting the market for technologies and start-ups. One of the leading technology universities (EPFL) in Switzerland, has a space where companies locate a group of employees to constantly interact with faculty and students to identify great ideas early on.

Centralized Innovation:

Before being open, innovation was closed. Within the centralized innovation paradigm, the process leading to innovation is completely controlled; all the intellectual property is developed internally and kept within the company frontiers until the new product is released on the market.

One of the main reasons that lead to a closed management of innovation at the beginning of the 20th century is the lack of involvement of both universities and governments into industrial and commercial applications of scientific research. This lack of involvement leads companies to create their own department of Research & Development (R&D) to be able to perfectly control new product development cycles.

Centralized innovation implies a deep vertical integration (from manufacturing tools to after sale services): the company can and must only count on itself, in particular regarding critical technologies. This is around that time that the “Not Invented Here” syndrome appeared: everything coming from outside is suspicious and not reliable.¹⁰

Table 2. Contrasting Principles of Centralized and Open Innovation

Centralized Innovation Principles	Open Innovation Principles
The smart people in our field work for us.	Not all the smart people work for us. We need to work with smart people inside and outside our company.
To profit from R&D, we must discover it, develop it, and ship it ourselves.	External R&D can create significant value; internal R&D is needed to claim some portion of that value.

¹⁰ Available at: <https://open-your-innovation.com/en/2009/10/25/golden-age-of-closed-innovation/>

If we discover it ourselves, we will get it to market first.	We don't have to originate the research to profit from it.
The company that gets an innovation to market first will win.	Building a better business model is better than getting to market first.
If we create the most and the best ideas in the industry, we will win.	If we make the best use of internal and external ideas, we will win.
We should control our IP, so that our competitors don't profit from our ideas.	We should profit from others' use of our IP, and we should buy others' IP whenever it advances our own business model.

Source: Chesbrough, W. (2003). *Open Innovation: The New Imperative for Creating and Profiting from Technology*. Boston: Harvard Business School Press, p. xxvi.

2.3. Strategic Planning

Although sometimes used interchangeably with strategic management, strategic planning is the actual process of creating strategy. It is the set of organizational processes for identifying the desired future of the organization and developing decision guidelines. Thus, strategy may also be viewed as a set of guidelines or a plan that will help assure consistency in decision making and serve as a map to the future. Strategic plans indicate what types of decisions are appropriate or inappropriate for an organization. Strategy links managements' understanding of the organization today with where it wants, can and should be at some point in the future¹¹.

Strategy usually describes a thought-out plan of action, a consciously formulated and a broadly defined policy for achieving an objective. Strategy can be generally defined as the match an organization makes between its own resources and the threats or risks and opportunities created by the external environment in which it operates. So strategy can be seen as a key link between what the organization wants to achieve, its objectives and the policies adopted to guide its activities¹².

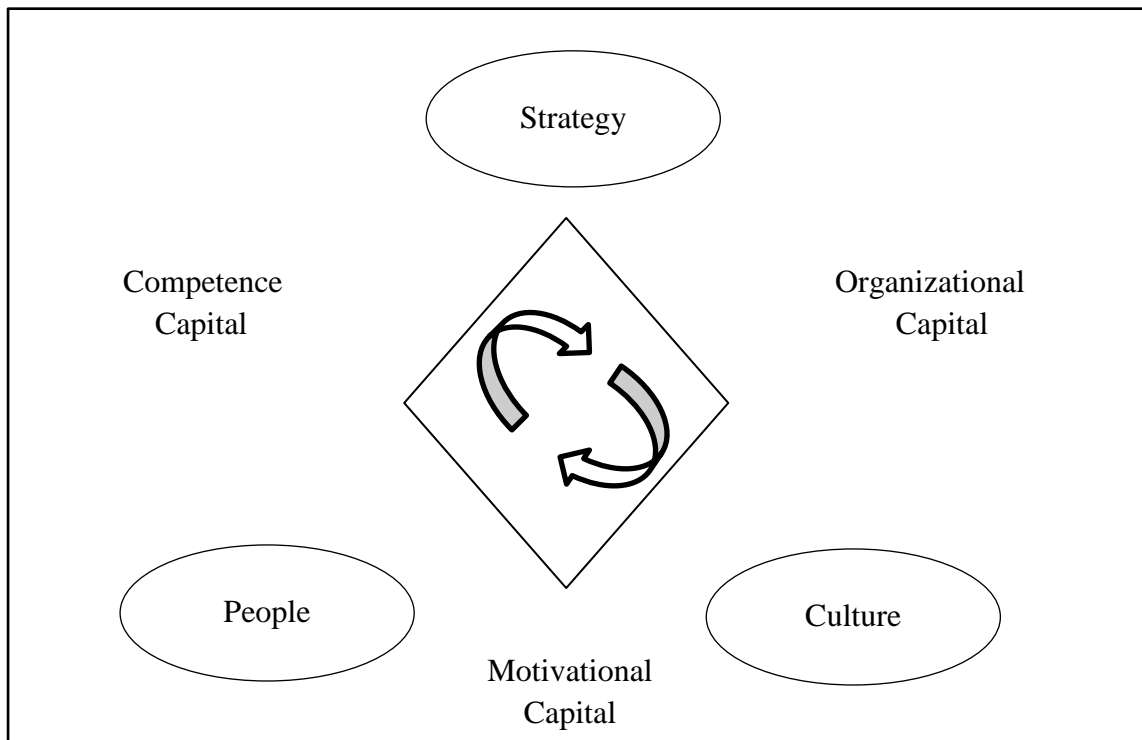
¹¹ Ducan, W., Swayne, L. & Ginter, P. (2002). *Strategic Management of Health Care Organizations*, 4th edition. USA: Blackwell Publishing, pgs.14-15.

¹²Bowman, C. & Asch, D. (1988). *Strategic Management*. London: MacMillan Education Ltd. Pgs. 4-36.

Strategic planning is also the process of clarifying what an organization is about, deciding what is and is not, a priority for the use of resources and setting out a clear direction and concrete goals for the future. Strategic planning means looking at the organization as a compete entity and is concerned with its long-term development.

Innovation strategy helps companies in three ways: exciting its customers, outperforming competitors and building a new product portfolio (Bowonder et al., 2010).

Figure 7. The foundation of effective strategy execution



Source: Kumar, D. (2015). *Building Sustainable Competitive Advantage: Through Executive Enterprise Leadership*. England: Gower Publishing Limited, p.162.

Getting aspect of the company moving in the same direction to support the business leaders' strategy is both a science and an art. The resulting objective information generally enhances the 'science' side of the equation. There are three basic elements of a company's organizational model:

- Organizational structure;
- Value behaviour;
- Recognition and rewards system.

Organizational structure identifies the line of authority, reporting and coordination, real and perceived career paths and decision-making authority. It plays a significant role in

strategy execution. For example, if business leader's strategic drive is innovation (learning), do people have the freedom to explore ideas? If business leader's strategy is to increase the market share (competitive), are people held accountable for aggressive goals?

Valued behaviour is not defined specifically here. If the business strategic drive is to be an industry expert, are the employees reliable, precise and always on top of the latest skills? If the business strategy is to be the first mover (entrepreneurial) then does the business allow employees to take risks without fear of punishment for failure?

The recognition and rewards system reveals the true intentions of an organization. It demonstrates the tangible and intangible ways that employees' behaviours are reinforced. For example, a company with an 'expert' strategic drive would need to give technical employees control of R&D spending and of their professional skills development. If this is not occurring or those employees do not perceive that it is occurring, the 'expert' strategy will not provide great results.¹³

2.3.1. Importance of Leadership through innovation

There are various studies identifying that leadership excellence is one of the most critical elements in strategy execution (e.g., Harpst, 2008; Haudan, 2009; Ruhman, 2011).

Innovation requires something different – collaboration and teamwork across silos and inclusion of people from outside the organization. That means leaders have to think and act differently for innovation to happen. Leaders set the pace by establishing and modelling the values, beliefs, attitudes, and behaviours conducive to innovation. In addition to traditional qualities, leaders of innovation have unique characteristics, traits, and skills. It is an imperative to identify these kinds of leaders early in their careers. Leaders of innovation nurture other leaders by creating new, often very different, pathways in the organization.¹⁴

¹³ Kumar, D. (2015). *Building Sustainable Competitive Advantage: Through Executive Enterprise Leadership*. England: Gower Publishing Limited, p.161.

¹⁴ Lafley, A. & Charan, R. (2008). *The Game-Changer: How you can drive revenue and profit growth with innovation*. New York: Crown Business, p.219.

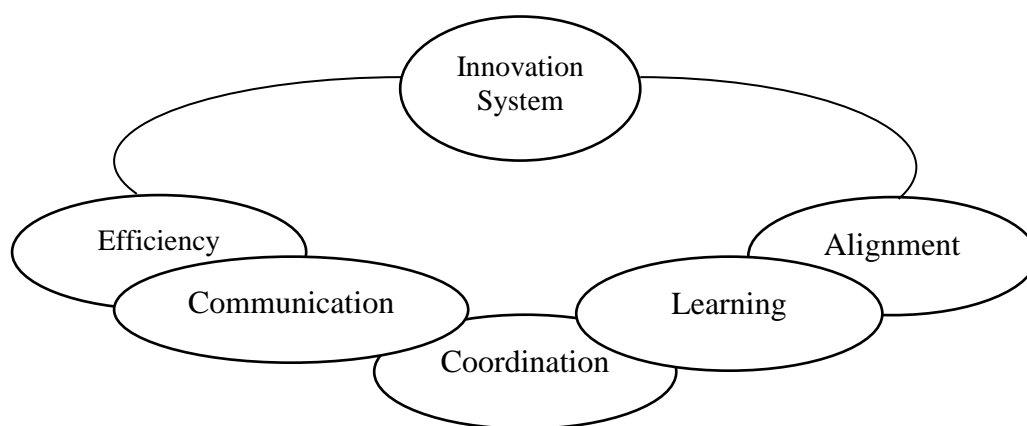
If the company is taking an important journey, it helps to have a map that charts the course. Strategy tends to serve as this map, describing how the company plans to achieve its goals and realize its dreams. Strategy execution has the greatest impact on success and leadership excellence is one of the most critical required elements to execute the strategy, especially when it comes to innovation environment. Therefore, generally two elements are missing in strategy execution: (1) to be engaged, people want to solve their strategy puzzles; and (2) they must be linked in a process that spells out the roles of leaders, managers, and individual contributors in executing that strategy (Haudan, 2009).

Typically, leaders are responsible to create the strategic plan. Given the way managers and employees typically work together, those most responsible for execution are rarely clear about how what they do impacts the strategic direction, thus hindering execution. Many leaders use traditional annual performance appraisals, which managers and employees alike find difficult and often fail to complete in a timely manner, if at all. With leadership excellence, the focus is on the manager, employee, and how employees contribute to long-term goals (Ruhmann, 2011).

2.3.2. The five roles of an innovation system

Innovation system fulfils five important roles, as shown in figure below.

Figure 8. The five roles of an innovation system



Source: Davila T., Epstein M. & Shelton R. (2013). *Making Innovation Work: How to Manage It, Measure It, and Profit from It*. New Jersey: Pearson FT Press, p. 121.

The first role of an innovation system is to increase the efficiency of the innovation process. The system needs to move great ideas from concept to commercialization with

speed and minimum use of resources. This role is especially relevant for incremental innovation, when following a defined set of stages and decision points accelerates time-to-market and increases the return on resources invested.

The second role of innovation systems is to create the appropriate lines of communication within the company and with outside constituents. As the innovation team demands specialized knowledge from other parts of the organization, systems facilitate timely access to it. Systems are critical to create the strategic flexibility required to combine execution the current strategy and designing long-term value.¹⁵

The third role of innovation systems is coordination between projects and team with minimum effort. For example, this allows parallel work on projects across different time zones worldwide. For instance, offices in California, London, and Mumbai that all use the same shared tracking system but different hours can achieve three times the work in a day as other companies. These projects are possible because of communication technology and the discipline that systems impose.

The fourth role is learning. Systems establish a discipline to manage the knowledge that is constantly created in innovation. Systems can capture the information on the innovation performance throughout the life of the initiative (idea through commercialization) and make it available to the innovation team and management. The information can be used to identify problems and potential improvements. More importantly, learning increases the understanding of the innovation process itself. Every time an innovation project is executed, something is learned about how to improve it, especially for incremental projects in which similar efforts are undertaken repeatedly.

The fifth role of innovation systems is to align the objectives of the various constituents. People throughout an organization need to understand the company strategy and its implications for operations. Innovation systems also align organizational objectives with personal objectives. The information regarding the innovation performance needs to be communicated and compared to the innovation objectives. This allows people in the organization to assess how their actions fit the organization's innovation objectives.

¹⁵ Burgelman, A. & Yves, L. (2001). The power of strategic integration. *Sloan Management Review*, 42 (3):28-38.

If the performance does not match the objectives, time is spent analysing the systemic cause of the discrepancy. This provides people a better understanding of the linkages between the innovation strategy and its operational context.

Properly designed systems can help bring together the right people and the right knowledge to create the activities required to make innovation happen.¹⁶

2.3.3. Importance of Creativity

Nowadays are commons the existing of over-control in big organizations that have the effect of discouraging and novel thinking. For employees, it's too easy to become locked into tunnel vision and continue on the same trajectory on their routines.

To recapture the enthusiasm and creativity, employees need to be willing to experiment, and to risk failure. Brene Brown (2013) describes individual creativity as the combination of one's personal experiences, knowledge of other's experiences and other factors such as education; the combined outcome gives each person a quite unique perspective. 'I think that is what sparks innovation and seeing things differently. We wouldn't be able to innovate and come up with new ideas if they could not be birthed from our unique and creative perspectives', says Brown.¹⁷

Perhaps more than anything else, we need noisy, productive, good-natured and creative dissent in organizations. This is not helpful; it is essential. There is a considerably body of research pointing to the importance of diversity as a route to developing new ideas.¹⁸ Indeed, we may need to push ourselves into uncomfortable situations, to endure alternative perspectives, bring outsiders to the table to offer fresh ideas, get out the office, come into the office and even interact face to face. Any novel situation will challenge stale ideas and assumptions, and help foster a culture in which employees are thinking, reassessing, reviewing and creating. Energy, skill, enthusiasm and tenacity are some of the key qualities that are most needed for innovation. To rejuvenate organizations, it

¹⁶ Davila T., Epstein M. & Shelton R. (2013). *Making Innovation Work: How to Manage It, Measure It, and Profit from It*. New Jersey: Pearson FT Press, p. 124.

¹⁷ Brown, B. (2013). *Daring Greatly: How the courage to be vulnerable transforms the way we live, love, parent, and lead*. Portfolio Penguin.

¹⁸ Florida, R. & Gates, G. (2001). *Technology and Tolerance: Importance of Diversity to High-Technology Growth*, Urban Institute Publications.

requires people who can think and act in these different ways. However, humans are born with the innate desire to problem-solve, which can translate into innovation, but sometimes we just forget about it.

Google famously asks its employees to spend one day a week working on projects outside their usual job description to encourage innovation. Human curiosity, when fostered correctly, is what leads people to pioneer new ideas, more efficient forms of energy and new ways to see the world. You don't need to hire a team of geniuses to achieve innovation, but you do need to give your workforce the confidence and incentive to solve the problems around them, until problem-solving becomes an integral part of the culture.

Steve Jobs agrees with the theory that creativity is really just about making new connections between existing ideas:

“Creativity is just connecting things. When you ask creative people how they did something, they feel a little guilty because they didn't really do it, they just saw something. It seemed obvious to them after a while. That's because they were able to connect experiences they've had and synthesize new things. And the reason they were able to do that was that they've had more experiences or they have thought more about their experiences than other people. Research takes this creativity, the most important asset in business today, and disembodies it.”

Innovation doesn't necessarily need to be complex or expensive either, although it may require a shift in mindset.

2.3.4. Innovation as a way of seeing things differently

The way that we see some realities (products, processes) could be viewed and understood in different ways, not just something solid and immutable. It's important to think in a different perspective to realize the potential and to discover new processes, services or products. It's crucial have the capability to understand that e.g. *a chair is a chair*, but of course isn't just a chair, it can also be a prop, or a weapon; it can be fuel, it can be a means of blocking a door and much more. When we set about the process of innovation, we may want to challenge these taken-for-granted assumptions (that a chair is a chair) in order to open up our minds to different ways of thinking or doing. Innovation is, by its nature, a

process of construction as well as discovery. We select, consciously or otherwise, what we pay attention to and how we interpret it.

The greater the diversity of perspectives, of thinking, hypotheses, off-the-wall ideas and wacky creativity that can be fed into innovation – especially in the initial stages – the greater the potential range of ideas that can be emerge. Engaging clients, costumers, researchers, and whoever else may contribute in some way, as co-creators, in the innovation process can only increase the scope of the knowledge and options. However, this does not necessarily mean that all contributions are equal or that the process needs to be egalitarian. There are judgements to be made about how best to manage the involvement of different parties in the process.¹⁹

2.3.5. Inspiration

Inspiration is cultivating a space within a company and an environment around it that encourages ideas to come up. If we are to allow inspiration to have a place within the organizations then we need to create a space that holds and supports the germination of ideas. We are not limited by preconceived ideas, and are open to all possibilities. As Einstein said: ‘Imagination is more important than knowledge’. Nothing exists that wasn’t once an idea. Everything in the natural and human world starts as a seed, and ideas and visions are seeds of potentially great things.

We can’t force ourselves to be inspired; we can’t control inspiration, which is why many people have trouble with it. We can make ourselves receptive to it. We do this surrounding ourselves with inspiration but also by the choice to keep turning up to inspiration and creativity, however resistant we may feel²⁰.

Inspiration without innovation is like knowledge without action. What is the point of having all the knowledge yet not turning it into action? At the end of the day it really will be about action and not knowledge alone. Likewise, what is the point of getting inspired if it doesn’t bring us forward – to see us start to innovative? It is not enough to just get

¹⁹ Keegan, S. (2015). *The psychology of fear in organizations: how to transform anxiety into well-being, productivity and innovation*. London: KoganPage, p.242.

²⁰ Williams, N. (2005). *How To Be Inspired*. London: Tethered Camel Publishing, p. 25.

inspired if there is no tangible outcome in terms of this leading to innovation for the organization.²¹

2.3.6. Finding a Good Idea

Innovation begins with an idea. An idea may be a good business opportunity, yet not be good for company. It may fit on company perfectly, yet have a fatal technical flaw. It may be new, exciting, and patentable, yet not succeed on market. It may be fit the market, but yet not the culture of the organization.

There are so many different ways an idea must be right that we have to consider lots of apparently good ideas to find one worth pursuing. Below we can check some clues that are still up to date, from (Pinhot & Pellman, 1999).

Enjoy Ideas first, Judge them later. It's important learn to appreciate all sorts of ideas, play with outlandish ideas, silly ideas, and irrelevant ones, they probably still contain crucial points to improve.

Ask Good questions. Posing a better question is half of the challenge.

Brainstorming. Process for generating creative ideas and solutions through intensive and freewheeling team discussion. Every employee is encouraged to think aloud and suggest as many ideas as possible. Analysis, discussion, or criticism of the aired ideas is allowed only when the brainstorming session is over and evaluation session begins.

Find ways to make it better. Consider the strengths of an apparently silly idea. How improve it? Consider its weakness. How can fix them?

Broaden new interests. Innovations generally occur when its combine seemingly unrelated information in new ways. For example, Thomas Edison brought together photographic film, the light bulb, optics, and mechanics, each well-known but separate fields, to produce the movie projector. That's why it's important to know what's going on in other parts of the organizations, it is easier to be creative if we keep learning on many fronts.²²

²¹ Kardas, J. & Szewczuk, J. (2012). *Efficiency in business*. Siedlce University of Natural Sciences and Humanities Publishing House, p.16.

²² Pinhot G. & Pellman R. (1999). *Intrapreneurship in action: a handbook for business innovation*. San Francisco: Berrett-Koehler Publishers, Inc, p.45.

2.4. How to create an innovative organization?

Large companies need strong management teams and clear structure; without sufficient structure the organization risks descending into chaos. Paradoxically too much structure can lead to stagnation, as employees feel that there is no scope for personal initiative. Bigger organizations also tend to be at particular risk of losing their agility and they may become less able to adapt to changing market conditions; they can become set in their ways. Within all organizations, regardless of size, there is an on-going tension between *the established* and *the new* because we humans, on the whole, tend to resist change.

To be most effective, employees need to be able to play the tension between the established 'how we do it round here' and new ways of thinking and doing. This requires well-designed staff training, permission to experiment and greater knowledge sharing across different parts of the organization. It is a critical issue and one that is too often neglected.

Knowledge and best practises are often lost in the drive to innovation. Conversely, we also need to be wary of 'best practice'. It can become enshrined in corporate behaviour.²³

The steps for an organization that needs to be more innovative are:

- Sharing the business strategy that calls for and gives direction to innovation
- Creating implementation channels for intrapreneurs with ideas that align with the strategy
- Supporting the launch of intraprises with sponsors, training, and coaching
- Diagnosing and improving the climate for innovation

2.4.1. Sharing the strategy

Intrapreneuring is most effective when it aligns closely with the strategic intent of the organization. For this reason, it is best to begin any intrapreneuring program by widely dissemination a clear idea of what organization and its collaborators aim to accomplish. In order to achieve this target, there could be used many different media – speeches, e-mail, breakfasts, posters, in-company magazines, and most of all actions – to make clear

²³ Keegan, S. (2015). *The psychology of fear in organizations: How to transform anxiety into well-being, productivity and innovation*. London: Kogan Page, p.11.

what the organization needs to achieve. It's necessary to communicate the overall direction and have a completely open mind about how to achieve the ultimate goal, for me the most efficient is the communication face to face, on team and individual meetings where the concepts can be discussed with the purpose to follow it in a clear way.

2.4.2. Training in intrapreneurial start-up workshops

One of the best ways to enliven the intrapreneurial spirit in an organization is to use training to launch a number of visible intrapreneurial teams that can be counted on to succeed. Almost all organizations have many potential intrapreneurs with good ideas on how the company could move towards its vision. Given some help, coaching, and support, many of them will succeed, like these relevant points:

- Recognition and bringing out their intrapreneurial nature
- Discovering customers' real needs
- Taking the measure of the competition
- Positioning their offering in the competitive marketplace
- Selling and managing the sales process
- Getting support in a large organization
- Creating a business plan²⁴

2.4.3. Innovative work behaviour and job design

Innovation is not only stemming from R&D efforts. Employees confronted daily with the production process are essential in identifying problems, creating solutions and actually implementing innovations in the workplace. The concept of innovative work behaviour tries to capture this workplace reality and can be defined as follows:²⁵

'Innovative work behaviour is all employee behaviour directed at the generation, introduction and/or application (within a role, group or organization) of ideas, processes, products or procedures, new to the relevant unit of adoption that supposedly significantly benefit the relevant unit of adoption'.

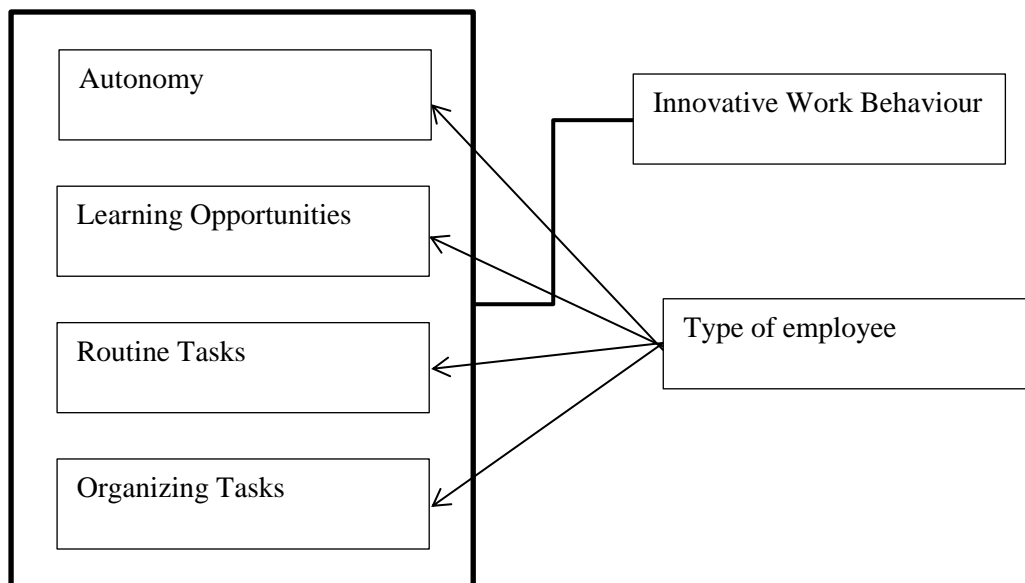
²⁴ Pinhot G. & Pellman R. (1999). *Intrapreneurship in action: a handbook for business innovation*. San Francisco: Berrett-Koehler Publishers, Inc., p.29.

²⁵ Ujwary-Gil, A. (2012). Contemporary Innovation and Entrepreneurship Concepts, *Journal of Entrepreneurship, Management and Innovation (JEMI)*, Volume 8, Issue 4, 5-20.

Innovative work behaviour thus differs from concepts like employee creativity as it not only focuses on the generation of ideas, but also includes behaviour related to problem recognition, idea championing and idea implementation (de Jong & Den Hartog, 2010). It thus encompasses all types of behaviour of employees that is related to business innovation at the workplace. Both active support for innovations in the workplace and self-initiated innovation processes are included in the concept.

Optimally utilizing the innovative potential of employees is a major challenge in organizations. Employees are in a unique position to contribute to the innovative character of the organization as they possess a capital of tacit knowledge about the production process, the product, service, and the work organization. Mobilizing this knowledge and enabling the development of workplace innovations is considered the optimal use of the human capital of an organization (Darroch, 2005).

Figure 9. Hypotheses based on the literature



Source: Adapted from Ujwary-Gil, A. (2012). Contemporary Innovation and Entrepreneurship Concepts, *Journal of Entrepreneurship, Management and Innovation (JEMI)*, Volume 8, Issue 4, p.5-20.

Building on the previous figure, I assume to find positive relations between the two first job resources variables and not so positive relations between the last two contents for the aim of innovation.

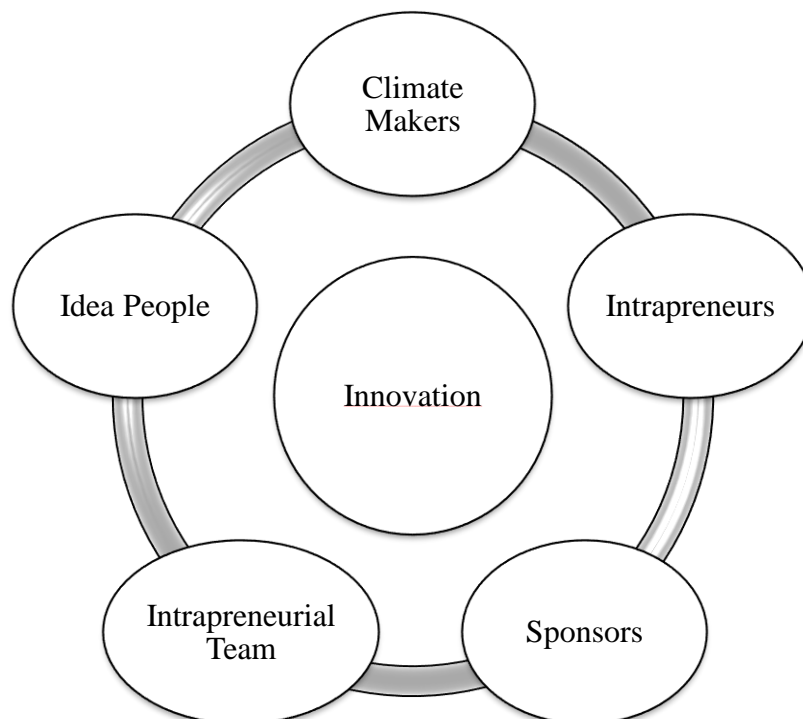
The Autonomy concept was confirmed by various studies that found positive relations between autonomy and innovative work behaviour (Krause, 2004; Slatten & Mehmetoglu, 2011) and creativity (Unsworth, Wall, & Carter, 2005).

The Role of Routine Tasks is more ambiguous. It can be seen as a negative indicator of job resources as employees that are obligated to perform constantly the same, short routine tasks have a narrow vision of the firm and the work procedures which inhibits them from making connections and seeing the big picture, both crucial for creative and innovative thinking (Oldham & Cummings, 1996). Yet some others like Only et al. (2006) found positive relations between routinization and employee innovation, as routine tasks enable employees to see opportunities for improvement better.

2.4.4. The Crucial Roles in Innovation

Innovation proceeds best when each of five key roles is performed well.

Figure 10. The Crucial Roles in Innovation



Source: Pinhot G. & Pellman R. (1999). *Intrapreneurship in action: a handbook for business innovation*. San Francisco: Berrett-Koehler Publishers, Inc., p15.

Idea People. There are far more good ideas that can ever be implemented. Part of growing up is to realize that nearly every good idea is doomed to die without ever being tried. For this reason, good ideas alone are not enough. To move forward, good ideas must capture the enthusiasm and commitment of an intrapreneur.

Intrapreneurs. Because they closely resemble entrepreneurs, we call the people who turn ideas into realities inside an organization ‘intrapreneurs’. The intrapreneur may or may not be the person who first comes up with an idea. Intrapreneurs roll up their sleeves and get things done. They recruit others to help. Whether working on an idea that was originally their own or building on someone else’s, they are ‘the dreamers who do’.

The Intrapreneurial Team. The ideal intrapreneurial team consists of volunteers, generally recruited to the idea by an original intrapreneur. They form a core group that stay with the project from its early stages to well past its initial commercialization or implementation.

Climate Maker. In the complex world of today’s multinationals, it takes more than one or two climate makers to create an environment that brings sponsors and intrapreneurs. It takes a widely shared belief in innovation and a sincere determination to keep it alive.

The Sponsor. Sponsors support their people’s ideas by protecting them from the ‘corporate immune system’. They coach intrapreneurs, raising tough questions and then letting the intrapreneurs find their own answers. They help the group garner need resources. Just as there is no innovation without persistent intrapreneurs, and no significant innovation without intrapreneurial teams, there is no innovation in large organizations without courageous sponsors.

2.5. Innovativeness as a process

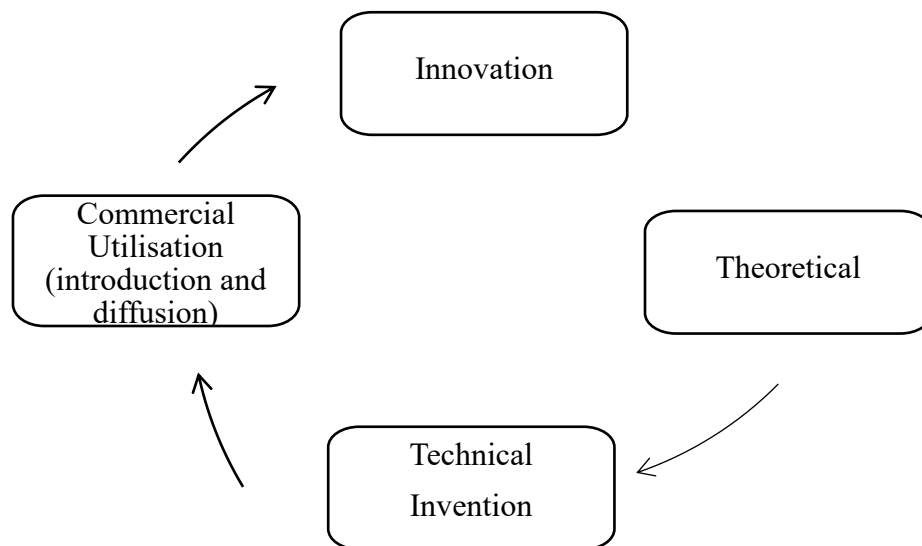
As can be noticed, in recent years innovation has had a larger influence on increasing the efficiency of organization’s processes. This is due to the fact that a society has more sophisticated needs which, to be fulfilled, require a more advanced usage of knowledge and information. Nowadays innovation has a significant influence on organizations.

This influence has its source in:

- The concentration of large financial means allocated for education / knowledge, which allows the recreation of modern and efficient equipment, and recruitment of reliable personnel;
- The strong ties between the education /knowledge and production sectors, the internal and worldwide markets, which causes the ventures undertaken to be directed toward market needs.²⁶

Treating innovation as a process, this should be properly managed on every level of its organization. Innovation creates demand, decrease prices, speed up the tempo of growth of a given company and may make profitable investments more feasible. Research proves the thesis that efficiency, competitiveness, and expansion of trade is correlated with the development of innovation. It is believed that the ability to create and absorb innovation is the biggest challenge of 21st century.

Figure 11. Innovation as a process



Source: A. Pomykalski. (2010). *Innovation management*. Warsaw: scientific publishing PWN, p.17.

²⁶ S. Bakalarczyk, (2014). *Innovation Management by Banks*, Difin, p.40.

2.5.1. Product, Process and Management Innovation

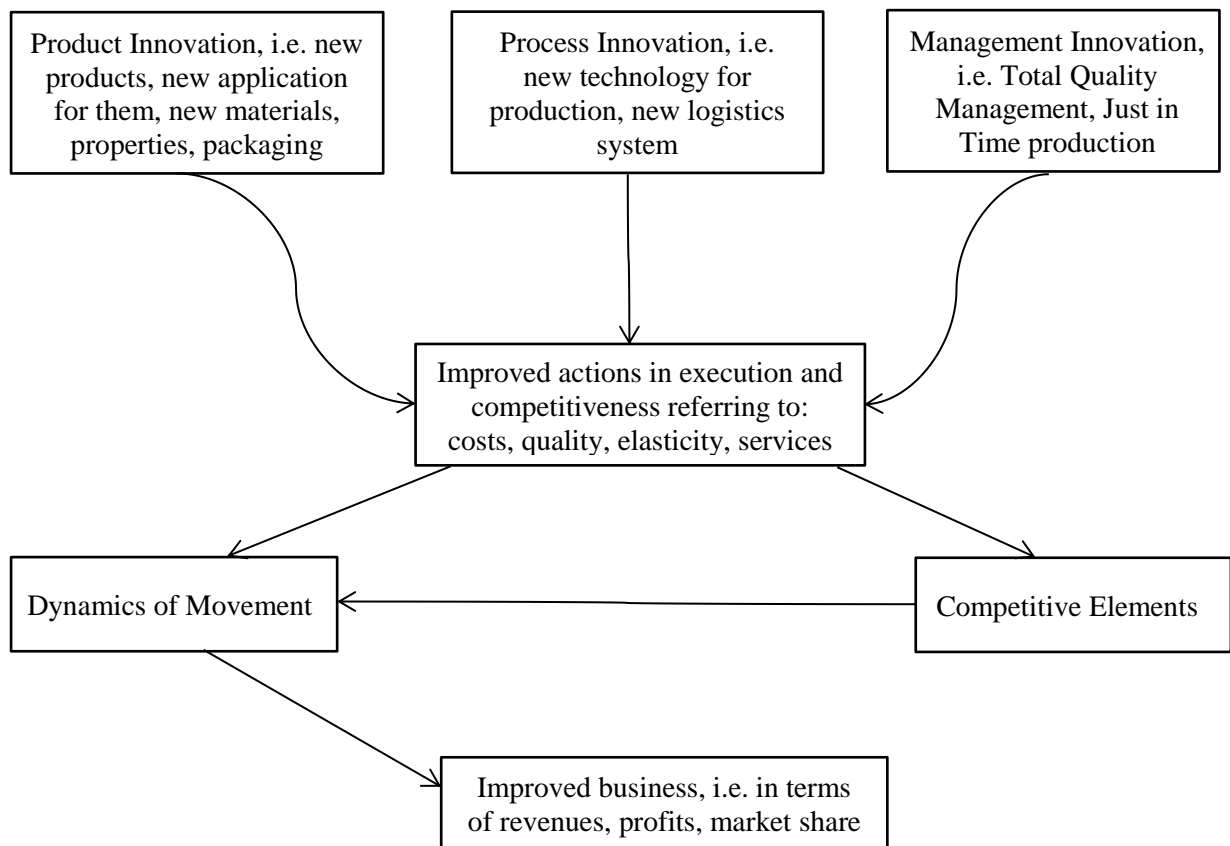
In the interpretation of innovation there are two predominant approaches, namely, innovation understood as a result and as a process. The former considers innovation to be simple changes in the production scheme, which lead to launching new products. The latter treats innovation as all processes of creative thinking, the aim of which is to introduce new solutions in technology, corporations and social life.

The theoretical concept of a new idea is the beginning for innovation, however, a new idea is neither an invention nor innovation, but only a kind of knowledge. The process of converting an idea into a physical product is called creating an invention. Knowledge a technology is of substantial significance at this stage. The next one is its commercial use, in other words, the introduction to the market and market diffusion of a new product, service or process.

Being innovative is understood as an ability of an organization to continuously search for and promote innovation. This is the main challenge for a company. It results from market competitiveness – only those organizations which can introduce new products, processes, services and changes in their organization, will have a chance to develop.²⁷

²⁷ S. Bakalarczyk, (2014). Innovation Management by Banks. Difin, P.42

Figure 12. Innovation in a company and their influence on the market and business



Source: Samson, D. (1991). *Manufacturing and Operations Strategy*. New York: Prentice-Hall, p.69.

Considerations are focus on product, process, and management innovation. Together with market connections, they are depicted in Figure 12.

Management innovation – understood as better methods of organization and management of research, production, and service activity.

Product innovation – refer to commodities produced by a company for the market. This is the ‘introduction to the market of products which work better, and are capable of providing a consumer with new and large benefits’.

Process innovation – introduction/implementation of a new or better production method or product supply. It may be connected with changes in equipment, human resources, working patterns or combination of the above. The above deliberations concentrate on product, process and management innovation. Figure 12. presents the above-mentioned innovation together with their relation to the market and business. Management

innovation is defined as better methods of organizing and managing a research, production, and service activities.

Product innovation – concerns good which are produced by a company for a market, while process innovation is understood as methods of product manufacture. Product innovation is: ‘an introduction to the market of a new or increased benefits’. Process innovation can be interpreted as ‘the application of new or improvement production or product supply methods.

Different innovation types are usually interconnected with one another, as it is natural that product innovation very often requires some process innovation together with changes in the organization of work. The main distinction between those categories is that product innovation is more sensitive to market factors than process innovation.

According to P. Drucker (1992) ‘innovation is an organized, systematic and rational work.’ That is why, it is necessary to introduce innovation management, in which the randomness in innovation issues is replaced by a systematic search and continuous realization of changes for innovation, and it is assumed that a company should be so organized that its structure does not limit but stimulate the development of innovation. Such management renders an organization capable of not only introducing product and process innovation, but also in managing itself.

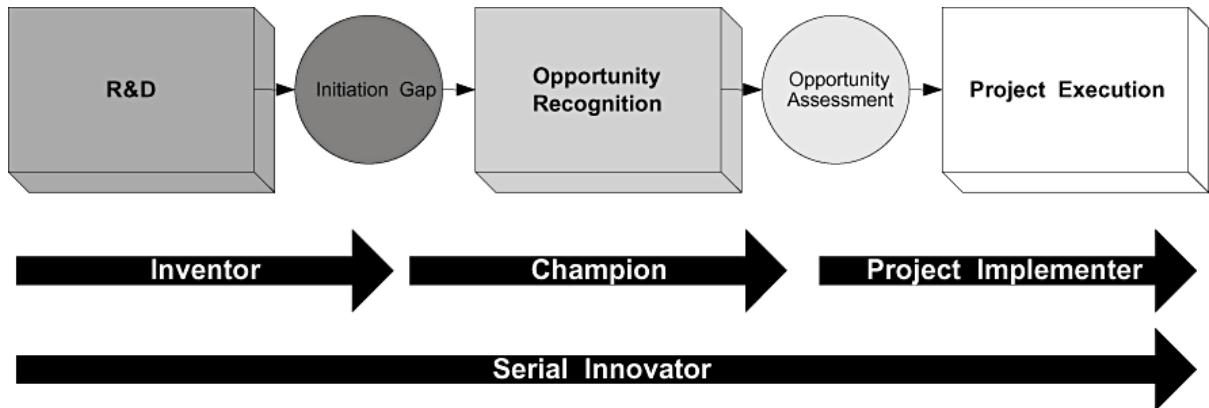
Innovativeness in my consideration is expressed as the ability of an organization to constantly seek, implement and diffuse innovation. Innovativeness is now the fundamental economy management challenge for a company. These results, above all, from existence of competitiveness on the market, where the change of development will be offered to those companies that will introduce new products, processes as well as changes in the organization.

2.5.2. New Product Development Process through Innovation

Successful innovation requires multiple capabilities, as we can see on Figure 13. It is where technical possibilities are created and matched to customer problems and market needs, requiring technical competence, creativity, and market insight. Gaining project acceptance requires developing a business plan for the proposed product or service and shepherding that plan through the firm’s funding and staffing process. This task

fundamentally is one of managing the politics of the firm. Then, getting the product / service to market is a matter of project execution and implementation through formal processes.²⁸

Figure 13. Specialist roles in the NDP process



Source: Griffin, A., Sim, E., Price, R., & Vojak, B. (2007). Exploring differences between inventors, champions, implementers and serial innovators in developing new products in large, mature firms. *Creativity and Innovation Management*, **16** (4), p.423.

Inventors typically have technical skills, and frequently have advanced training and degrees in their fields. These individuals have enough depth and breadth of technical understanding to solve critical problems and they exhibit creativity in the way they solve those technical problems (Tidd *et al.*, 1997). Inventors aspire to be ethical, unemotional, and unselfish in the conduct of their activities. Most frequently, inventors reside in the R&D laboratory, or in an engineering development group. While highly creative technically, inventors have little market or business knowledge, and frequently operate in isolation of others (O'Connor and Rice, 2005).

A **Champion** puts himself on the line for an idea and uses any and every means of informal tactics and pressure to make it succeed (Schon, 1963). Champions usually do not create innovative ideas, but find them elsewhere in the firm (Markham and Aiman-Smith, 2001). Effective champions have technical competence, knowledge about the

²⁸ Source: Bayus, B., Malhotra N. & Sheth J., (2011). *Product Innovation and Management*, Wiley (5) volume, p.121.

company, knowledge about the market, drive and aggressiveness. They are most likely to use a transformational leadership style (Howell and Higgins, 1990).

Project implementers, or managers, organize the execution of the project and ensure that each task and milestone is completed on time, and within budget. They are task oriented (Turner and Miller, 2005), yet also have the ability to influence others on the team (Crawford, 2003). The most frequently used influence tactics by project managers are rational reasoning, consultation, and inspirational appeals (Lee and Sweeney, 2001). Higher project success is associated with project managers who exhibit higher proficiency in planning, a more participatory and motivating management style, and skills in the technology domain (Thieme *et al.*, 2003).

These individuals, termed *innovators* (invent, champion, and project implementer). Innovators tend to be very driven systems thinkers, who are creative and curious about many different topics. They have a somewhat idealistic worldview – they want to solve important real-world problems that improve business outcomes and peoples' lives, where 'important' is defined by people external to the corporation, like potential customers (Hebda *et al.*, 2007). Their process focuses on using extensive customer interaction to fully understand potentially interesting problems and extensive exploration of possible solutions, prior to launching into the implementation phase. They act in whatever role is needed at any particular point in time, much like entrepreneurs.

2.5.3. Diffusion / Product life cycle as a factor of innovation

Every product will have a life cycle with an infant period, growth period and then the maturity/ decline period. This product curve is also known as 'S' curve. Tarde (1903) defined the innovation-decision process as a series of steps that include:

1. First Knowledge
2. Forming an attitude
3. A decision to adopt or reject
4. Implementation and use
5. Confirmation of the decision

Once innovation occurs then the innovations generally spread from the innovator to other individuals and groups in the organization. This Process has been proposed that the life cycle of innovations can be described using the 'S-curve' or 'diffusion curve'. The S-curve maps growth of revenue or productivity against time.

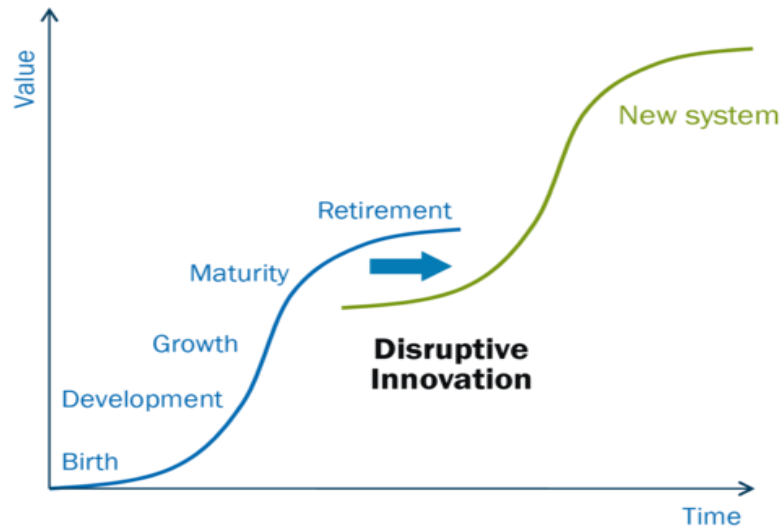
In the early stage of a particularly innovation, growth is relatively slow as the new product established itself. At some point costumers begin to demand and the product growth increases more rapidly. New incremental innovations or changes to the product allow growth to continue. Towards the end of its life cycle growth slows and may even begin to decline. In the later stages, no amount of new investments in that product will yield a normal rate of return.

The S-curve derives from an assumption that news products are likely to have 'product live' i.e. a start-up phase, a rapid increase in revenue and eventual decline. In fact, the great majority of innovations never gets off the bottom of the curve, and never produce normal returns. As innovations are made that will eventually replace older ones, successive S-curves will come along to replace older ones and continue to drive growth upwards.

As shown in the Figure 14. the first curve shows a Current Technology and the second S-curve shows an Emerging Technology that currently yields lower growth but will eventually overtake current technology and lead to even greater levels of growth.²⁹ As Rogers (1962) pointed out, the length of live always depends on many factors. For example, the life of a software program versus an automobile engine.

²⁹ Kumar, D. (2015). *Building Sustainable Competitive Advantage: Through Executive Enterprise Leadership*. England: Gower Publishing Limited, p.44.

Figure 14. Discontinuous and Incremental Innovations Over Time



Available at: <https://jfvambrosio.wordpress.com/2013/07/29/63/>

Innovation is critical to support the sustainability, resilience and robustness of the enterprise excellence model. Therefore, some additional research on innovation is as follows:

- Human capital is one of the most critical elements in innovation. Hence, their talent and skills be enriched and optimized to drive innovation. Similarly, a better engagement be cultivated between the enterprise and the people for whom the organization innovates, including direct users of its innovations, to yield more fruitful co-creation (Edgeman and Eskildsen, 2012; Hoffmann, 2012).

- Edgeman and Eskildsen (2012) very positively express that social-ecological innovation contributes to enterprise value creation through: revenue growth; cost, risk and waste reduction; strategic redesign of products, processes or business functions; and differentiating the enterprise value proposition.

- To support the enterprise intelligence and analytics, organizations with greater technological and market intelligence absorptive capacity are better able to navigate competitive turbulence and are hence more robust (Linchtenthaler, 2009). This is critical to innovation, assimilation and transfer of intelligence, and subsequent mobilization of resources that contribute to improved performance across an array of key enterprise performance dimensions, including innovation and leverage of social capital across the enterprise supply chain and its broader ecosystem (Maurer et al., 2011).

2.5.4. A spiral approach to business model innovation

Ernst & Young (2012) has developed an ‘Innovation report’ which is based on the qualitative research with special focus on business model innovation. They conducted a series of face-to-face and telephone interviews with 45 participants (professionals, academic and business leaders) from Worldwide.³⁰

Introduction: Most people will think about innovation as an extraordinary invention created by solitary geniuses but currently majority of business innovations are quite the opposite of people thinking. The companies that generate them thrive on collaboration, a free exchange of ideas and regular interactions with customers and other stakeholders. They innovate not necessarily to revolutionize their industry — although that may happen to a lucky few — but to meet specific objectives and carve out a competitive edge.

Innovation is the successful development of an idea that generates business value for sustainable growth. Innovation is not a strategy; it’s a way of being.

For the most innovative companies today, innovation isn’t a linear process. Rather, it’s a continuous cycle with ups and downs, inputs from different places, repetitions, failures, and many steps back and forth.

The spiral approach is a loosely structured, circular process that allows companies to connect with the various points of the spiral in different ways and at different times, ultimately reaching an innovative breakthrough. By adopting this approach, the most innovative companies are able to:

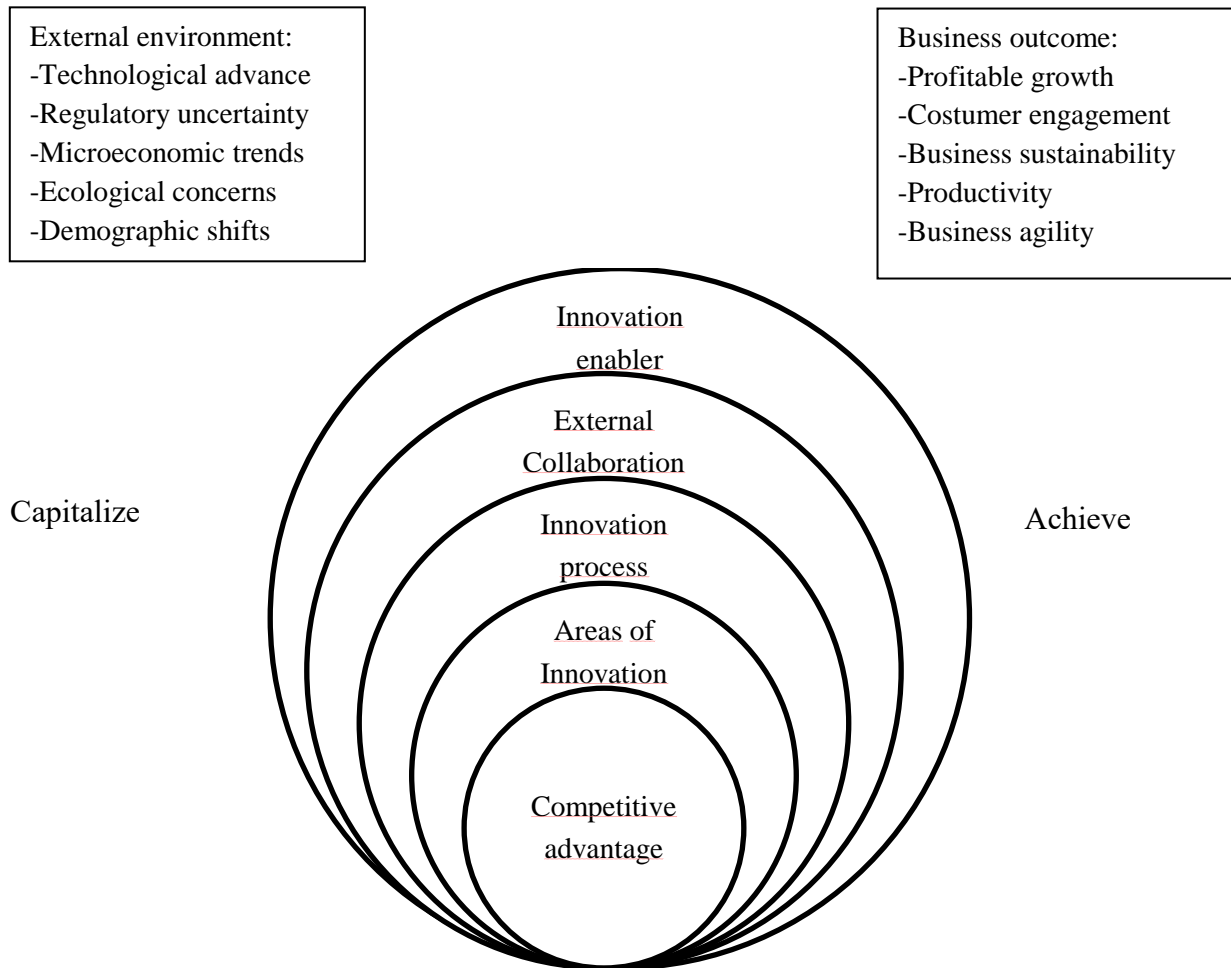
1. Take advantage of changes in the external environment
2. Continually revamp their business models to achieve competitive advantage
3. Innovate to obtain specific business outcomes, such as increased agility or productivity

The conceptual structure of the model is presented in Figure 15. The model is based on the research work done by Ernst & Young. Typical areas of innovation are products and service, processes and business model. According to Ernst & Young research, product

³⁰ [http://www.ey.com/Publication/vwLUAssets/EY_-_Innovating_for_growth/\\$FILE/EY_innovating-for-growth-1.pdf](http://www.ey.com/Publication/vwLUAssets/EY_-_Innovating_for_growth/$FILE/EY_innovating-for-growth-1.pdf)

and service innovations certainly help business to obtain a competitive advantage, but business model innovation tends to confer more lasting benefits.

Figure 15. Innovation spiral: A spiral approach to business innovation



Available at: [http://www.ey.com/Publication/vwLUAssets/EY_Innovating_for_growth/\\$FILE/EY_innovating-for-growth-1.pdf](http://www.ey.com/Publication/vwLUAssets/EY_Innovating_for_growth/$FILE/EY_innovating-for-growth-1.pdf)

The left column (**External environment**) identifies the major market and economic circumstances that affect business. These include technological advance, regulatory uncertainty, macroeconomic trends, ecological concerns and demographic shifts. These elements increase global exposure to risk, but they also offer major opportunities that can transform whole industries. Innovative companies know how to capitalize on the external environment to turn even adverse conditions to their advantage.

The circle in the middle (**Innovation spiral**) shows how companies can gain competitive advantage, which is typically the purpose of innovation.

Innovation process. Innovation has, up to now, typically followed a three-step process — idea creation, development and exploitation. Our research reveals a major shift in how leading companies go about innovation today. Intuition is the process of obtaining ideas, from anywhere and everywhere. Socialization happens when the idea is discussed and debated with other people, formally and informally. After this process of ideation, the resulting idea goes through development and exploitation. In the spiral approach, innovation doesn't always need to start at the intuition phase but can start anywhere in the framework. If there are unanswered challenges at any stage, then the process can go backward until the issue is resolved. For example, new products may be rolled out and tested on consumers before the next phase of development, usually involving customer feedback or user experiences.

External collaboration, the most innovative organizations collaborate throughout the process to access diverse internal and external expertise. This involves working with customers, investors, suppliers, governments, financial services, competitors, academics and other companies.

Innovation enabler. These are the internal elements necessary for the innovation spiral to work: leadership mindset and culture, people and skills, technology, infrastructure, organization and governance, risk management, measurement and KPIs (key performance indicators) and funding. Organization leaders must be innovative and ready to take risks to achieve competitive advantage. Once innovation becomes a part of their culture, the other seven elements need to be aligned to allow innovation to flourish.

The right column (**Business outcomes**) shows that companies innovate to achieve five key business outcomes: profitable growth, customer engagement, business sustainability, productivity and business agility. The challenge is to focus on all of these outcomes together, rather than favouring one over another, which compromises the ability to anticipate change and drive growth.³¹

³¹ Kumar, D. (2015). Building Sustainable Competitive Advantage: Through Executive Enterprise Leadership. England: Gower Publishing Limited, p. 47.

2.6. Stages of Innovation Development

The following framework (illustrated in Figure 16) presents a useful approach to describe the casual relationships behind an innovation model. It can be applied to describe innovation not only at the business level, but any level within the organization.

Figure 16. A business model of innovation



Input metrics – These are measures that capture all early stage investments and resources required during the inception of the innovation.

Process effectiveness metrics – These measures relate to the effectiveness of the research and development process.

Performance outcomes metrics – The vast majority of the measures used to assess innovation relates to the outcomes stage. This is somewhat unfortunate because such measures can be tracked only after the innovation is complete, not affording the opportunity to adjust the process of innovation. Yet, if the overall performance of the innovations is poor, it does imply the need to modify the process, even if it does not indicate how the process should be adjusted. The majority of measures are at this stage as these tend to be more objective than measures at earlier stages.

Table 3. Innovation dashboard

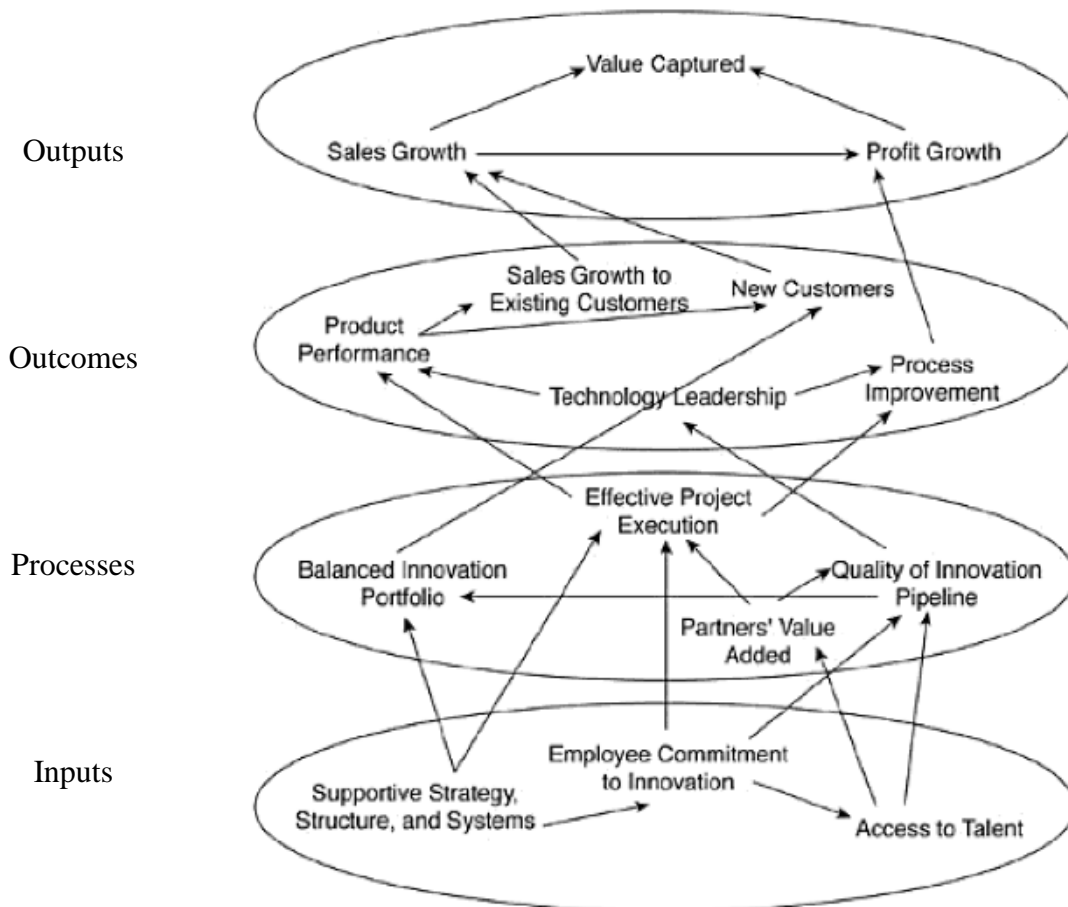
Inputs	Process effectiveness	Performance outcomes
1. R&D spending	1. Development activities	1. Percentage of sales from new products in past N years
2. Human resources devoted to innovation	2. Patenting activity	2. Successful new products
-Number of personnel on innovation projects	3. Budget versus actual	3. Return on investment in innovation
-Payroll costs of innovation employees	- Time	4. Percentage of profit from new customers
3. Number of new ideas/ concepts in the pipeline	- Cost/ investment	5. Change in Customer Satisfaction.
4. Number of R&D projects in active development	4. Number of new products introduced (firm innovativeness)	6. Profit grow to the new product /services
5. Percent of ideas/ concepts from outside the firm	5. Average time to market	7. Percentage of growth target attributable to change in product portfolio
	6. Percentage of projects that are major improvements	8. Change in market value due to new products
	7. Percentage of projects resulting in new product launch	

Source: Bayus B., Malhotra N. & Sheth, J. (2011). *Product Innovation and Management*, Wiley (5) volume, p. 93.

2.6.1. The innovation model at the business unit level

On the development of the innovation business model is essential identifying the measures that describes this business model. Measures are organized into perspectives, such as inputs, processes, outputs and outcomes.

Figure 17. Example of a business model for innovation underlying the measurement system



Each organizational level has its own set of measures that cascade down from the model and measures defined at the business unit level. Distilling measures at each level is important to provide the adequate tools throughout the organization. Good measures at the top of the organization are a small part of a good measurement system.

E.g.: Every semester, the company administered an employee survey to measure various dimensions of employee satisfaction. Accenture also complemented its daily interactions with costumers (carefully recorded in its CRM system) with customer satisfaction surveys administered by a third party. These provided important understanding of how well things were working from the perspective of the customers and the employees.³²

³² Source: Davila T., Epstein M. & Shelton R. (2013). *Making Innovation Work: How to Manage It, Measure It, and Profit from It*. New Jersey: Pearson FT Press, p. 157.

2.7. Organization's effective innovation

There is a growing urgency to innovation these days. Innovation is necessary to differentiate one's offering, to find and fill unoccupied spaces in the market, and to keep up with the soaring productivity of competitors. With innovation playing an ever larger role in business success, organizations are striving to find ways to get more effective innovation per costs. This is not surprising. As we move into the information age, the proportion of any organization's budget devoted to innovation is growing rapidly. Getting money's worth from innovation efforts has therefore become the hallmark of effective leadership.

There are more and better ideas contribute to innovation, but the big gap in the innovation process is the capacity of the system to implement ideas rapidly and cost-effectively. Implementation requires intrapreneurs to transform the concept into the actual. In many organizations, there is a shortage of working intrapreneurs, and potential innovations languish in the space between conception and commercialization.

The basics of effective innovation are (1) providing a focusing vision that guides the intrapreneurial energy of the organization; and (2) liberating the intrapreneurial to achieve that vision. Focusing and releasing the intrapreneurial spirit of even a part of a company can result in a flood of innovation.

Rapid and cost-effective innovation is the primary source of lasting competitive advantage in the twenty-first century.³³

2.7.1. Innovation and intrapreneuring in Organizations

Understanding innovation in large organizations begins with comprehension the role of the intrapreneur. Intrapreneur is short for intra corporate entrepreneur. Within an organization, intrapreneurs take new ideas and turn them into profitable new realities. Without empowered intrapreneurs, organizations don't innovate. Yet many organizations waste their intrapreneurial talent.

³³ Pinhot G. & Pellman R. (1999). *Intrapreneurship in action: a handbook for business innovation*. San Francisco: Berrett-Koehler Publishers, Inc., p.1.

Innovation is not simply a function of what employees do. It's central in terms of how employees see themselves and how they view their level of engagement within the organization. Ideally employees can use the hive networks within organizations to make informal connections and establish communication routes. They can short-circuit traditional communication channels and build connections that can facilitate innovation hubs, which may cut across hierarchies and functions. Social media provide opportunities to develop innovation communities that can span geography, function and interests and come up with some extraordinary innovation.³⁴

Implementing innovations is associated with specific barriers and resistance from employees.

Innovation is more than creativity. It is the creation and bringing into widespread use of a new product, service, process, or system – from the first glimmer of an idea to successful implementation and exploitation. Coming up with good ideas is generally not the bottleneck in the process of innovation. The real challenge is turning those ideas into profitable realities – a job that requires employees to behave like entrepreneurs. The principles of innovation could be included on: -New products and services – Techniques for doing more with less – Improved organizational systems and structures – New approaches for gathering and distributing information – New forms of employee and stakeholder participation – Anything else that makes the world or the organization a better place.³⁵

Success breeds success; feedback and inclusivity are lifeblood. If innovation is truly what an organization wants, then it will see opportunities wherever it goes.

Table 4. Leading Organization's Innovation

1. Job Recruitment	-support of self-help group to promote their own employment
2. Training, Development and Promotion	-development of training and educational programmes -creation of learning environment and workplace mentorship for all employees -career development -evaluation of performance

³⁴ Keegan, S. (2015). *The psychology of fear in organizations: How to transform anxiety into well-being, productivity and innovation*. London: Kogan Page, p. 234.

³⁵ Pinhot G. & Pellman R. (1999). *Intrapreneurship in action: a handbook for business innovation*. San Francisco: Berrett-Koehler Publishers, Inc., p.2.

3. Flexible Working Environment	-open space with easy access to all departments and leaders
4. Ergonomics and Job Design	-ergonomic measures -improvement work condition -organization of tasks
5. Changing attitudes within Organizations	-community programmes and team meetings to improve or change attitudes, concepts, processes and ideas.
6. Policies	-recognition of caring responsibilities

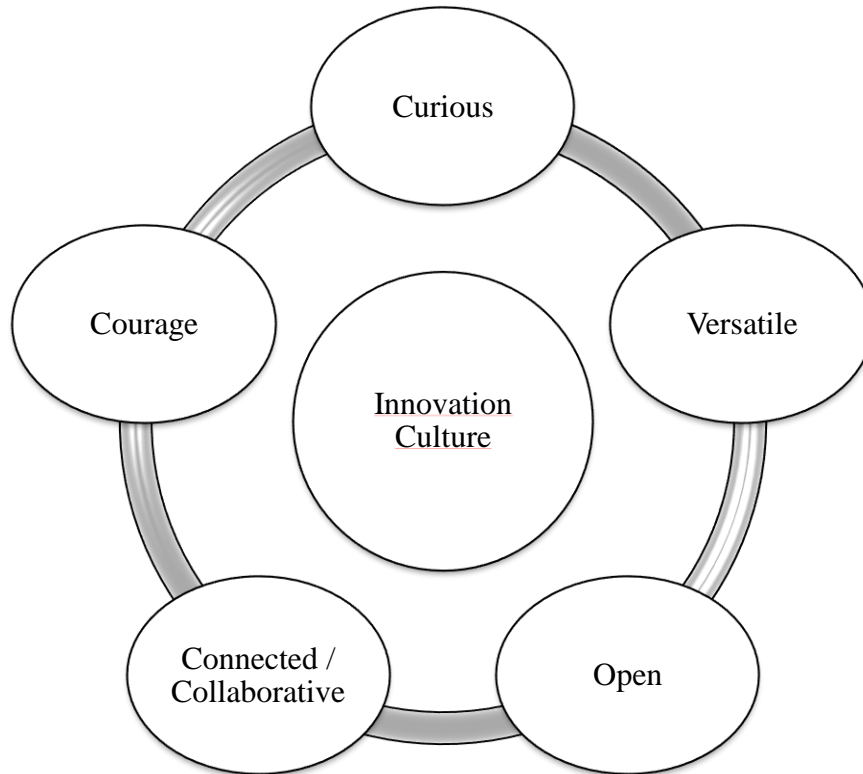
Source: Adapted to Ball, C. (2007), *Defining Age Management: Information and Discussion Paper*. TAEN – The New Age and Employment Network, p.7.

Positive Organizational Potential

Positive Organizational is considered one of the most influential trends within the theory and practice management. The positive organizational potential is recognized as the key determinant of positive organizational behaviours stimulating the development of an organization. The role of positive organizational culture, climate and behaviours is particularly important for the processes of managing organizational knowledge (Glinska-Newes, 2007, pp. 85-122).

2.7.2. The key Elements on Innovation Culture

To accomplish an innovation culture on organizations it's required some main points to do it.



Source: Own elaboration

Open - It's essential has an open-minded to new ideas – from anyone, anywhere and anytime. Open to learn with assumption that others' idea will ultimately make a product or service better.

Versatile - Capacity of adjustment to different ideas, environments, methods and priorities.

Curious – Have the capacity to look for unobvious patterns, explore and like to discover new possibilities. Set an expectation of on-going learning, brainstorming and challenge the team's thinking beyond the superficial.

Connected / Collaborative – It's the ability to work effectively and productively with others (team colleagues, managers, suppliers, costumers), inside and outside of the company. Uses personal and professional networks to seek out innovation ideas. Create communities of practise to foster knowledge exchange.

Courage – Has a set mind of no fear, learns from failure and knows how to manage risks, relying on most meaningful indicators/ measures. Establish ‘there’s no bad idea’ operating principle.

2.7.3. Adaptation and Innovation Dynamic Capabilities

The concept of dynamic capabilities is still under-developed. Zollo and Winter (2002) are trying to address the source of dynamic capabilities and their underpinning routines generation and evolution. Teece (2007) is providing a theoretical concept of dynamic capabilities by defining them as ‘distinct skills, processes, procedures, organizational structures, decision rules and disciplines’.

The ability of an organization to perform a coordinated set of activities utilizing organizational resources, for the purpose of achieving a particular objective is defined as organizational capability (Helfat and Peteraf, 2003). These capabilities are classified as either operational or dynamic (Winter, 2003). Operational capabilities are named as ‘substantive’ capabilities by Zahara et al. (2006), facilitate efficient and effective use of existing resources. Winter (2003) describes operational capabilities as zero-level capabilities, or ‘how a business leader can earn a living now’.

Helfat et al. (2007) define dynamic capabilities as the capacity of an organization to purposefully create, extend or modify its resource base, and distinguish two functions of dynamic capabilities – the development function, and the search and selection function. Wang and Ahmed (2007) have attempted to disagree and clarify the component factors of dynamic capabilities such as adaptive, absorptive and innovative capability; while Teece (2007) is sensing and shaping opportunities and threats, seizing opportunities, maintaining competitiveness through enhancing, combining, protecting and reconfiguring assets.

Therefore, two distinct types of dynamic capabilities in the literature that are pivotal for organizational transformation and growth: 1) adaptation dynamic capabilities and 2) innovation dynamic capabilities. Meyer and Day (2014) are defining these dynamic capabilities:

- 1) *Adaptation dynamic capabilities relate to routines of resource exploitation and development, which are supported by acquisition, internalization and*

dissemination of extant knowledge, as well as resource reconfiguration, divestment and integration.

These capabilities alone are not sufficient to sustain a competitive advantage in relation to top performing global competitors. Organizations also need to develop unique capabilities through experimentation as well as the development of new internal routines rather than just importing routines from others (Kogut and Zander, 1996). For example, Taiwan industry (photovoltaic) first engaged in fast followership of their Western counterparts through acquiring technological capabilities and then moved from imitation to technological innovation (Mathews et al.,2011).³⁶

2) *Innovation dynamic capabilities relate to the creation of completely new capabilities via exploration and path-creation processes, which are supported by search, experimentation and risk taking as well as project selection, funding and implementation.*

These capabilities provide guidance to business leaders for creating an appropriate organizational environment to facilitate exploration and path creation. This also provides the basis on which to develop new and unique capabilities. Innovation dynamic capabilities are the source of unique capabilities (Prahalad and Hamel, 1990; Barney 1991), and these capabilities may lead to sustainable competitive advantage. However, the latter is not guaranteed, due to the inherent risks associated with innovation (Helfat et al., 2007). Therefore, innovation dynamic capabilities of an organization are those which business executives need to nurture to create the potential for competitive advantage, whilst recognizing that there is a risk that some projects will fail.

Meyer and Day (2014) have examined the process of organizational transformation in a Russian oil company and developed an understanding of two critical types of dynamic capability – adaptation and innovation. The speed and radical nature of the change in the Russian oil industry highlights these processes, which they maintain are also relevant for mature Western organizations seeking sustainable competitive advantage in turbulent environments.

³⁶ Kumar, D. (2015). *Building Sustainable Competitive Advantage: Through Executive Enterprise Leadership* Gower. England: Publishing Limited, p. 50.

2.8. Is innovation risky?

I believe that innovation is really no different than any other business process; thus, managing operational, marketing and financial areas are as risky as Innovation. The difference is the knowledge and experience that each company have from these areas, e.g. a company that is specialist in creating and developing innovation's technology knows the risk about their core business that could be much lower in comparison with marketing area, because it's not their expertise, knowledge and experience.

The risks inherent to innovation are manageable, and they can be reduced as people learn from their experiences. Still, innovation is different because it is so much more dependent on unquantifiable human factors. Consumers may not tell what they want or what they really do; it's not that they are lying, they honestly don't know. Why? Because Innovation (particularly Radical) before being implemented on the market is always one step ahead of what consumers think or need.

In my perspective in order to make innovation successful on the market, it should be always one and just one step ahead of what consumers think and need. If an idea is too far away from the knowledge and perspective of the final consumer, this would need time and education (significant habit change) for those consumers. Knowing this, the penetration of the product / service will not have so much success on the market due to the consumer being not prepared to use it. To visualize this problem there could be raised the question if during the 90's decade this would have been possible to implement all the 'social Medias networks' application on a mobile phone? Of course, no, because on these times it wasn't a priority or need for consumers like nowadays, it wasn't just simply the right timing.

A perfect success rate is not possible, or even desirable, when it comes to innovation. Innovation is riskier than it needs to be of lousy social mechanisms – the gulfs between silos that separate ideas and the lack or underuse of linking mechanisms that keep people from connecting these ideas.

One gulf separates technology people, who produce and shape ideas, from the upstream marketing people who do segmentations and study consumer behaviour. A second exists between those who produce final prototypes of an innovation and the commercialization people who have to take it to the first moment of truth. Eliminating these gulfs and

creating simultaneous interactions among experts for making the right trade-offs-through a smooth functioning integrated process of innovation – reduces risks and expands the opportunity.

Many believe that innovation fails because the technological breakthroughs couldn't be made or because the product / service would be too expensive to produce and thus not affordable by the consumer. My observation is that in most cases these are not the main reasons for failure. The cause more often lies in ineffective interaction between experts, team members, and team leaders. It can be fixed through well-designed social mechanisms and effective leadership. Here are some leading reasons for innovative failure:³⁷

- Disruptive and incremental innovation projects get the wrong leaders assigned to them.
- Lack of clearly defined success criteria and/or arbitrarily passing through decisions gates without meeting criteria.
- Poor or non-existent connection of the innovation project with revenue goals.
- Not identifying/addressing the right or most important killer issues as early as possible in the innovation process.
- Bad timing (too late or too early).
- Dysfunctional team.

2.8.1. Banishing fear of the unknown

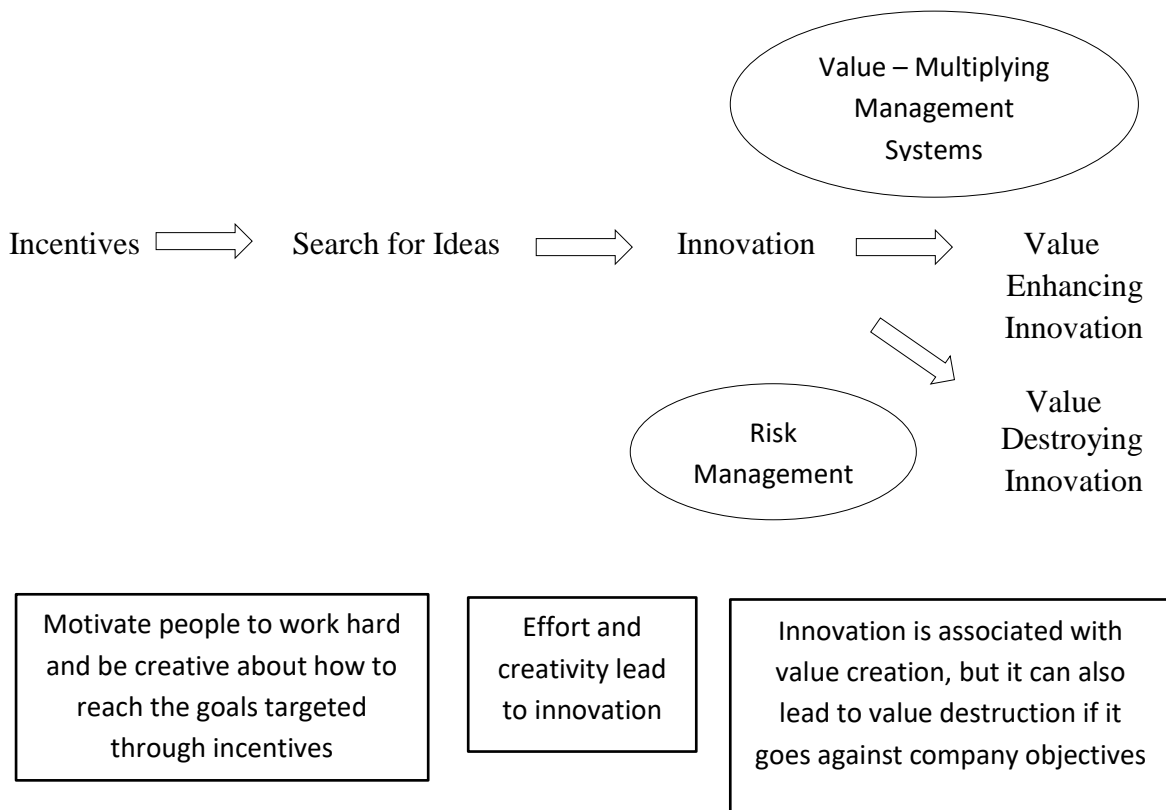
Fear and over caution can be death of innovation within organizations. Fearful of making mistakes, of blundering into cosy ventures that end in disaster, of being seen as foolish, we hold back, or wait for the right moment. Innovation by its very nature is a risk. However, according to Keegan (2015), much we plan and research and try to consider all the issues, at the end of the day we cannot know whether we will succeed or fail until our product / service is launched. As Steve Jobs put it, 'Innovation distinguishes between a leader and a follower'.

³⁷ Lafley, A. & Charan, R. (2008). *The Game-Changer: How you can drive revenue and profit growth with innovation*. New York: Crown Business, p.186.

2.8.2. Innovation as a positive and negative force

So far on this study, innovation is considered to be a positive force: Companies want more innovation because it leads to value creation, grow and sustainability. But sometimes there is a dark side: Innovation can also destroy value.

Figure 18. Innovation as a positive and negative force



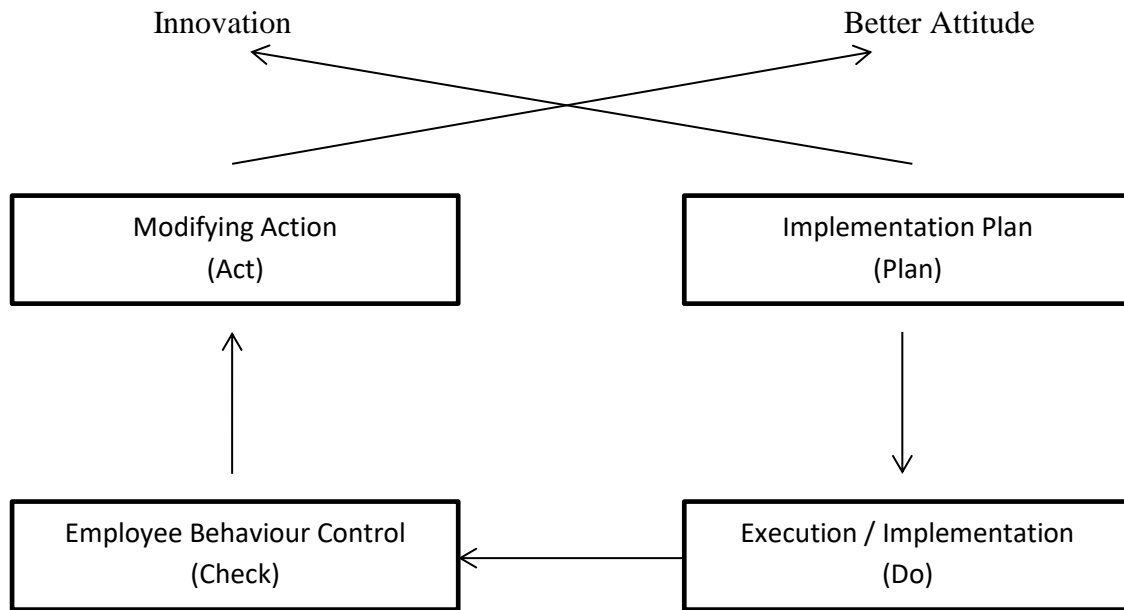
Source: Davila T., Epstein M. & Shelton R. (2013). *Making Innovation Work: How to Manage It, Measure It, and Profit from It*. New Jersey: Pearson FT Press, p. 208.

As everything in organizations that has the purpose to improve the business and bring value comes with the risk factor and the innovation isn't an exception. Sometimes it's possible to predict and calculate all the investments on it but the risk is always associated and it's necessary to be evaluated and managed. Because as we can see (in figure 18.), this innovation when it's not complemented with the vision, mission and strategic of the company could become something ruin for the continuation of the business innovative progress and growth.

2.8.3. Techniques correcting the negative attitudes of employees

With the introduction of corrective measures for the negative attitudes of the company's employees towards the implementation concepts of management, the employees should be treated as untapped potential for innovation, according to the Deming wheel.

Figure 19. The Deming wheel in relation to innovation



Source: Penc, J. (2001). *A Strategic System of Management. Holistic Thinking about the Future*. Warsaw: Placet.

In terms of overcoming opposition to innovation, the literature proposes similar techniques of changing negative behaviours into positives ones: informing and update the team, encouraging employee participation in the implementation (co-optation), psychological support, coercion (overt and hidden), manipulation. In view of the nature of projects, the most effective techniques of adjusting the attitudes of employees that worked with those who are already shaped individuals.³⁸

³⁸ Zuber, R. (2002). *Innovation and Knowledge Management: select theoretical and practical issues*, Difin, p.94.

2.9. Efficiency

The comparison of what is actually produced or performed with what can be achieved with the same consumption of resources (money, time, labour, etc.). It is an important factor in determination of productivity.

The reason why the concept of efficiency is so important is that the purpose of all organised activity is to create a value which is greater than the cost of producing and delivering that value.

A process is effective (*effectiveness*) if it achieves its intended purpose, but efficient (*efficiency*) only if it does so with a minimum expenditure of resources.

Measure efficiency with a view to improvement

Efficiency is often exceedingly difficult to measure, but that is no excuse for not trying really hard to do so. By measuring, we can answer the question: ‘How do we know that business is well run?’ Many organisations fail to measure the right things by the right units. Many of the traditional indicators – things like profit per share, return on capital, capital tied up in stocks, capacity utilisation or budget compliance – are irrelevant to processes and functions. There is nothing wrong with any of those criteria in themselves, but they are not enough to guide the processes in a company towards the goal of creating value for customers.

According to Bobinska (2012), to measure the efficiency, one has to consider both the current and the externalized labour; the elements of a work process. Furthermore, business efficiency shows the degree to which the set business goals are achieved, while the necessary resources for their fulfilment are saved up. The business is run efficiently if the achieved output is the result of economic disbursements of assets, third-party services, labour force, and if the produced goods can be sold at preset prices. The increase of efficiency is based on the sparse usage of assets and maximization of results and revenues.

2.9.1. Examples of Efficiency Stage

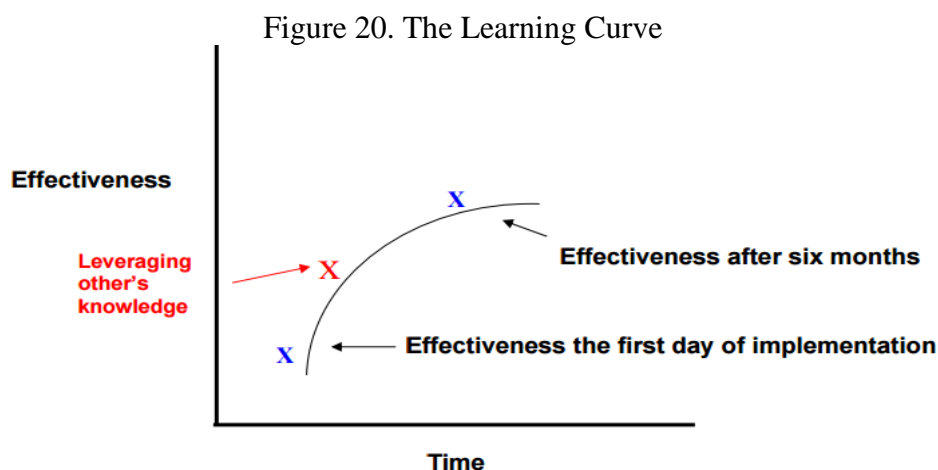
As market segments stabilize, competition shifts to efficiently create more value to customers – whether in the supply chain, design, or marketing. At this stage, efficiency becomes critical, and the winner is the company that becomes more efficient. Winning

can happen in this stage via superior learning on how to make a steady flow of incremental innovations. Toyota's early lead in the post-1970s auto market came from its ability to constantly learn how to become better at quality. No single event, but rather the intersection of various management practises, led to its success.

At this stage, as in previous ones, most of the innovation game is played around a particular theme – but surprises can occur and disrupt the focus. A new technology, a quantum leap in performance, or a new segmentation of the market may redefine the industry and move it to a new lifecycle. Airlines in Europe were competing at how to be more efficient when the low-cost carriers such as Ryanair and EasyJet entered the market with a radical proposal along the price dimension.³⁹

2.9.2. Learning Curve

There is a well-known representation in manufacturing circles called the learning curve. It explains the relationship between time (X axis) and effectiveness (Y axis). As the learning curve depicts, a team just starting a new process performs at a fairly low level of effectiveness – often even less effective than they were with their old process. Over time the team begins to improve their effectiveness as they come to understand the new process and how to make it work more efficiently. The rate of improvement of a team implementing a new process is steep at first and then slows over time as the team gains experience.⁴⁰



Source: Available at <http://www.commonknowledge.org/docs/Nancy%20Dixon%20-%20Speeding%20Up%20the%20Learning%20Curve.pdf>

³⁹ Davila T., Epstein M. & Shelton R. (2013). *Making Innovation Work: How to Manage It, Measure It, and Profit from It*. New Jersey. Pearson FT Press, p.234.

⁴⁰ Casper, S. & Waarden, F. (2005). *Innovation and Institutions*. Cheltenham: Edward Elgar Pub.

2.10. Synthesis of the literature review

Concluding all the theoretical research we come up with conclusion that nowadays more and more companies are constantly seeking innovations through the knowledge and experiences of their employees, and this is only possible with an organizational culture oriented towards the same purpose and objectives.

The most central points in this organizational culture for innovation throughout the study are:

- A defined strategic planning (developing decision guidelines);
- A leadership (through coordination, communication, efficiency, learning and alignment);
- Knowledge management (create an organizational process, which integrates management of human resources and key business processes and procedures);
- Employees with an intrapreneurship mindset (that are connected with company's values / vision, are versatile, creative and collaborative).

Innovations are one of the best ways of staying on the market and achieving success by an enterprise. Introduction of changes allows enterprises to achieve and maintain competitive edge. Innovations are considered as the most effective means of gaining and improving position on the market by a corporation. The more the innovativeness of a company, the bigger demand for information and knowledge, which means that knowledge is a basic notion connected with competitiveness and innovativeness. It is an elusive and difficult resource of an enterprise. Knowledge is an effect of human potential, and contributes to the introduction of innovations in an enterprise.

Throughout any consideration of technological innovation companies are brought face to face with a dilemma – the need to control an expensive activity while at the same time providing an environment within which individual creativity and intrapreneurial drive can flourish. Somehow these conflicting claims must be reconciled. If we are to attempt to manage this activity professionally it is necessary to derive guidelines for decision making without losing sight of the inherent uncertainties and risks associated with it.

Examination of research studies enables the identification of certain factors present in a considerable number of successful innovations and frequently absent in failures – a market orientation, relationship to corporate objectives, evaluation techniques, good

project management, creativity, an innovative environment, intrapreneurship mindset and a project champion.

The importance of technological innovation is so critical for many businesses that it cannot be left entirely to chance and a conscious effort must be made to ensure the presence of the conditions for success.

Decisions must be made. They will be better decisions if they are made with an understanding of the processes at work and within a conceptual framework.

To make the most of the opportunity and get real value from developing a strategic plan it is really important that those leading the process get inspired so as to allow innovation flourish and be the key element along with practicality in devising the strategic plan for their organization. If those charged with the development of the strategic plan are not inspirationally or innovatively inclined, then those that are or have the potential to be, they need to be involved in the process of developing the strategic plan. No one person will either develop a plan or see it implemented, so when initiating the development of strategic plan, it is vital all involved work as a team. To have a group of focused people, who will work together as a team, systematically, creatively, and yet in a disciplined way⁴¹.

The inspired and innovative people are essential building blocks of tomorrow's high-value organization. They do not bring capital or expensive machinery, nor do they blindly follow instructions and merely contribute labour. They are indispensable, the driving force of the future and need to be involved when planning the organization's future place. Those that are inspired and creative want to get involved for the simple reason that by being involved in the development of a strategic plan they are given the chance to make things better.

If part of the strategic plan is to have management attract, motivate, and retain great talent, then it will have much more leverage than the competition. Would the organization be more successful if the employees were more obedient? Or, consider for a second: would it be more successful if the employees were more connected, aware, passionate, genuine,

⁴¹ Mahnke, V., Rasner, C. & Venzin M. (2005). *The Strategic Process – A Practical Handbook for Implementation in Business*. Germany: Campus Verlag GmbH, p.37.

inspired and innovative – you can't have both. As cited by Dave Stewart & Mark Simmons⁴².

Time after time, in survey after survey, executives say that it is creativity that will drive their business in the future. An IBM study⁴³ of CEOs and senior managers highlighted the importance of innovative thinking as the world of business continues to change. Eight out of ten CEOs predicated significant change ahead; change that comes from just about anywhere.

Hugh MacLeod (2009) has a clear view of the impact and importance which is to be aligned with the company and the concept of creativity, as he says; companies that squelch creativity can no longer compete with companies that champion creativity. If you're creative, if you can think independently, if you can articulate passion, if you can override the fear of being wrong, then your company needs you know more than it ever did. And now your company can no longer afford to pretend that isn't the case, (MacLeod Hugh, 2009).

One important concept to this theme is Open Innovation, which is the use of purposive inflows and outflows (exchange) of knowledge to accelerate internal innovation, and expand the markets for external use of innovation, respectively. If once again the organization doesn't have such creative people or even if it does, it is so worthwhile to bring in outside assistance. They can offer a fresh perspective on the creative challenges the organization is trying to address. Assistance from people unencumbered by too much experience or too many rules, who don't know what's been tried and what hasn't, (Steward Dave & Simmons Mark, 2010).

James Bright said, a unique chronological process involving science, technology, economics, entrepreneurship and management is the medium that translates scientific knowledge into the physical realities that are changing society. This process of technological innovation is the heart of the basic understanding which the competent manager, the effective technologist, the sound government official, and the educated member of society should have in the world of tomorrow.

⁴² Stewart, D. & Simmons, M. (2010). *The Business Playground – Where Creativity and Commerce Collide*. UK: Pretince Hall, p.xiv.

⁴³ The enterprise of the future: Global CEO Study, conducted by IBM and The Economist Intelligence Unit, 2008.

Organizational growth through innovation is an integrated approach affecting every employee, every functional area and strategy within the organization. It relies on transformational change management. According to Kumar (2010), it is very different from implementing the firm's business strategies or executing process changes in isolation. Growth (innovation) emerges as an inevitable necessity especially under the global competition and contemporary economic conditions.

The result of activities such as acquisition of knowledge, creativity, efficiency and intrapreneurship are crucial for the innovation process on a company and to accomplish sustaining competitive advantage. It is underlined that in order to achieve these goals, the enterprises should analyse their corporate and financial structures and settle their strategies in line with the results of the analyses.

Company's innovation calls for more than superficial change. These changes can be in response to marketplace events or to address underperformance, but enterprise innovation growth is quite different from a company's turnaround in financial difficulties. It will inevitably be the single internal program that any enterprise undertakes and it is expected to disrupt the existing business model. According to Kumar (2010), these are several questions that have to be answered during development and execution of enterprise growth, such as:

- 1) What must enterprise do to innovation's growth?
- 2) What do leaders transform?
- 3) What product, market, and/or service do they need for it?
- 4) What are the vital signs that growth is underway?

For these questions, the main themes that were studied on the previous chapter are the strategic planning, the leadership through innovation and knowledge management innovation on organizations.

1) This first question it's related to Strategic Planning. It is the set of organizational processes for identifying the desired future of the business and developing decision guidelines; a plan that will help assure consistency in decision making and serve as a map to the future. Strategic plans indicate what types of decisions are appropriate or inappropriate for an organization.

Strategic planning is also the process of clarifying what an organization is about, deciding what is and is not, a priority for the use of resources and setting out a clear direction and concrete goals for the future. Strategic planning means looking at the organization as a compete entity and is concerned with its long-term development.

Innovation strategy helps companies in three ways: exciting its customers, outperforming competitors and building a new product portfolio (Bowonder et al, 2010).

2) By the research done, it's clear that leaders have an essential role on the business path. Leaders set the pace by establishing and modelling the values, beliefs, attitudes, and behaviours conducive to innovation. Leaders of innovation nurture other leaders by creating new, often very different, pathways in the organization (Lafley & Charan, 2008).

Leadership and organizational structure identifies the line of specialist, reporting and coordination, real and perceived career paths and decision-making. It plays a significant role in strategy execution. For example, if business leader's strategic drive is innovation (learning), so people should have the freedom to explore and create their own ideas.

Innovation also includes changes that business executives would like to make to run their business – business leaders can create new processes or a new business model. There are many ways to be innovative. Business leader could implement a big change, a small or gradual changes over time (Kumar, 2015).

Strategy execution has the greatest impact on success and leadership excellence is one of the most critical required elements to execute the strategy, especially when it comes to innovation environment. Therefore, generally two elements are missing in strategy execution: (1) to be engaged, people want to solve their strategy puzzles; and (2) they must be linked in a process that spells out the roles of leaders, managers, and individual contributors in executing that strategy (Haudan, 2009).

Getting employees' skills worth from innovation efforts has therefore become the hallmark of effective leadership.

With leadership excellence, the focus is on the manager, employee, and how employees contribute to long-term goals (Ruhmann, 2011).

3) This third question is related to the theme of Innovation and Knowledge Management. In the globalization era, the competitiveness of companies depends on their innovative

products and innovations in other areas. Innovation is associated directly with knowledge management.

Knowledge management enables change management. To be precise, knowledge management facilitates the introduction of organization changes, changes in technology and production. Consequently, it leads to the better usage of resources and improvement of company's effectiveness. This in turn leads to the growth of company's competitiveness (Kardas & Szewczuk, 2012), especially on the analysis and choice of the best product / service and the appropriate market for it.

The theoretical concept of a new idea is the beginning for innovation, however, a new idea is neither an invention nor innovation, but only a kind of knowledge. The process of converting an idea into a physical product is called creating an invention. Knowledge a technology is of substantial significance at this stage. The next one is its commercial use, in other words, the introduction to the market and market diffusion of a new product, service or process

There is a general miss-understanding that innovation deals with new products only, but actually it can be applied to any business area. According to Davila et al. (2006) study, large number of manufacturing and services organizations ranked the following activities in decreasing order to popularity for innovation: improved production processes, reduced materials, reduced environmental damage, replacement of product/ service, reduced energy consumption and conformance to regulation. To achieve successful goals through innovation depends greatly on the environment prevailing in the business (Khan, 1989).

4) The response to this question it's the solution to the other previous questions, all that combinations are the following steps for a company's perception that the growth is underway by the right decisions on the points explained above.

It is important to note that successful enterprise innovation growth is likely to require significant investments in skills, processes, organization and technology. Kumar (2009) says that enterprise growth initiatives may be driven by external opportunities which will force the development of strategies such as targeted market (emerging market or pursuing vertical market), value proposition (providing integrated solution), product/service offerings (changing the products and services provided).

We conclude by the literature review that a company who pursues this kind of an innovative culture need to follow these two points underneath about effective innovation.

The basics of effective innovation are (1) providing a focusing vision that guides the intrapreneurial energy of the organization; and (2) liberating the intrapreneurial to achieve that vision. Focusing and releasing the intrapreneurial spirit of even a part of a company can result in a flood of innovation.

Rapid and cost-effective innovation is the primary source of lasting competitive advantage in the twenty-first century, (Pinhot & Pellman, 1999).

2.11. Research questions

Research issues arise from the Literature Review chapter and focus on employee's innovation, intrapreneurship attitude, organization's creativity and knowledge management; these are the main points to investigate on the next practical empirical part of the study.

As we could notice in the literature review, the innovation in big corporations has a huge impact on how they follow and achieve their goals. This has a great importance to know to what extent this vision and culture passes directly to its collaborators at the level of operations, how they manage this knowledge, interact and take advantage of it and if they put it into practice.

In order to measure mentioned factors, observations and surveys will be concentrated on answering questions listed below:

Q1: How innovative is the organization's culture?

Q2: What is the impact of innovative strategies in the company? Does it lead to performance improvement followed by increased collective belief in competences, which in turn will increase the focus on innovation?

Q3: Is there an intrapreneurship environment and approach within employees to do it?

Q4: How determinant are the employees' knowledge and behaviour to achieve this innovation process?

3. Methodology

This chapter provides an account of the research design and methodological choices underlying the practical part of the thesis. The main goal is explained in detail the way by indicating phases and approach of the practical research.

It starts by discussing, demonstrating and presenting the methodology instrument of data collection and analysis (documentary analysis) and the method of study (case study).

3.1 Data Collection

The choice of method is influenced by the data collection strategy, the type of variable, the accuracy required, the collection point and the skill of the enumerator. Links between a variable, its source and practical methods for its collection can help in choosing appropriate methods. The main data collection methods are:

- Questionnaires: forms which are completed and returned by respondents. An inexpensive method that is useful where literacy rates are high and respondents are co-operative.
- Interviews: forms which are completed through an interview with the respondent. More expensive than questionnaires, but they are better for more complex questions.
- Direct observations: making direct measurements is the most accurate method for many variables, but is often expensive.
- Reporting: the main alternative to making direct measurements is to report the activities. Reporting requires literacy and co-operation, but can be backed up by a legal requirement and direct measurements.

For the purposes of this research, questionnaires / surveys were used. Some of the questions have the method of Likert Scale. This kind of approach is widely used to measure attitudes and opinions with a greater degree of nuance than a simple “yes or no” question.

Likert scales are survey questions that offer a range of answer options — from one extreme attitude to another, like “extremely likely” to “not at all likely.” Typically, it includes a moderate or neutral midpoint.

Likert scales (named after their creator, American social scientist Rensis Likert) are quite popular because they are one of the most reliable ways to measure opinions, perceptions and behaviours.

Compared to binary questions, which give only two answer options, Likert-type questions will get more granular feedback about whether the product/ service/ opinion was just “good enough” or “excellent.” They can help decide whether a recent company outing left employees feeling “very satisfied,” “somewhat dissatisfied,” or maybe just neutral.

This method will let uncover degrees of opinion that could make a real difference in understanding the feedback we’re getting. And it can also pinpoint the areas where we might want to improve the service, product, environment etc.

The format of a typical five-level Likert item, for example, could be:

1. Strongly disagree
2. Disagree
3. Neither agree nor disagree
4. Agree
5. Strongly agree⁴⁴

These questionnaires refer to forms filled in by respondents alone. Questionnaires can be handed out, by online tool or sent by mail and later collected. This method can be adopted for the entire population.

Data collection is done exclusively at the Accenture Company at offices based in Warsaw, Poland. This was due to the fact that the large growth of the company in this geographical area, as well as the potential and quantity of the samples is much larger and more diversified.

3.2 Treatment Analysis

The second stage of the methodology used has the objective of analysing and treat the collected data.

This study would adopt a case study strategy in answering the research questions by surveys. Robson (2002) asserts that the case study strategy would be useful if the aim of

⁴⁴ Trochim, W. (2006). Likert Scaling, *Research Methods Knowledge Base*, 2nd Edition. Available at: <http://www.socialresearchmethods.net/kb/scallik.php>. Retrieved June 15, 2017.

the study is to gain a rich understanding of the research perspective and the process being endorsed. Therefore, as this study aims to understand the innovation employees approach in Accenture and also any benefits associated with this possible innovation mindset, a case study would be most effective.

Table 5. Strategy Analysis

Strategy	Aim	Sample	Type of Questions	Method of Analysis
Quantitative questionnaire (surveys)	Analyse employees' perception of their company's organizational culture	100 employees of Accenture	Closed rating scale and multiple-choice questions	Most Quantitative analysis

Source: personal elaboration

The quantitative analysis of data will be performed through the application of Excel, where it's possible to connect the outcomes and demonstrate them. This procedure for the treatment in the study to be developed will be composed by tables, bar chart, pie chart and line charts, from all the surveys' results, which will give an objective idea of employees' ideas.

Thus, from this analysis we can measure the impact that the organizational culture has on the level of innovation in the company. After this analysis, a set of specific data will then be answered to research questions, since it is at this point that the most important and essential conclusions will be reached for this study and which will directly enable the achievement of the proposed objectives.

3.3 Research Method

Methodology is the philosophical framework within which the research is conducted or the foundation upon which the research is based (Brown, 2006).

The research method applied is the Case Study in Accenture. The case studies are a popular research method in business area. Case studies aim to analyse specific issues within the boundaries of a specific environment, situation or organization. According to its design and purpose, case study research method it's the best option for the aim of my work. The advantages of case study method include data collection and analysis within the context of phenomenon, integration of qualitative and quantitative data in data analysis, and the ability to capture complexities of real-life situations so that the phenomenon can be studied in greater levels of depth. It's essential to give a factual value and a straight feedback from employees' point of view, make it more valuable to compare the theory with a practical and a real scenario and context.

Due to the positivist nature of the research, this study would adopt a deductive approach (Saunders et al, 2007). This approach represents the most common view of the relationship between theory and research and results gotten from this approach are developed through logical reasoning (Bryman and Bell, 2007). The data findings would be compared against existing literature to ascertain if they concur with what has already been published in the field of innovation and intrapreneurship on Companies.

Research can be divided into two groups: exploratory and conclusive. Exploratory research, according to its name merely aims to explore specific aspects of the research area and does not aim to provide final and conclusive answers to research questions.

Conclusive research design, as the name implies, is applied to generate findings that are practically useful in reaching conclusions or decision-making.

The following table illustrates the main differences between exploratory and conclusive research in relation to important components of the dissertation.

Table 6. Major differences between exploratory and conclusive research design

Research project components	Exploratory research	Conclusive research
Research purpose	General: to generate insights about a situation	Specific: to verify insights and aid in selecting a course of action
Data needs	Vague	Clear

Data sources	Ill defined	Well defined
Data collection form	Open-ended, rough	Usually structured
Sample	Relatively small; subjectively selected to maximize generalization of insights	Relatively large; objectively selected to permit generalization of findings
Data collection	Flexible; no set procedure	Rigid; well-laid-out procedure
Data analysis	Informal; typically, non-quantitative	Formal; typically, quantitative
Recommendations	More tentative than final	More final than tentative

Source: Pride and Ferrell (2007)

Conclusive research design usually involves the application of quantitative methods of data collection and data analysis. It has to be noted that conclusive research is more likely to use statistical tests, advanced analytical techniques, and larger sample sizes, compared with exploratory studies. Conclusive research is more likely to use quantitative, rather than qualitative techniques.⁴⁵

In order to satisfy the objectives of the dissertation, a qualitative research was held. This is a descriptive research, conducted as a bibliometric study, with a quantitative approach. According to Cervo and Bervian (2002, p. 66), ‘Descriptive research observes, registers, analyses and correlates facts or phenomena (variables) without manipulating them.’ This research is classified as descriptive, because it draws an overview of the employees’ perspective in different points which address contents related to innovation and organizational culture.

Quantitative research is defined by Bryman and Bell (2005, p. 154) that ‘entailing the collection of numerical data and exhibiting the view of relationship between theory and research as deductive, a predilection for natural science approach, and as having an objectivist conception of social reality’. So, the specific form of research uses the quantitative data to analysis.

⁴⁵ Nargundkar, R. (2008). *Marketing Research: Text and Cases*, Tata McGraw-Hill Educational, p.39.

The most popular research methods from this category are closed-ended questionnaires, experiments, correlation and regression analysis methods.

Table 7. Features of Qualitative & Quantitative Research

Qualitative	Quantitative
‘All research ultimately has a qualitative grounding’ - Donald Campbell	‘There's no such thing as qualitative data. Everything is either 1 or 0’ - Fred Kerlinger
The aim is a complete, detailed description.	The aim is to classify features, count them, and construct statistical models in an attempt to explain what is observed.
Researcher may only know roughly in advance what he/she is looking for.	Researcher knows clearly in advance what he/she is looking for.
Recommended during earlier phases of research projects.	Recommended during latter phases of research projects.
The design emerges as the study unfolds.	All aspects of the study are carefully designed before data is collected.
Researcher is the data gathering instrument.	Researcher uses tools, such as questionnaires or equipment to collect numerical data.
Data is in the form of words, pictures or objects.	Data is in the form of numbers and statistics.
Subjective - individual’s interpretation of events is important., uses participant observation, in-depth interviews etc.	Objective - seeks precise measurement & analysis of target concepts, e.g., uses surveys, questionnaires etc.
Qualitative data is ‘richer’, time consuming, and less able to be generalized.	Quantitative data is more efficient, able to test hypotheses, but may miss contextual detail.
Researcher tends to become subjectively immersed in the subject matter.	Researcher tends to remain objectively separated from the subject matter.

Adapted from: Miles, M. & Huberman, A. (1994). *Qualitative Data Analysis*, Arizona State University, p.40.

Quantitative methods are mainly used in the data collection process of research. It involves data that is either in the form of, or expressed as numbers (Easterby-Smith *et al*, 2008).

The quantitative questionnaires were handed out to 100 employees. The survey was mainly designed with rating scale and multi choices questions, where respondents were asked to state their opinion or preference for a particular question on a scale of 1 – 5 by the Linkert scale. Secondary nominal data was also included in order to ascertain the respondent's status, application activity and preference. The quantitative questionnaire distributed to respondents is outlined in appendix. Quantitative questionnaires are useful as the results derived are quantifiable and measurable against other variables in an objective manner (Saunders et al, 2007).

Taking into account the concrete objectives of this study, this method allows to prove, in a practical way, through the description of the chosen event that the organizational culture, the intrapreneurship are essences to reach the innovation, being this, a great ally for the organizations to obtain their success, trying to make this example challenging for all other organizations.

3.4 Limitations of the study

Definition: The limitations of the study are those characteristics of design or methodology that impacted or influenced the interpretation of the findings from the research. They are the constraints on generalizability, applications to practice, and/or utility of findings that are the result of the ways in which it initially chose to design the study and/or the method used to establish internal and external validity.⁴⁶

The choice for a Case Study has advantages and compensations on the outcomes but Case Studies also do have certain disadvantages that may include lack of rigor, challenges associated with data analysis and very little basis for generalizations of findings and conclusions.

⁴⁶ James, P. & Murnan, J. (2004). Research Limitations and the Necessity of Reporting Them. *American Journal of Health Education* 35, 66-67.

Limitations of the researcher: Access - this study depends on having access to people, organization and documents. The access is very limited in some way, specially to reveal some information that could be relevant to understand the departments, specific roles and clients that the collaborators are working for. Those kinds of details cannot be expose due the fact of strictly confidentiality policies of the company and employees' contracts. The core business as providing outsourcing services and most clients, especially big companies, prefer to keep that anonymous partnership.

Also, I would like to do more specific questions with the leaders by interviewing them about the Company's Strategy Planning and how that could influence the innovation process through the employee's mindset and daily basics activities. Those points could give me more acknowledge on a theory and practical case but it wasn't possible to make this appointment for the same reasons already mentioned above.

All that acknowledgement of a study's limitations also provided me with an opportunity to demonstrate that I have thought critically about the research problem, understood the relevant literature published about it, and correctly assessed the methods chosen for studying the problem. A key objective of the research process is not only discovering new knowledge but also to confront assumptions and explore what we don't know.

4. Characterization of Accenture Operations in Warsaw

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions – underpinned by the world’s largest delivery network – Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With approximately 425,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives.⁴⁷

A Fortune Global 500 company, it has been incorporated in Dublin, Ireland, since 1 September 2009. In 2017, the company reported net revenues of \$34.9 billion. On August 29, 2017, Apple Inc. announced a partnership with Accenture to create iOS business solutions. Accenture's current clients include 94 of the Fortune Global 100 and more than three-quarters of the Fortune Global 500.⁴⁸

Accenture Operations is one of Accenture key capabilities dedicated to work on outsourcing engagements. These are long-term partnerships with clients, which it offers a vast range of Business Services to enable high performance and provide increasingly specialized business operations. These include function-specific services such as procurement, supply chain, IT, applications development and maintenance, HR, project management, social media monitoring and finance and accounting, as well as services geared to the needs of specific industries such as utilities, insurance and health care.

Accenture Operations' delivery capabilities, supported by its unparalleled Global Delivery Network located across 50+ centres worldwide, including 7 Delivery Centres in Central Europe. Given its comprehensive business operations experience across all key industry sectors and business processes, Accenture Operations provides the opportunity

⁴⁷ *Accenture Reports Strong Fourth-Quarter and Full-Year Fiscal 2017 Results*, available at: <https://newsroom.accenture.com/news/accenture-reports-strong-fourth-quarter-and-full-year-fiscal-2017-results.tekdownload>. Retrieved September 28, 2017.

⁴⁸ Available at <https://en.wikipedia.org/wiki/Accenture>, Retrieved August 3, 2017.

to develop market-leading skills and insights in virtually every industry and business process.

Accenture Operations in Warsaw supports leading organizations in transforming their existing business operations model. It not only maintains key business functions for clients, it constantly seeks to improve them to help their clients move ahead of the competition.

Operations that embody innovation and operational excellence are vital to enhancing long-term profitability. By combining pioneering solutions with practical know-how, Accenture helps clients align underlying process and operating models to support business strategies, link the supply chain to the end-to-end value chain, and create flexible operations that enable rapid response to changing customer demands and market opportunities.

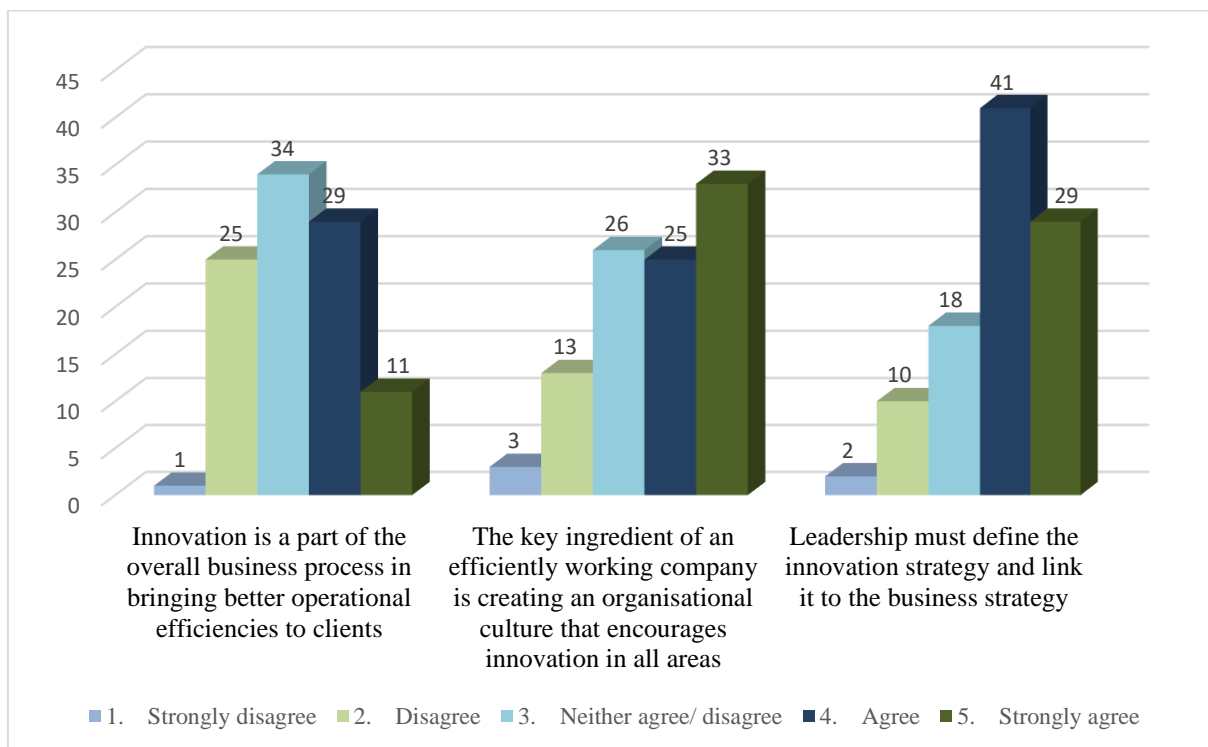
Accenture delivers a unique combination of functional depth; industry knowledge; technology skills such as data mining, risk analytics and systems integration; and business transformation experience. Each of these strengths is vital to helping companies enhance risk-focused decision making; model and analyse business information; develop early warning solutions that can detect emerging threats and opportunities; embed risk management capabilities across the organization; and help organizations transform risk management into a growth-enabling capability and a source of sustainable competitive advantage.⁴⁹

⁴⁹ Available at: <https://www.accenture.com/pl-pl/Careers/openjobpositions>, Retrieved July 28, 2017.

5. Questions & Results Analysis

The discussion of the results obtained during the case study development, ‘Innovative Approach at Accenture’, will take place in this chapter. The data obtained will be confronted with the propositions previously published, and supported by the literature, with the purpose to understand the collaborators’ opinion and their perception.

1. Which extent do you agree with the following statement?



For the first statement, we can notice that answers are very diversified. Some of them are very equal on the outcomes, particularly the option of ‘disagree’, ‘neither agree / disagree’ and ‘agree’. These options completed a sum of 88%, giving the idea that isn’t a consensual question. If we analyse by the average of the answers, we can assume that to some extent innovation is present but doesn’t have a priority role on the operational processes, due to the fact that most of those procedures are already defined from the clients’ side.

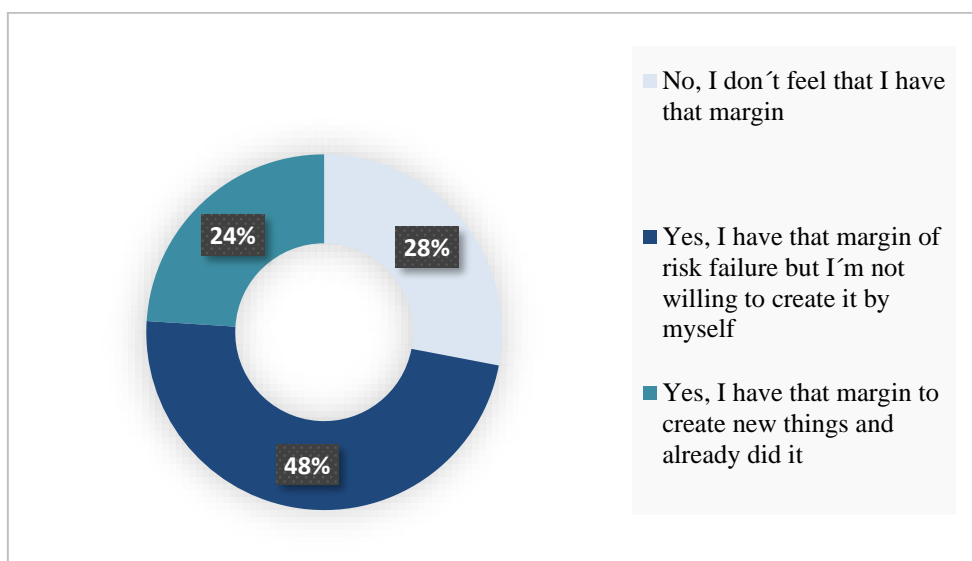
In the second declaration, the option with higher percentage (33%) was ‘strongly agree’, which gives the idea that having an organizational culture that encourages innovation in all areas its essential for efficiently working from employees’ perspective.

It’s evident that this kind of perceptions have a good potential to put them into practise. By consulting the literature, it’s noticeable, we can see the role of positive organizational culture, climate and behaviours is particularly important for the processes of managing organizational knowledge (Glinska-Newes, 2007, pp. 85-122).

In the third question, it was shown by the graph how visible is the influence of Leadership on the innovation and business strategy for the employees. Most of them agreed with this kind of approach and responsibility from their leaders, having a combined 70% of answers with ‘agree’ and ‘strongly agree’ option.

This Leadership related to strategy it is the set of organizational processes for identifying the desired future of the organization and developing decision guidelines. Thus, strategy may also be viewed as a set of guidelines or a plan that will help assure consistency in decision making and serve as a map to the future.

2. Do you feel that you have the margin ‘to take a risk failure’ and be willing to experiment / create new things for the purpose of bringing something different?



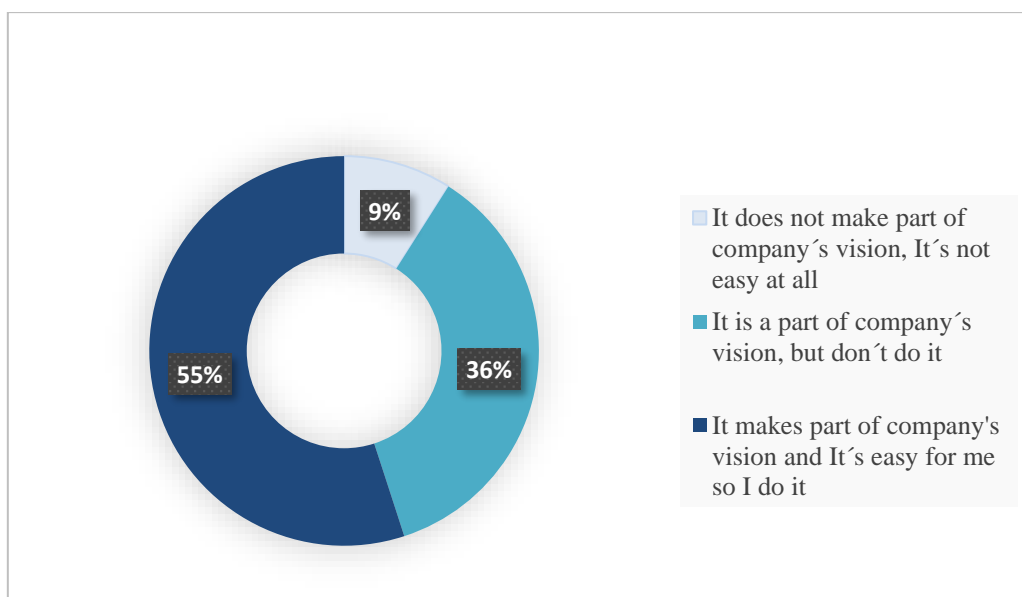
By the literature review we can assume that nowadays the existence of over-control in big organizations is very common, which creates the effect of discouraging and novel thinking, particularly for this kind of profile's company like Accenture, where the outsourcing is the main role and service delivered to the clients. It's common by these companies that employees are prone to become locked into tunnel vision and continue on the same trajectory on their daily routines.

To recapture the enthusiasm and creativity, employees need to be willing to experiment, and to risk failure.

By these answers we can determine that it's not such a big effort for an employee to have the initiative to create something new within the context and environment of his/ her role. The majority of people decided to answer that they can bring something new (within the rules) but out of 72% of this group, just on third (24%) is capable to actually produce and create that value.

So, the margin for risk failure is optimistic, recognizing that there is a risk that some projects will fail, makes part of an innovation and its dynamic capabilities. Business executives give this margin with the purpose to create the potential for competitive advantage; but then, there is not a great continuation of the process of creation, assuming by the results that were shown.

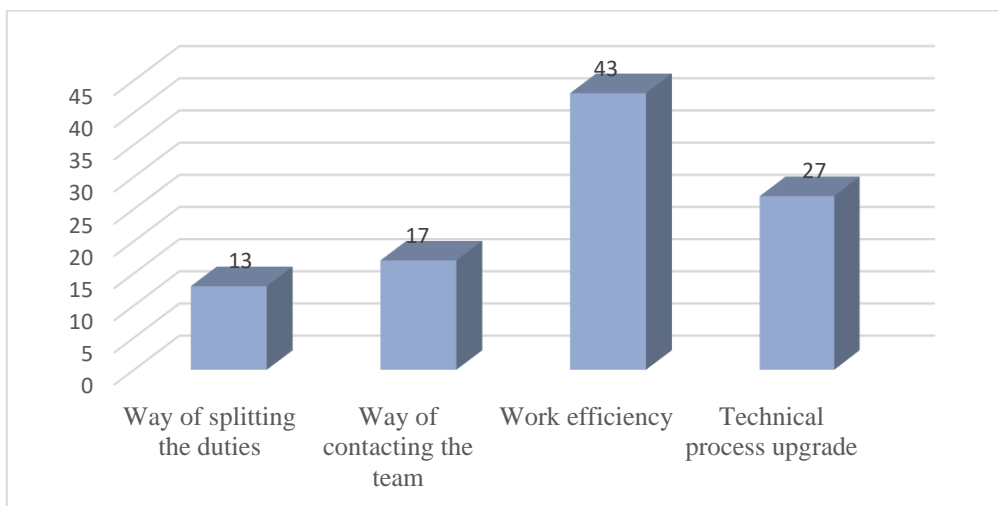
3. How easy is it for you to create, develop and launch your own ideas?



The approach of creating ideas is something that exists and the majority of collaborators (91%) said that it's a part of company's vision. This is an encouraging culture that Accenture has on its strategy, the rule to create, develop and launch a certain number of ideas per fiscal year. That role is especially relevant for incremental innovation, when following a defined set of stages and decision points accelerates time-to-market and increases the return on resources invested. The process of doing it generates more engagement between employees and their leaders and projects which makes great ideas from concept to commercialization (services) with speed and minimum use of procedures and resources.

Only a minority (less than 10%), consider that it's not easy to create, develop and launch their own ideas. This could be due to several factors as: lack of motivation, inability to understand the context of the role, absence of creativity and apathy for thinking differently.

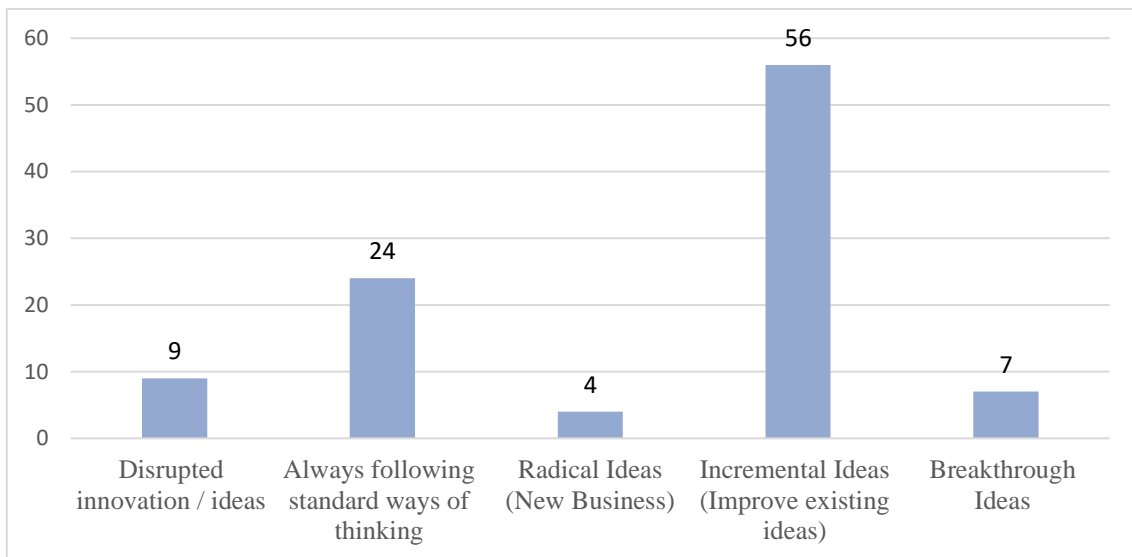
4. Which of the following do you see as your primary role in driving innovation within your organization?



The primary role in driving innovation by the collaborators' opinion is work efficiency. The continuous improvement of this subject is core for the theory perspective of having an innovation within the organization.

The importance of Efficiency is that the purpose of all organised activity is to create a value which is greater than the cost of producing and delivering that value, that's why makes part of the employees' mindset, to have this approach for searching and achieving good levels of efficiency to make their work easier, faster and better. This is a perfect scenario to both sides (company and employee) where there's a feeling of win-win situation.

5. Which approaches to pursuing and implementing new ideas in your company do you identify with?



The answer with the higher percentage was the Incremental Ideas where collaborators are mostly used to implement new ideas by improving existing models, structures, projects, or plans. It's an innovation that always firmly embraces the existing technologies and business model and leads to small improvements to existence of those products and business processes.

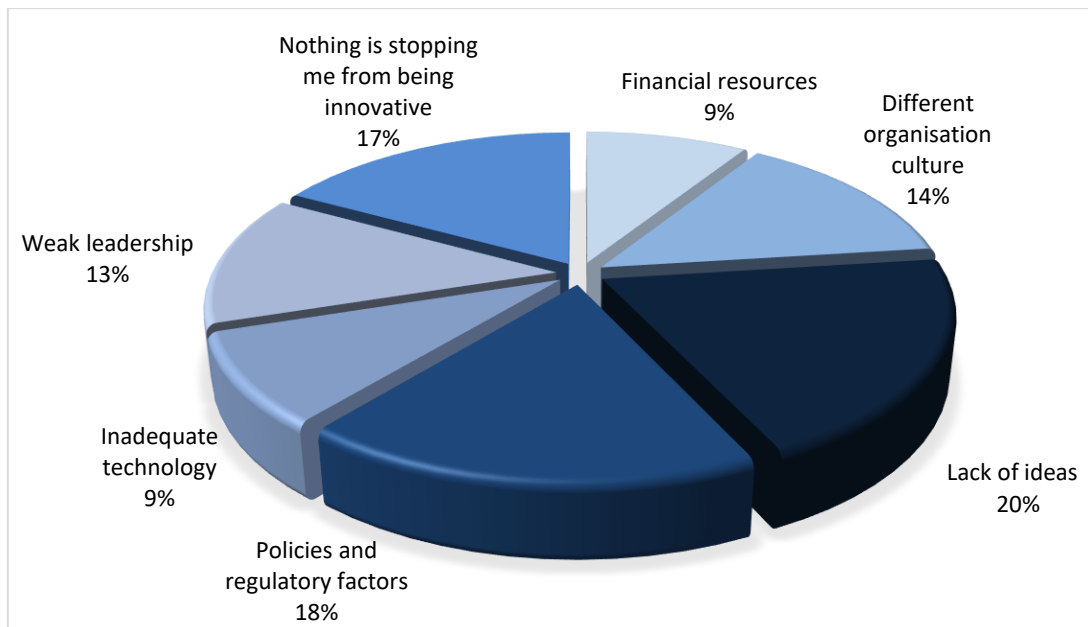
This kind of approaches of incremental innovations or changes to the product, allow growth to continue the processes, there's a space to continuous improving on it.

Towards the end of its life cycle growth slows down and may even begin to decline. In the later stages, no amount of new investments in that product/ service will yield a normal rate of return (it always depends of what kind of implementation is it? If it's a software

upgrade, a tool to improve communication between departments, a share file to update live information, etc).

On the other hand, Radical innovation is the one that has lower followers. This could be caused by the fact that potential it's much more complex to created and it's something that needs an approval from managers following all the internal policies. Because this innovation includes changes to leverage both: the technology and/ or business model, it's something that doesn't happen so often and normally starts from the top managers.

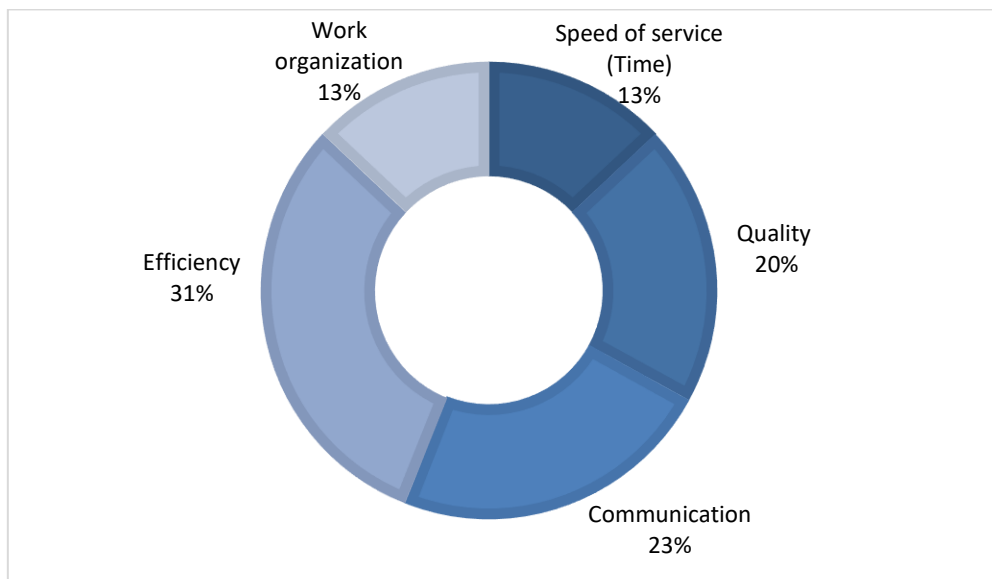
6. Which of the following constraints is stopping you from being more innovative?



There is no clear factor that stands out from others in this question. The two options that obtained majority of answers are ‘Lack of ideas’ and ‘Policies and regulatory factors’. The first one could be described by those employees that are just fine by achieving the role’s metrics and are not prepared / able to try something more with their skills, resources and are consumed by their routines from daily basics routines. The other factor about ‘policies and regulatory factors’ is somehow inhibitor for those who try do to more but it’s something beyond what the company is looking for, particularly for departments of services and operations.

A positive factor is the percentage of those who feel that there is nothing which could stop them from being more innovative (17%), so this group represents the collaborators who are completely good and satisfied with company's context and their own way to bring value and novelty.

7. In which point innovation can bring more value for your services/products (daily basis activities)?



Efficiency is one of the main priorities in Accenture, the concept of having the maximum speed and minimum use of resources is clear. There's a spirit of constant search for it. Actually, it's easy understandable by the graph above that the most significant point to improve and bring more value for the services/ products (daily basis activities) is through efficiency, with 31% of answers going to this.

The real challenge, however, is to go beyond increase of efficiency in production and knowledge transfer and deal with qualitative change (Saviotti, 1996) and discovery of novelty.

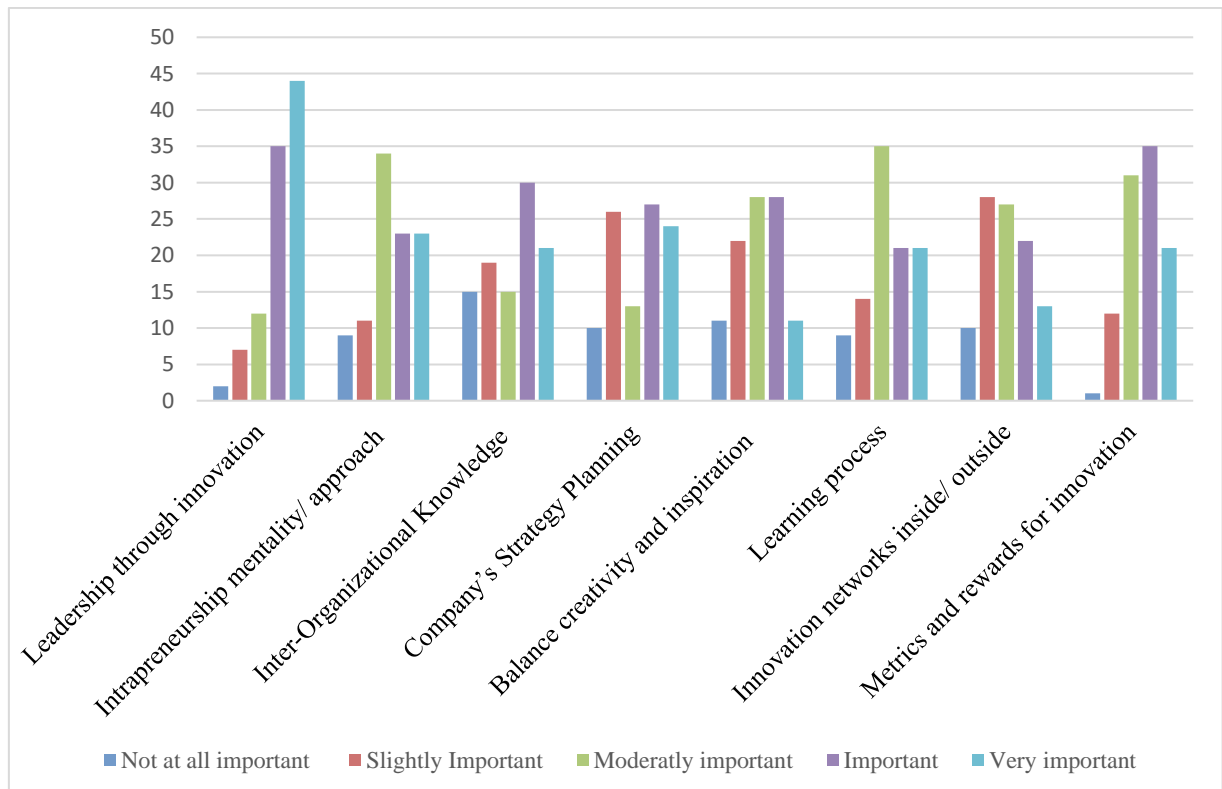
Another important fact that brings more value for the normal way of daily basic activities is the communication. There are 23% of employees who chose this answer. In order to achieve the best coordination between managers, team leaders and team, with minimum

effort, it's essential to have a good communication, that is mainly obtained by interactive tools, emails and virtual messages.

It's essential to have an innovation team demands specialized knowledge from other parts of the organization, for that is required those systems that facilitate timely access to it. Systems are critical to create the strategic flexibility required to combine execution of the current strategy and designing long-term value (Burgelman & Yves, 2001).

At Accenture, there are several projects and departments that must be in contact with outside constituents, those could be clients, partners or colleagues who are located on other centres around the world. For these reasons, a well-organized communication is the key for the business wellness, that's why is so important to create and bring value to the appropriate innovation systems lines of communication. There are plenty of ways and tools to make this communication work, (sometimes it's difficult to aggregate all that info and communication) so at Accenture is always a topic to be tested and implementing in the way to organise the communication to maximum of two or three different channels, that's why this is the second most relevant point from employees' perspective.

8. Which of these factors do you consider the most important for creating a pro-innovation environment in your company?



By this graph we can see how vital is having a leadership that follows a pro-innovation environment. That's the most imperative answer from all possible options. This outcome proves the importance of a properly leadership guidance to achieve a pro-innovation culture.

The leadership excellence is one of the most critical required elements to execute the strategy, especially when it comes to innovation environment. With leadership excellence, the focus is on the manager, employee, and how employees contribute to long-term goals (Ruhmann, 2011). In order for it to happen, it's required to put emphasis on an Inter-Organizational Knowledge and a Strategy Planning.

Due to these reasons, the last two options had a very positive feedback by having more than 50% of answers with the option of 'important' and 'very important'.

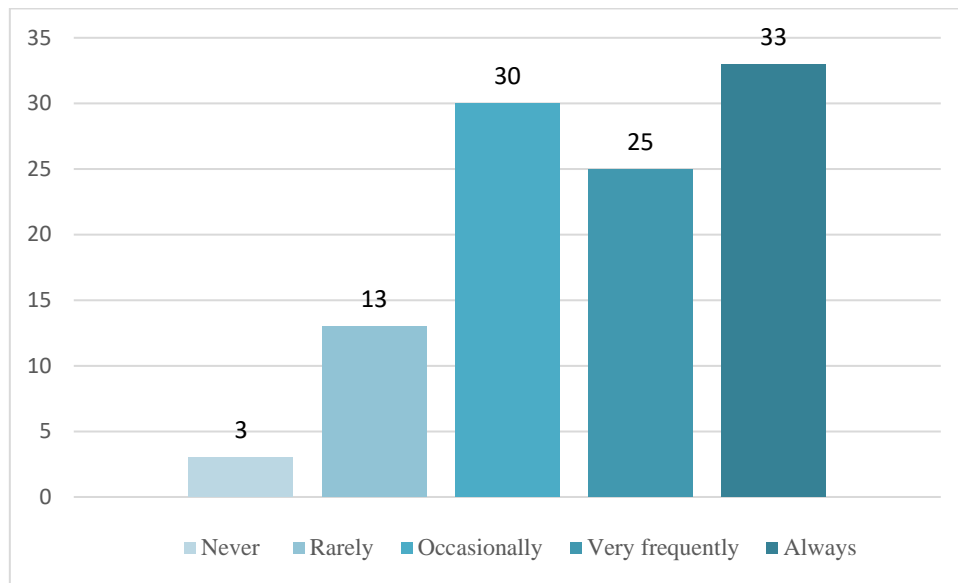
These are the internal elements necessary for the innovation spiral to work: leadership mindset and culture, people and skills, technology, infrastructure, organization and governance, risk management, measurement and KPIs (key performance indicators) and funding.

Organization leaders must be innovative and ready to take risks to achieve competitive advantage. A leadership policy is completed through coordination, communication, efficiency, learning and alignment.

As (Kumar, 2015) said, business leader could implement a big change, a small or gradual changes over time.

Another point to retained on this question is about 'Creation of metrics and rewards for innovation'. Most of collaborators advocate that opinion as something important to maintain high levels of motivation to pursuit new tracks on the way to achieve solutions for work daily issues. Those rewards could be understood as an extra stimulus.

9. How often do you obtain /generate new knowledge from or to your team?



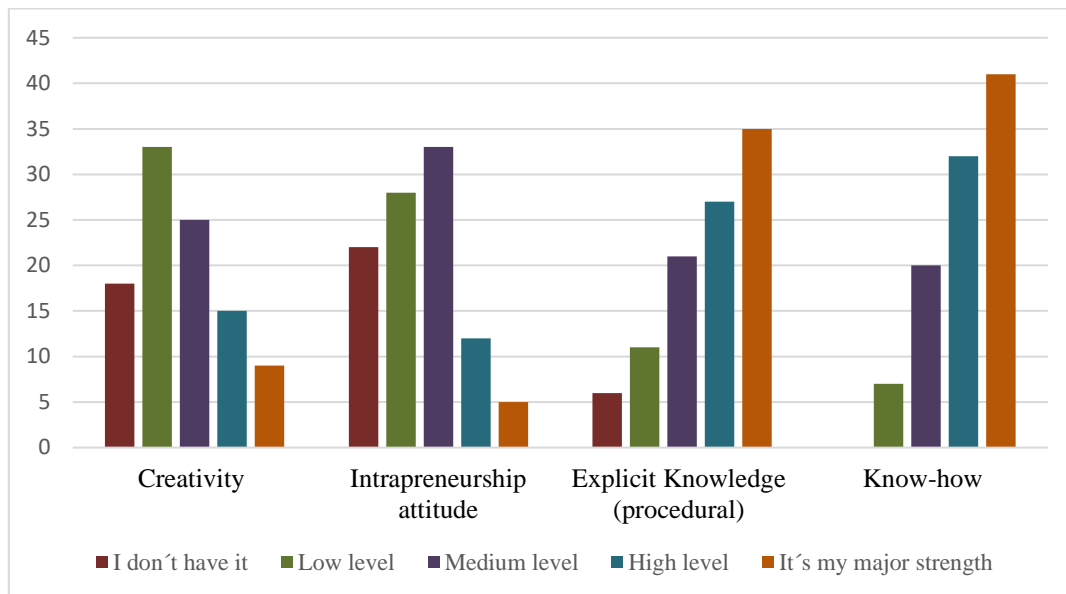
The key feature of Operations and Service Centre is that the knowledge that is generated and shared is essential for all roles and routines. This is especially crucial when it comes to cultivating new experiences that can bring value to the project and people. There's a large percentage of collaborators who feel that reality of obtain or generate new knowledge on their daily basics.

Knowledge sharing is an activity through which knowledge (namely, information, skills, or expertise) is exchanged among people, employees or organizations⁵⁰.

Knowledge sharing depends on the habit and willingness of the knowledge worker to seek out and/or be receptive to these knowledge sources. The right culture, incentives, and so on must therefore be present. The sharing of knowledge constitutes a major challenge in the field of knowledge management because some employees tend to resist sharing their knowledge with the rest of the organization.

⁵⁰ Available at: https://en.wikipedia.org/wiki/Knowledge_sharing, Retrieved September 1, 2017.

10. How would you estimate the level of your main innovation skills?



For this question, it's perceptible that Explicit Knowledge and Know-how are the main innovative skills and advantages from collaborators, most of them consider these skills as their major strength.

Explicit knowledge is mostly stored in a mechanical or technological way in different media. It is also shared formally in the form of manuals and specifications. Explicit knowledge can be expressed in numbers or words. For example, explicit knowledge at Accenture can be found in databases, videos and mostly in computer files (excel, pdf, clients' tools and docs) for dissemination.

This Explicit knowledge could be defined on a practical way as objective, with a rationally mode, has a sequential information / data and it's focused on digital knowledge where theory takes the main concept of it. These collaborators are used to follow certain guidelines and policies that are written and are delivered by trainings, team meetings or reunions.

Explicit knowledge is characterised by clear clarification and systematisation, and is presented in a formal way, that's exactly what happen at Accenture.

Both skills between Explicit knowledge and Know How are combined and that interaction could be potential described as the process of “systematizing concepts into a knowledge system” as is pronounced by (Nonaka and Takeuchi, 1995, p. 67).

On the other side, Creativity and Intrapreneurship attitude aren't so strong skills, specially Creativity has the major answer as a 'low level' of skill. Seems that majority of collaborators prefer to prioritize the Knowledge and Know-how than the Creativity, while Intrapreneurship is slightly better with the major option of 'medium level'.

Brene Brown (2013) describes individual creativity as the combination of one's personal experiences, knowledge of other's experiences and other factors such as education; the combined outcome gives each person a quite unique perspective.

Innovative work behaviour thus differs from concepts like employee creativity as it not only focuses on the generation of ideas, but also includes behaviour related to problem recognition, idea championing and idea implementation (de Jong & Den Hartog, 2010). Academic research finds that differences in individual creativity and intelligence matter far less for innovation than connections and networks—for example, networked employees can realize their innovations and make them catch on more quickly.⁵¹ Since new ideas seem to spur more new ideas, networks generate a cycle of innovation. Furthermore, effective networks allow people with different kinds of knowledge and ways of tackling problems to cross-fertilize ideas.

Intrapreneurial Attitude was assessed with 'medium level' among Accenture employees. It means that there exists an approach that turns ideas into realities inside the organization. The intrapreneur may or may not be the person who first comes up with an idea and it takes a widely shared belief in innovation and a sincere determination to keep this attitude alive.

⁵¹ Fleming & Mars. (2006). *Managing Creativity in Small Worlds*. California Management Review, 48, Number 4, pp. 6-48.

6. Answer to Research Questions

After all data from surveys were collected, analysed and additionally some observations were made in different departments of Accenture, it's time to be focused on answering the research questions.

Q1: How innovative is the organization's culture?

This research shows some optimistic conclusions for this question. There are indications that display the responsibilities that collaborators should have to achieve some metrics with the purpose to bring novelty to their processes, activities and projects. Even if it's something that could save two minutes per day, that could be accepted and developed to be launched on daily basics.

The innovative organization's culture at Accenture exists and it's positive, on a level that employees can create and build their own ideas (until some point) with a limited period of time, because it's essential but it's not on the first priority of their contract, core business and roles.

The fact of being a research on an Operations/ Service Centre, exhibit some limitations to create some ideas for the reason of the restricted policies that could come from the clients and also from Accenture.

So, for these reasons, I consider that the organization's culture should have more flexibility and adjust better those internal and external policies. E.g. Implement Team Huddles (at least once per week) exclusively to discuss innovation with the purpose of giving to the employees the opportunity to share and discuss new ideas for improving even more the efficiency of their processes / methods on their daily basis activities.

Q2: What is the impact of innovative strategies in the company? Does it lead to performance improvement followed by increased collective belief in competences, which in turn will increase the focus on innovation?

Some of the innovative strategies are dependent on the leaders and the way that they want to follow that innovative approach. Leadership has a crucial role on this point, it could turn a dysfunctional workplace into an organised environment through innovation methodology but also, other way around (poor leadership could destroy an innovative spirit).

Leaders should think about two types of metrics: the financial (such as the percentage of total revenue from new services / products) and the behavioural. Which metrics, for example, would have the greatest effect on how people work? Those metrics come from efficiency at daily basis activities. It's the category that can bring more value for the services/products by Accenture employees' vision.

For sure the innovation strategies and ideas have the goal of achieving a higher performance in all services. Those improvements are dependent of all employees' knowledge and how-how, by these competences it's possible to increase step by step the focus on innovation.

Q3: Is there an intrapreneurship environment and approach within employees to do it?

Yes, there is an important rule of creation, developing and launching at least two new ideas per fiscal year (this is applicable for all employees). Majority of collaborators can accomplish this metric; they have interest, ambition and motivation about innovation. On the other hand, there is a minority of employees (less than 10%) who feel uncomfortable about any topic related to change.

Q4: How determinant are the employees' knowledge and behaviour to achieve this innovation process?

Knowledge and innovation are inseparable from each other. Knowledge producers and users endeavour to leverage the ideas, technologies, know-how and expertise on which their competitiveness depends.

From survey's questions, we can conclude that knowledge and know-how are the main skills of majority of employees, this is a strong contribute for the innovation process.

The generation of new knowledge involves fundamental uncertainty. It takes beyond what we know.

For innovation to occur, knowledge is best created and transferred in an organisational culture which encourages collaboration and facilitates learning networks, e.g. through communities of practice, use of experts and shared activities.

It's something that happens quite often within Accenture employees: the generation and achievement of new knowledge. It's essential to have an environment of Knowledge Sharing, which facilitates the flow and accomplish of new knowledge by both making use of what is already known and being open and able to absorb new ideas and technologies.

7. Conclusion

In this chapter, the main conclusions of the study are presented. It also refers to the future work that can be developed in the continuation of this dissertation, as well as suggestions of new studies.

Organizing for innovation continues to be a challenge for many companies. Crafting a strategy or building innovation processes is not enough; it needs to build and embed innovation into the overall organization. Successful innovation requires choosing, building, and preparing the right organization and the right people for executing and scaling the innovation.⁵²

As innovation is a central concern for organizations, managers are faced with the challenge of mobilizing the innovative potential of all sorts of employees. As these employees have a capital of tacit knowledge about the production process, product or service and the work organization, mobilizing this knowledge can result in workplace innovations with high returns on investments (Getz & Robinson, 2003). Organization's managers therefore face the challenge of creating a work environment in which employees can develop and exploit their innovate potential. According to a meta-analysis (Hammond et al., 2011), job characteristics are of central importance for employee innovativeness.

An innovative culture can result in positive organizational outcomes, it's an organization that flexibly responds to new environments. Lorenz & Valeyre (2005) characterized an innovative model through 'High Performance Work Systems' as an organization with high levels of employee autonomy, task complexity, learning and problem-solving. Assumably, such 'learning type' organizations stimulate and enable their employees to be innovative and flexible. These models try to find the link between job design and employee outcomes⁵³. Yet, this individual level literature on the relation between job design and employee innovativeness is nevertheless imperfect. The complexity of the

⁵² Davila, T., Epstein, M. & Shelton, R. (2013). *Making Innovation Work: How to Manage It, Measure It, and Profit from It*. New Jersey: Pearson FT Press, p.87.

⁵³ Ujwary-Gil, A. (2012). Contemporary Innovation and Entrepreneurship Concepts. *Journal of Entrepreneurship, Management and Innovation (JEMI)*, 8, Issue 4, 2012:5-20.

relation between job characteristics and employees' outcomes is rarely taken fully into account in Corporations. Yet, the company reality is that jobs are rarely designed in the same way for all kinds of employees, depending on their place in the company and their employment status, organization strategies are designed accordingly.

At Accenture, it's clear that innovation is current and is a way of work. There's a top quality technology which allows collaborators to work with the new software, programmes and applications. On another hand seems that continuous search for new ideas (radical innovation) from employees and company's vision is not so visible. It's preferred to develop what is already exists (incremental innovation), with the purpose to deliver the best service with the greatest efficiency to its clients.

It's more valuable for collaborators to have the knowledge and know-how of their daily basis processes and work routines than the truly mindset of being constantly intrapreneur and always search for something new. This could be explained by the fact of the leadership priorities of operations and services departments, where generally, those novelties are seen as secondary for the currents projects and another factor is the lack of time to develop it.

It's essential to have a balance in Corporations between their Organization Culture, Strategy and Intrapreneurship, the alignment of all these factors are determinant for the innovation success. As Collins (2016) refers, Strategy without entrepreneurship is central planning. Entrepreneurship without strategy leads to chaos.

Another determining factor is the Autonomy concept. It was confirmed by various studies that found positive relations between autonomy and innovative work behaviour (Slatten & Mehmetoglu, 2011) and creativity (Unsworth, Wall, & Carter, 2005).

Due to the implemented guidelines, metrics and policies that come from Accenture and its clients, it becomes difficult to have a kind of approach of having autonomy. It's caused by the fact that everything is already very explicit in the way of the processes and best practises to achieve the results. Already existing procedures are a kind of rules that should be followed as the best practises.

Innovation is more than creativity. It is the creation and bringing into widespread use of a new product, service, process, or system – from the first glimmer of an idea to successful implementation and exploitation. The result of activities such as acquisition of knowledge, creativity, efficiency and intrapreneurship are crucial for the innovation process on a company and to accomplish sustaining competitive advantage.

According to Vijay Anand, senior vice president at Intuit, it's not a lack of desire that blocks companies from supporting entrepreneurship; it's just the way they are wired. Conforming to Anand, "Large organizations are necessarily focused on running the business and managing for continuity. That's not always a bad thing, but it seldom leaves much space for new ways of working."⁵⁴

⁵⁴ Available at: <https://hbr.org/2016/04/how-intuit-built-a-better-support-system-for-intrapreneurs>, Retrieved June 1, 2017.

7.1 Recommendations to implement at Accenture

After all the literature research and empirical study, below there are some recommendations to increase the innovation culture and intrapreneurship:

- Create a ‘Developer Group’ where ideas come to reality (generates a list of problems, ideas, problems, solutions and technologies that might be worth investing in), by weekly meeting (time to innovate) for the employees who are willing to do it. Separate this group into several teams, by different kind of interest like one just for programming and apps, another for incremental innovation, other for radical ones. Try to challenge to a level where these outcomes could pass to other projects / departments in Accenture and stimulating to awarding the greatest’s novelties for an internal competition per fiscal year.

- Implement clear incentive policies that offer appropriate rewards for idea generation, not just successful implementation.

Many companies now are rewarding employees for failures that leads to learning: both Google’s lab X and at WPP’s Grey Group in New York incentivize failures that provide insight. This ethos resonates with Zias, who says, “I don’t think of it as failing. It’s more like you’ve quickly disproven your own hypothesis — which is awesome.”⁵⁵

- Give more management support to employees. Managers have to lead the charge and recognize when an idea generated on “developer group” can be powerful at driving toward the teams’ goal – and allow employees to allocate more time toward the new idea, prioritized and recruit others across the company to help. On another way around it will be very important to identify in an early stage, when an idea doesn’t have any potential, basically, kill that idea before the development process starts.

- Sharing stories of how employees are continuing to use their ‘time to innovate’ to make progress toward the company’s goals will create momentum. Soon everyone will want to join and be doing the same.

The sum of all this spirit and innovation, it will drive to generate returns for employees’ competences and for Accenture business.

⁵⁵ Available at: hbr.org/2016/04/how-intuit-built-a-better-support-system-for-intrapreneurs, Retrieved June 1, 2017.

7.2. Suggestions for future research

For future research and dissertations, I suggest that this study created a basis (starting point) to develop further investigations on Global Companies located in Portugal or around the world. The drive / objective would be to identify the innovation's way and approach of those organizations, with a specific emphasis on their collaborators and the intrapreneurship concept and also attempt to comprehend what are the conditions about meritocratic rewards attributed to intrapreneurs. The same studies could be executed in small and medium sized companies and comprehend which of these category companies have more efforts to stimulate intrapreneurship, why that is possible to happen with ones and not with others.

On a medium term, the collection of those case studies could be taken and studied on entrepreneurship classrooms where practical approaches could help better the students to realize, study and understand some environments, contexts, visions, missions and strategies from those several Corporations.

It could be also a good suggestion to perform a similar study at Accenture in Lisbon, where the core business is much more focused on Strategy and Consulting instead of Services and Operations. That project has the potential to figure out the possible variances between different offices, locations, operational areas, environments and contexts. The purpose is understanding the changes on employees' mindset, behaviour, vision, and way of thinking with the focus on innovation and intrapreneurship.

Another suggestion for our Lisbon Accounting and Business School (ISCAL) is a creation of an entrepreneurship office, a specific space where all the students from bachelor, master and PhD will have the opportunity to expose their ideas / projects with the purpose of sharing, develop and possibly launch it. Essentially, promoting the discussion of entrepreneurship practices in ISCAL, adding the data from management and entrepreneurship dissertations.

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Appendix

1. Rate on a scale from 1 (min) to 5 (max) to which extent do you agree with the following statement:

	1	2	3	4	5
Innovation is a part of the overall business process in bringing better operational efficiencies to our clients	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The key ingredient of an efficiently working company is creating an organisational culture that encourages innovation in all areas	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Leadership must define the innovation strategy and link it to the business strategy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

2. Do you feel that you have the margin 'to take a risk failure' and be willing to experiment / create new things for the purpose of bringing something different?

- No, I don't feel that I have that margin
- Yes, I have that margin of risk failure but I'm not willing to create it by myself
- Yes, I have that margin to create new things and already did it

3. How easy is it for you to create, develop and launch your own ideas?

- It does not make part of company's vision, It's not easy at all
- It is a part of company's vision, but don't do it
- It makes part of company's vision and It's easy for me so I do it

4. Which of the following do you see as your primary role in driving innovation within your organisation?

- Way of splitting the duties
- Way of contacting the team
- Work efficiency
- Technical process upgrade
- Others

5. Which approaches to pursuing and implementing new ideas in your company do you identify with?

- Disrupted innovation / ideas (think out of the box)
- Always following standard ways of thinking
- Radical Ideas (New Business)
- Incremental Ideas (Improve existing ideas)
- Breakthrough Ideas

6. Which of the following constraints is stopping you from being more innovative?

- Financial resources
- Different organisation culture
- Lack of ideas
- Policies and regulatory factors
- Inadequate technology
- Weak governance/leadership
- Nothing is stopping me from being innovative

7. In which point innovation can bring more value for your services/products (daily basis activities)?

- Speed of service (Time)
- Quality
- Communication
- Efficiency
- Work organization

8. Which of these factors do you consider the most important for creating a pro-innovation environment in your company?

	Not important	Neither important nor unimportant	Important	Very Important
Leadership through innovation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Intrapreneurship mentality and approach	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Inter-Organizational Knowledge	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Company's Strategy Planning	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Balance creativity and inspiration	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Learning process	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Generation of innovation networks inside and outside the organisation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Creation of metrics and rewards for innovation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

9. How often do you obtain /generate new knowledge from or to your team?

- Always
- Very frequently
- Occasionally
- Rarely
- Never

10. How would you estimate the level of your main innovation skills?

	It's my major strength	High level	Medium level	Low level	I don't have it
Creativity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Intrapreneurship attitude	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Explicit Knowledge (procedural)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Know-how	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>