Staying Ahead in Business Through Innovation

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INTRODUCTION

Many business enterprises rush into generating ideas to become more innovative before clearly identifying the problem in their enterprise. If the enterprises expect their employees to come up with ideas that would work, the employees need to know the business problems faced by their organization. The employees must have access to the information pertaining to the problems of their organization. It is the practice of many enterprises that their organization's information is considered as important and is also kept as secret. It is meant for the management's view only. The environment in enterprises must be friendly instead of closed. Then only the employees will associate themselves with their organization. This would facilitate them to integrate creativity and strategic thinking. Creativity is certainly a part of innovation but innovation is much more (Tocci, Chesbrough, & Piller, 2016).

It is observed executives in enterprises are under the impression that innovation is associated with new products, new technology, and research development activity. This view is too narrow in the presence of business scenario. Innovation can be applied broadly across all aspects of an enterprise. They are such as existing products, services, business processes and business models.

Peter Drucker in his article on the discipline of innovation says that innovation is real work. It should be managed like any other corporate function. Further he explains that it does not mean the same as other business activities. He stresses that innovation is the work of knowing rather than doing. He argues innovative business ideas come from methodically analyzing seven areas of opportunity. The areas are 1) Unexpected occurrences 2) In Congruities 3) Process Needs 4) Industry and Market Changes 5) Demographic Changes 6) Changes in Perception and 7) New knowledge. He groups the above areas of opportunity are under within a company or industry and outside a company in its social and intellectual environment. The first four areas fall under the group one and the balance three fall under group two. The glass is half full and the glass is half empty are the descriptions of some phenomena, but have vastly different meanings. Changing a manager's perception of a glass is from half full to half empty opens up big innovative opportunities.

BACKGROUND

Globalization has created new trends such as market consolidation, Vertical Market strategies and mergers in the business world. These trends have forced many business enterprises to adapt themselves to these new phenomena (Estrim, 2009). Now it has become a necessity for many business enterprises to look for "New Approach" which can help them to face new realities in business. The most talked about and discussed about the "New Approach" in the business world is "Innovation Management.

History of Innovation

Innovation has always been part of mankind. Since the discovery of fire by rubbing two stones together, human beings have been innovating.

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Innovation is probably the oldest known process. In other words innovation is an extension of a person's creativity. Human beings have been using their inner skills to create many new things to help mankind.

Historical Background of Knowledge Management

The concept of knowledge management is not new. The focus and approach has been changing over a period of time. One may observe from the literature on the history of information and knowledge that the basic patterns of behavior remained constant over a period of centuries concerning the role of information and knowledge. History provides many examples. Emperors in the olden days always surrounded themselves with advisors who were scholars first and politicians second. Roman emperors like the ancient Greeks consulted educated priests to gain an insight into the possible future. Indian Kings seemed to be concerned with creation of knowledge among people by allocating places for schools and libraries. Julius Caesar used innovative construction methods and advancements in ammunitions to achieve military success. Napolean made use of the advancements in artillery to defeat his opponents. Cornelius Vanderbilt had taken advantage of the advancements in rail road wheels and brakes to create vast commercial empire. J.P.Morgan made a huge fortune and revolutionized the financial system by developing modern investment banking practices. Tipu Sultan used war rocket in some of the battles he fought against the British soldiers. This earned universal fame as "Innovator of the World's first war Rocket". It was his victories against the British forces that ranked Tipu Sultan among the few Indian rulers who have defeated the British.

In the pre industrial era agriculture was the basis of nation's economy then the concentration was to learn more about farming. In the post industrial era manufacturing became the basis of nation's economy then the concentration was to learn more about manufacturing techniques. In the present globalization scenario the focus is towards adapting innovation and process speed in business enterprises. Knowledge base in a business enterprise is an extension of knowledge sharing systems. Business success lies in converting the information into knowledge. In today's business scenario the use of sophisticated knowledge base depends on the skill with which executives in business enterprises arrive at their findings from their analysis for framing strategy for their organization. Further business executives can draw insights from the large information stored in their systems. Conclusions drawn from these analyses will help the business executives to involve in innovation.

Indian and Chinese Thinking

Jugard is a colloquial Hindi word that roughly translates as "Innovative Fix" (Radjou, Prabhu & Ahuja, 2012). It is an improvised solution born from ingenuity and cleverness. Jugard is quite simple. It is a unique way of thinking and acting in response to challenges. It is the gusty art of spotting opportunities in the most adverse circumstances. Further it is making use of available resources fully improvising solutions by simple means.

Juggard is practiced by almost all Indians in their daily lives to make the most of what they have. Juggard applications include finding new uses for everyday objects such as empty soft drink or pickle bottles reused as containers for water, spices or lentils. When a truck cannot be repaired, diesel engine is removed and used as a cart. Juggard happens in an emergency situation. It is not a planned activity. Chinese believe in today's world the primary resource is knowledge and innovation. This resource comes from one's brain. If one's brain retires, then there is no more life (Sunted, 2011). The level of innovative thought will be one of the major economic drivers for China. Many global organizations have already established offices in China to capture both the creative kinds of its people and the tremendous market share.