

INNOVATION AS A STRATEGY FOR SUCCESSFUL ORGANISATIONAL TRANSFORMATION/CHANGE

By

Dr. Anokwuru Innocent Chijioko
Department of Political Science
Abia State University, Uturu.
Nigeria.

Abstract

In modern business transitions, competition is described as the key to success. Sale of goods and commodities depend largely on how superior and qualitative is the commodity of a given organisation compared to the other. This has created room for innovation that effectively assists organisations to transform from micro to macro. In the course of attempting to examine innovation as a strategy for successful organisational transformation/change, this study examines the concept of innovation, organisational transformation, and management innovation technique and limitations innovations in organisation. It was observed in this paper that innovation seeks to accomplish growth and survivals, it is critical to the sustainable competitive advantage of organisation, it is one of the management techniques of overcoming problem posed by strategic change, it consists of scientific, technical, commercial and

financial steps required for success in business, and successful organisations today must foster innovation or they get extinguished. In order to sustain or enhance the observations found, the paper is of the view that for a successful change to occur in an organisation effectively, managers should concentrate on communication with the workers, monitoring, training, counseling and prompt payment of salaries in addition to encouraging local manufacturers by way of patronizing their goods.

Keywords: Innovation, Strategy, Successful, Innovational /change, Transformational.

Introduction

With the start of the new millennium, countries all over the world are increasingly focusing and engaging in strategic reforms of its business sectors in order to cope with the challenges of the rapidly and ever-changing social, economic and political landscape. Workplace is changing dramatically and demand for the highest quality of product and service is increasing, companies have tested over the past few years as they experienced heightened level of economic turmoil and unpredictability. There is a growing awareness and a general agreement the world over that the phenomenon innovation has some degree of relevant to upturn in business performance. Aruwa (2005) sees innovation as the creation, development and implementation of a new product, possess or services, with the aim of improving efficiency, effectiveness or competitive advantage. One basic objective which innovation seeks to accomplish is that of growth and survival. To achieve this however depend on the efficiency

with which its strategies continually adapt to change and the development of corporate capability to manage change. Innovation is critical to the sustainable competitive advantage of organisations. It is believed to be one of the management techniques of overcoming problem posed by strategic change. It is undoubtedly the foundation upon which the future of any business is anchored.

The Concept of Innovation

Innovation consists of all those scientific, technical, commercial and financial steps necessary for the successful development and marketing of new or improved process or equipment or the introduction of a new approach to a social service. Innovation is a specialised kind of change. It is a new idea applied to initiating or improving a product process or service, George (1994). All business competing on the basis of quality need to update their products processes and services periodically. For example, in markets such as electronics, office automation and other similar products, new variants of products are offered frequently. In the words of George (1994), today successful organisations must foster innovation or they will become candidate of extinction.

Still on the concept of innovation and its relevance, Etuk (1992) is of the view that you should avoid the mistake of the proverbial dinosaur which lived in his past glory, refused to learn new methods, failed to adapt to the changing times and which ultimately had to face definite extinction. Usually in many organisations, innovation is predominantly either technology-led (example, engineering or mechanical industries) or market-led, as in food

processing industries. Innovation in organisations can range from small incremental improvements to radical breakthroughs. Radical innovations are continuous, dramatic departures from current ideal in design, application or process. They are typically technological breakthrough with no precedents or antecedents, while incremental innovations consist of small modifications or refinements to pre-existing process or phenomenological states such as existing policies, procedures, product line and services. It also manifests in improvements in operations, cost control and product or service performance to keep up with competitors.

Organisational Transformation

Change is a common way of life for every individual and organisations. The wind of change to blow and nothing remains over time. In order to survive and grow, individuals and organisations must learn to adapt to and cope with change. Transformation is one major fall out of change (Enenya, 2010). According to Ibrahim (2013), transformation means to reform, refocus, redesign, regenerate, reorganise and reposition institution's attitude, structure, process, policies and programmes in the larger and longer term interest of majority in the society. Transformation is a complete change, a break from old way of doing things to new and acceptable ways of doing things. The aim of organisation transformation is to correct the flaws in the drives for development. Today's organisations are tied to policies and procedures that little room is left to think of the future state of the organisations, making it difficult for both organisations to be fluid and mobile in ever-changing world, (Enenyan, 2010). To

achieve organisational transformation, there is need for developing strategy by which transformation objectives may be met and one of such strategies is innovation. Notwithstanding, technique(s) required to promote organisational innovation is usually situationally determined. This paper therefore reviews a select group of management innovation techniques like: Total Quality Management (TQM), Team work, Strategic Management and Outsourcing.

Management Innovation Techniques

Total Quality Management (TQM)

Quality is the standard of something when it is compared to other things (Oxford Advanced Dictionary, Eight edition). Quality in business connotes customer satisfaction. Quality is generally recognised today as the key to the achievement of competitive advantage because it is the level of superiority of a given commodity to another. Total Quality is a systematic way of guaranteeing that all activities within an organisation happen the way they have been planned in order to meet the defined needs and requirements of customers and clients (Armstrong 1995). On the other hand, Collard (1992) has it that Total Quality is a way of life within the organisation. It reflects the culture of the organisation and therefore is dependent entirely on the commitment and actions of the individuals within the organisation. Total Quality management is the approaches designed to improve the competitiveness, effectiveness and flexibility of a whole organisation. It is the essential way of planning, organising and understanding each activity that depends on each individual at each level of the

organisation. It emphasizes the importance of continuous transformation of the organisation's business so as to deliver value to customers by satisfying their needs. It is aimed at prevention of defects and continuously improving organisational processes and systems. It is concerned with maintaining the desired level of product or service to ensure that they conform to standards and meet customer's satisfactions. According to Ezigbo (2011), the following are the major advantages of Total Quality Management to organization's transformation:

- Higher productivity
- Better employee relations
- Improve skills, morale and confidences among employee
- Efficiency of the workforces
- Increased accountability and transparency
- Better services, reduced costs and satisfaction.

Team Work

The complexity of most of the processes that are operated in industry, commerce and service organisations places them beyond the control of any one individual, and the only efficient way to tackle process improvement or problems is through the use of some form of teamwork (Oakland, 1999). Oakland (1999) identifies the following among the advantages of teamwork:

- A greater variety of complex problems may be tackled – those beyond the capability of anyone individual or even one department – by the pooling of enterprise and resources.
- Problems are exposed to a greater diversity of knowledge, skill, experience, and are solved more efficiently.
- The approach is more satisfying to team members, and boosts morale and ownership through participation in problem solving and decision making.

Strategic Management

Ezigbo (2011) sees strategy as "a course used to achieve major organisational objectives". The prime task of strategic management is thinking through the overall mission of the business, which leads to specifying the mission statement. This in turn leads to setting of objectives, development of strategies and making of today's decision for tomorrow's result. In line with this view, Ezigbo (2011), says that "when strategy is developed with broader participation, it can be used to create a sense of share mission and values and can be used as a political tool to develop support for organisational change".

Outsourcing

Outsourcing involves delegating functions, responsibilities and activities that are traditionally been carried out by an organisation to private providers. A key principle of outsourcing is that under most conditions, the private

provider (outsourcer) is assumed to be a professional, who oriented services than the organisation. Benefits of outsourcing includes; effectiveness and efficiency of delivery system, reduced financial and administrative burden etc.

Limitations to Innovation in Organisation

Limitation to innovation can be described as inhibiting conditions which prevents organisations from generating and utilizing transformation of ideas to meet the need of the day-to-day business activities. Their types and manifestations are many, but a few of them highlighted here according to Etuk (1992) are:

- Reluctant to accept other people's idea
- Organisational politics
- Resource limitation
- Organisational culture
- The punishment syndrome
- Bureaucratic bottleneck

Findings

- It was found in the course of writing this paper that transparency and reliable communication mostly desired for effective transformation /change to occur in any organisation were inadequate.

- It was also found that lack of effective education and training of managers and other members of the workforce in an organisation constitute to snail growth in transformation/change in an organisation.
- Equally found was that indigenous manufacturers are hardly given the opportunities or required encouragement to develop their natural talents by way of making inputs in the process of production.
- Policies designed to enhance organisational transformation/changes were not adequately implemented sequel to inadequate implementation monitoring. There was no established institution to counsel the workforce to enable them get integrated in their roles in making strong impact in transformation/change of an organisation.
- Locally made goods are not patronised or even valued by patronisers and workers of various organisations are not even paid their salaries at when due.

Recommendations

By way of recommendation therefore, this study is of the view that key enablers to transformation/change are transparency and effective communication, effective education and training of workforce by managers, personally counseling the workforce, monitoring the implementation of any policy formulated to enable transformation/change occur in an organisation, allowing

indigenous manufacturers to make their inputs in any attempt at manufacturing new product, and most importantly valuing and patronising locally made goods in addition to promptly paying workers will go a long way in enhancing organisational transformation/change.

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