THE ELEMENTS OF INNOVATION

Innovation is the successful development of competitive advantage and as such, it is the key to entrepreneurship. The entrepreneurs are the “dreamers”, who take hands on responsibility for creating innovation. It is the presence of innovation that distinguishes the entrepreneur from others. Innovation, must therefore, increase competitiveness through efforts aimed at the rejuvenation, renewal, and redefinition of organizations, their markets or industries, if business are to be deemed entrepreneurial. Fiona Fitzpatrick identified the following elements of innovation:

1. Challenge: What we are trying to change or accomplish-the “pull”

2. Customer focus: Creating value for your customers – the “Push”

3. Creativity: Generating and sharing the idea(s)- the “brain”

4. Communication: The flow of information and ideas –the “life blood”

5. Collaboration: People coming together to work together on the idea(s) - the “heart.”

6. Completion: Implementing the new idea-the “muscle”.

7. Contemplation; Learning and sharing lessons lead to higher competency-the “ladder”

8. Culture: The playing field of innovation includes: Leadership (sees the possibilities and positions the team for action-the roleϖ model) People (diverse groups of radically empowered people innovate –theϖ source of innovation) Basic values (trust and respect define and distinguish an innovativeϖ organization-the backbone). Innovation values (certain values stoke the fires that make theϖ “impossible” possible-the Spark).

9. Context: Innovation is shaped by interactions with the world.

**FORMS OF INNOVATION**

In a start-up, the entrepreneur is regarded as the key actor in developing a business idea, marshalling resources, and creating an enterprise to bring a new product or service to the market. In a competitive business environment, the entrepreneur and the enterprise should continue to seek lout now opportunities and make the necessary arrangement to convert them into new goods and services. Innovation should, therefore, impregnate the entire enterprise for the creation and invention of competitive edge and relevancy in the market place. Innovation can take several forms:

1. Innovation in processes, including changes and improvement to methods. These contribute to increases in productivity, which lowers cost and helps to increase demand.
2. Innovation in products or services. While progressive Innovation is predominant, radical innovation opens up new markets. These lead to increases in effective demand which encourages increases in investment and employment.
3. Innovation in management and work organization, and the exploitation of human resources, together with the capacity to anticipate techniques. Innovation centres on people, culture, structure, process and technology. Innovation is the process through which the entrepreneur converts market opportunities into workable, profitable, and marketable ideas. Innovation is an application of something creative that has a significant impact on an organization, industry or society. Entrepreneurship is the continuing generation of Innovation in response to perceived opportunities in the business environment. In this approach, entrepreneurship is therefore concerned with newness: new ideas, products, services or combinations of resources aimed at meeting the needs of consumers more efficiently. Entrepreneurship has been described in terms of the ability to create something from practically nothing. It is initiating… and building an enterprise rather than … watching one. It is the knack for sensing opportunities where others see chaos, contradiction and confusion. It is the ability to build a “founding team” to complement your own skills and talents. It is know –how to find, marshal and control resources. Finally, it is a willingness to take calculated risk. Timmons (1989).

**CHALLENGE FOR INNOVATION**

The place of innovation in commercial success is the development or adoption of new concepts or idea that leads to any form of increased organizational or social benefit. Innovation is vitally concerned with novel approaches, new ideas, and originality, and it the means by which ideas are exploited for competitive advantage. The present economic reform of the Nigerian Government- National Economic Empowerment and Development Strategy (NEEDS) calls for less dependence on imported materials – goods and services and technology. However, if this dependence is to be successfully broken, three activities should receive adequate priority management attention and the commitment of resources in this century.

 1. The need to investigate our latent natural resources for the possibility of transmitting them into goods and services. This would require a scientific analysis of the various resources available in the country, the identification of their properties, and a determination of the extent to which those properties can be harnessed.

2. The need to develop new technology which can be used to process the raw materials which may result from the investigation of natural resources suggested above and with a view to producing goods and services from them.

3. The need to adapt existing technology so as make them accept local materials are substitutes. A complete change from an almost total dependence on foreign research and technology is source of products is called for.
Entrepreneurial success in this century, therefore, depends on the seriousness with which innovative activities are undertaken by the enterprises in terms of indigenizing input sourcing and the development of new indigenous products. The society in general will benefit tremendously from the individual enterprises undertaking innovative activities rather than leaving such to government agencies. As Max Weber has observed “when innovation is channeled through autonomous competing enterprises, risk is encouraged and the social curse of unsuccessful innovation can be limited. Society can afford to have an enterprise failure, but society cannot afford to have government failure. Government economic planners proceeding by law or fiat have no flexible mechanism comparable to a market in which they can assess the probabilities of any given risk and measure its results”. No enterprise, however diversified or big, can therefore, rest on its oars and past achievements. It becomes imperative for an enterprise to continuously challenge itself to finding new and better ways of doing the old things or infact create new ways of doing new things.

The new environment may therefore call for new product designs, new production techniques, composition and packaging which take cognizance of the dynamic business environment. Success in business today demands constant innovation. Generating fresh solutions to problems and the ability to inherit new products or services for a changing market are part of the intellectual capital market that gives an enterprise its competitive edge. In a dynamic environment, success comes from looking for the next opportunity and having the ability to find hidden connections and insights into new products or services, desired by the customer. While brain-power is the most valuable resource, great ideas are in short supply. Successful entrepreneurs place high premium on attracting and keeping talent because wealth flows directly from innovation.

Creativity is the root of innovation. It is a process and a skill which can be developed and managed throughout the entire enterprise. One of the first steps in creating a culture of innovation is unleashing the creativity in you. The challenge is getting to see there is a world with fresh ideas and to develop fresh solutions. Speed innovating is a proven approach for helping you develop breakthrough solutions in the shortest possible time.

Creative ideas are not enough for your business to survive. You need a process organization and culture that will help you maximize your creative assets. This is innovation capability that helps your pull together the best thinking within your business, enabling you to connect the organization dots. Shapiro argues that perpetual and pervasive innovation is the key to long –term sustainable success in the relentless competition for customers. To survive any competition, you must rapidly and repeatedly re-invent yourself. The road map to reinvention starts by applying the seven R’s.

1. Rethink your underlying assumptions.

 2.Reconfigure how you carry out work.

3. Resequence when work takes place

4. Relocate where work is done to cut down on handoffs and delays.

5. Reduce the frequency of carrying our specific activities.

6. Reassign who does the work by asking if anyone else could achieve the same result more effectively and efficiently.

7. Retool the technology that supports getting the work done. Could new software and automated equipment transform our ways of working?