

ORGANIZATION OF INVENTIVE AND INNOVATIVE WORK AT THE ENTERPRISES

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Abstract

An innovation-oriented company with the well-developed management culture always keep expanding the range of intellectual activities, encourage the active emergence of ideas, including those very diverse and uncommon. Therefore, the main task of the leader is to identify talented people, to foster conditions for their activity and to remove the impediments for creativity's growth.

Key words: *innovation, incubator, horizontal networks, risks, factors, leadership, problem*

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In recent years, the most innovative enterprises employ the *collaborative innovation type* of work that involves contribution of each participant in the cooperation process. Due to participation in collective activities an employee increases his/her own professional competence. The employees of such enterprises are oriented towards collaboration with the colleagues from other departments. They also exercise flexibility in decision-making and changing positions. These features as well as collaborative work serve the basis for employees' personal development.

Nowadays the *idea incubator* environment became the popular way to motivate innovative ideas at the enterprise. The employees of different company's levels are gathering to produce innovative ideas without any company bureaucracy pressure or interference. The value of such an approach consists in an employee's independent elaboration of the perspective idea at incubator without coordinating all of the issues with the senior management.

Today many successful companies such as Boeing, Adobe Systems, Ball Aerospace, Ziff Davis and others, have chosen this approach [1].

One of the approaches to the successful implementation of innovations is defined as a *model of horizontal networks*.

According to this model, employees of different departments of an enterprise all contribute to the emergence of innovation products and processes. While working in teams the experts of those departments exchange the ideas and solve diverse innovation tasks.

The models of horizontal networks are often transformed into the *rapid cycle teams* that are not only multifunctional but also international teams with additional resources and power to finalize the innovation project early.

Venture financing of risky innovation projects is the most effective and widespread private form of innovation activity enhancement in conditions of market economy in the recent years.

Venture activity is directed on temporary pooling of the legal and/or individual capitals to create small but mobile and efficient enterprises that finalize and commercialize certain innovation projects. After successful implementation of such projects these enterprises either are taken over by the bigger enterprises or strengthen the financial positions by selling the innovations' licenses. In the latter case, the profit from the innovation licenses sales is invested into the own production development and commercialization.

Venture innovation activities involve the risks of private capital investment in cooperation with the entrepreneurs with organizational and intellectual potential. The aim for such an involvement consists in the possible future profits from the implementation of innovation ideas and commercialization without any guarantees for success.

A general indicator of different forms of risks is the financial risk of entrepreneur and investor assessed as the potential losses in case of unsuccessful implementation of the possible project (regardless its reasons). The main function of venture funds is the process of financing of risky projects at initial stages showing the maximum uncertainty of costs' return.

Managers play the key role in the emergence of innovative initiatives. They may either actively support the creation of innovations or explicitly as well as implicitly hamper innovation activity. The main problem, hampering the innovations, could consist of unsuitable or inappropriate management style.

The reasons for limiting innovative initiatives include *psychological* and *emotional factors*, such as fear of being wrong, misunderstood, criticized, regarded as incompetent.

They also include *professional factors*, such as:

- competitiveness and related conflicts,
- lack of experience,
- over-categorical judgments,
- lack of alternative options,
- narrow knowledge.

The *perception factors*, limiting the innovative initiative, include categorical and narrow thoughts, lack of adequate intellectual level.

Finally, *personal factors* include:

- ambition,
- sensitivity,
- idleness,
- arrogance,
- self-interest,
- and conservatism [2].

Among the other obstacles, there are *inadequate or ineffective motivation techniques used by managers*. The reference to an employee that made a mistake as a negative example or the support of the employees that lack the innovators' features could serve as an illustration of such inadequate techniques. The employees should have the room for mistakes in order to reveal their innovative potential.

In addition, the excessive bureaucracy of organizational structures hampers the innovative process to a large degree and prevent both the generation of ideas and introduction of innovations. This situation involves fear and constraints that discourage creativity.

Another problem for innovation is the *manager's conservatism*. Manager does not see or is unwilling to see the innovative idea as feasible. As a result an idea lacks the support and further practical development. However the experience of successful companies proves that many brilliant ideas seem, at the first sight, unfeasible or inadmissible in that organization or even in the society.

Often the problem that is related to the lack of creativity includes the *differences in the situation assessment between the employees and the senior management* that lead to unfavorable perception of innovation. This might be explained by the fact that the company management possesses the important and valuable information which is not available for employees. Such a problem could be solved by building the efficient vertical communication networks.

Another problem of innovation is *the lack of horizontal connections or their weak or inefficient coordination in the organization*.

Successful innovations require the experience engagement of several departments all together, whereas unsuccessful innovations are often the result of the weak cooperation. Therefore the big companies working on innovations actively involve the employees of different departments into the innovation process. The small innovation organizations solve this problem by modifying the team roles.

Many employees *lack creativity* in their work due to the *permanent time issues related inadequate allocation of tasks or lack of time management*. At the same time the senior management is often in a stress that leads them to grasp the very first idea and stop searching for new creative ideas. These and other problems could be addressed by the efficient innovation management.

M. Edwards and D. Sproull identified a range of factors to enhance creative process and innovative initiatives [3].

The *first group* of such factors of primary importance includes:

- elimination of obstacles that hamper the emergence of innovative skills within the company; development of skills that allow employees to frame the problem in a wide context;
- multiple the methods of problem solving;
- development of internal communication;
- refusal to employ the authoritarian methods of management and involvement of many people in the decision making.

The *second group* of factors includes:

- an increase of the employees' self-esteem;
- activities that promote and support the innovative initiatives;
- development of the discussion skills that exclude bias or judgmental approaches;
- development of flexible mind and imagination.

The *third group* includes the factors that do not get much attention but, according to the authors, could significantly matter for enhancement of innovation products.

These are:

- 1) The steps allowing the employees to better understand the basics of the company's reorganization and develop the participatory skills for the innovations' process. The lack of such knowledge and skills have caused many innovations to fail.
- 2) The steps that develop the employees' time management and stress reduction skills.
- 3) The systematic normative improvements are the necessary condition for the enhancement of company' innovative potential and the innovations' support. Unless the norms are changed for the benefit of innovations' support, the new ideas and proposals are bound for meeting resistance.
- 4) Another condition is to use the creativity criteria for the assessment of an employee or a company professional activity and to measure level of performance of the methods for increasing creative possibilities.

CONCLUSION

Most of the factors, that affect positively to the innovation activity can be brought to the general notion: developed and well-coordinated innovative management. He is represented in the corporate culture, and in the approach to leadership, and a well-embodied system of motivation. All this helps to organize of inventive and innovative work at the enterprises.

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