The Comprehensive Approach for Creativity and Innovation—Enhancement and Sustainability in Social Enterprises

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Abstract

There have been various researches carried out to study the innovation management in different organizations. Most of these researches are to find out the effect of single variable and its relation with organizational innovation. There are few studies which are having more than one or two variable leading to innovations. This paper tries to find out the maximum number of factors influencing the innovations in the organization. Under this research various past studies are investigated to find out the most comprehensive theoretical model for innovation enhancement. The proposed model is flexible enough to accommodate or adjust the consideration of factors leading to innovation. An organization can adjust it according to its compatibility. Here under in this whole paper the term organization is referred for social enterprise.

Keywords: social enterprise, innovation enhancement

1. Introduction

In today's globalized world innovation is the key of success (Turnipseed, 2006; Zimmermann et al., 1998, 1999) and survival of all types of organizations. The economic growth of the world is amplified by innovation by many ways like rapidly evolving technology, shorter product lifecycles and a higher rate of new product development. Organizations need to make sure that that their business strategies are innovative to build and sustain competitive advantage. However there are many challenges like changing customer test and needs, extensive competitive pressure and rapid technological change globally posed to make innovation as complex phenomenon (Cavusgil et al., 2003, Stinchcombe, 1965). There are many more factors responsible for innovation in an organization; based on organizational competencies a specified approach can be adopted to enhance more innovations.

Many studies (Teresa & Amabile, 1996, 1982; Zimmermann, 1999; Law, Ark, & Piatkowski, 2004) are carried out to understand the complex innovation process in various organizations. Through this paper an attempt is made to develop a comprehensive theoretical model for innovation enhancement in social organizations. To make this possible the extensive literature research of previously published work is done. The innovation enhancement system model is explained with all details of its elements in it. Here under this whole paper the term organization is referred for social enterprise.

1.1 Objectives of the Study

Following objectives were formulated while undertaking this research.

- To find out various possible factors supporting and promoting innovations in social enterprises.
- To understand the dynamic of each of the individual factor towards innovation enhancement.
- To develop the comprehensive guiding framework for enhancing the innovations in social enterprises.

This paper is distributed into five major parts; the first part is about the brief introduction. Second part explains methodology, scope creativity and innovation in the organization with various factors responsible for innovations. A third part describes the comprehensive model for innovation enhancement. A fourth part is about the challenges/constrains for innovations. And at last, the fifth parts gives the conclusions derived based on whole paper's analysis and discussion.

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2. Methodology and Scope

Various past studies are considered and analyzed to buildup theoretical model on enhancing innovation in social enterprises. This is conceptual paper which can be further researched by considering all the parameters mentioned in it. The theoretical model proposed under this paper to be tested and develop further through formal research. A research methodology can be developed and followed to test the various hypotheses relevant to the study and researches experience. There is lot of scope to investigate and further improvement by spending research resources (time, money and manpower) in the future. The researcher is interested to carryout formal research by considering the same research idea to built-up proven model in social innovation in social enterprises. Hereunder past research papers are analyzed to identify the influencing factors and explained in details their relevance with the topic. The past research substantiates the requirement of these parameters for social innovations in social enterprises.

2.1 Exploring Creativity and Innovation

Creativity is the ability to conceive the novel and useful ideas in any area of interest and innovation is the ability to apply that idea in real life. Many researchers believe that creativity and innovation goes hand in hand. The idea generated must be different than what has not been done before and creativity is the starting point for innovation (Teresa & Amabile, 1996). Creativity is considered as an asset for the organization it is also not possible to standardize and structure the creativity. To learn and understand the creativity; Creativity will be the difference that will separate people, objects, companies, and industries. Most of the large corporations which were, at one time, dominated the markets are now being overshadowed by smaller companies and people with great ideas (Charles Law).

If the organization wants to become more innovative then it need to have creative people and who are creative people? How these creative people are are different than other people in the world? This people centric approach forwarded the profile, personality traits and work style of outstandingly creative people (Barron, 1955, 1968; MacKinnon, 1962, 1995). This traditional association limited the scope to become creative and innovative in the organization. And there is possibility that many other factors could be, to become creative and innovative organization. What are those other factors are underlined and explained with the help of previously done research.

The social environment within which the organization works have very strong influence on development of innovation in the organization. This social environment have many thing involved into it, which are require to analyze to understand the possibility of innovation in respective areas. As against the traditional approach the modern research says a people having normal capabilities are capable enough to act moderately creative (Teresa & Amabile, 1996, 1982).

Innovation played vital role in the economic growth of many developed and developing countries in the world. All other factors of production like man, materials, machines, time money and land have their limitations to use and for their availability, to handle this adequately, an innovation is necessary (Zimmermann, 1999). The relation of innovation with economic growth is been studied many time for profit organizations but it has not been very extensively studied for various Social enterprise/Not for profit organizations (Zimmermann et al., 1998). This study will mainly focus on the possibility of innovations in SE/NPO's.

Innovation was always at the center of the entrepreneurial activities irrespective of the kind of the enterprise, whether nonprofit organization (e.g., SE/NPO/NGO) or profit organization. This is also vouched by many renowned economist and management gurus like—

Schumpeter's opinion on innovation and entrepreneurship—"The entrepreneur in an advance economy is an individual who introduce something new in the economy—a method of production not yet tested by experience in the branch of manufacturing, a product with which consumers are not yet familiar, a new source of raw material or of new markets and the like" (Schumpeter, 1951).

Drucker's opinion on innovation and entrepreneurship—"An entrepreneur is the one who always searches for change, responds to it and exploits it as an opportunity. Innovation is the specific tool of entrepreneurs, the means by which they exploit changes as an opportunity for a different business or different services" (Drucker, 2006).

Thus today, an entrepreneur is an innovator or developer who recognize and seizes opportunities, convert those opportunities into workable/marketable ideas. Adds value through time, efforts, money or skills; assume the risk of competitive marketplace to implement these ideas, and realize the rewards from these efforts.

But when we talk about a social enterprise which pursues all of the principles of business entrepreneurship, the only difference is that the way performance or output is measured. In business entrepreneurship the output is in the form of profit figures whereas in SE the output is in the form of social benefits/social change/social value created. Hence the social enterprises include social, cultural and environmental issues and it is associated with non profit and voluntary activities. The SE uses all business strategies to enhance the environmental and human well being instead of raising the monetary profit of stake holders (Thompson, 2011).

The social enterprise can be of various forms like NPO's, Cooperatives, Mutual organizations, Charity, Societies, Trust, NGO's and social Business (Kerlin, 2009; Ridley & Southcombe, 2011).

The business enterprises are profit (In terms of monitory value) driven organizations and social enterprises are for creating different social values (In terms social development). Though there is major difference of business objective but innovation is a common tool which can enhance the profitability, efficiency and effectiveness in above mentioned all types of enterprises.

The business organizations using various tools and techniques to improve their innovativeness most of these can be effectively extrapolated in social organizations. After extensive research and validation of it, following factors are found to be enhancing the innovations in the organization. This research paper will be explaining the under mentioned factors with references to social enterprise—

- Social Environment—It constitutes of various groups, institutions, laws, population characteristics and various sets of relationships among them, in total it form the social environment of social enterprise influencing social innovation. It will also reflect the social need to be catered by social enterprise with social innovation.
- Higher Management and Organization structure—The kind of organization structure plays vital role in creating and promoting innovative culture. There could be autocratic or democratic ways, which have influence on creativity and innovation in social enterprise.
- Expertise of Organization—It is the experience, memory for factual knowledge, technical proficiency and special talent in target social work domain. The social enterprise might have its expertise is particular social issue such as woman empowerment, poverty and illiteracy eradication etc. this kind of expertise may facilitate social innovation.
- Organizational Motivation—Social enterprises can support and promote innovation through the various motivational mechanisms for creating new ideas; open and active communication of information and ideas such as rewards and recognition for creative work, fair evaluation of work including work that might be perceived as failure.
- Networks and Collaborations—It helps to share resources, knowledge transfer and idea sharing to promote more innovation in the social enterprises.
- Use of ICT—Social enterprises can speed up their operations and reach with ICT tools. The more importantly ICT can be used for collecting, editing, processing, producing and exchanging information needed for innovation.
- Knowledge management—It's important for social enterprise to use exiting knowledge for innovation and through innovation generate new knowledge for future social innovation.
- Leadership in the organization—Leadership to guide and lead the social change through social innovation.
- Training of Employees—It can improve the work efficiency and expertise to create social innovation and deliver more social benefits to the society.
- Research & Development activities—R & D activity can generate multiple innovative solutions to solve social problems.
- Corporate entrepreneurship or 'Intrapreneurship—Individuals working within social enterprises can act as a social innovator.
- Communication System—To maintain the total transparency and fast dissemination of social innovation.
- Human Resources Management—It will help to nurture and promote innovative culture in social enterprise.
- Multidisciplinary system approach—This approach can create more acceptable and universal social innovation.
- IPR Regime—It will protect and secure the innovation within the organization.
- Resources Control—To speed up and facilitate the innovation.

By considering all above factors, a theoretical model can be built-up to enhance the innovation system in the social organizations.

3. The Comprehensive Model for Innovation Enhancement in SE

The model depicted in the Figure 1 is very well self-explained. This model has a base of very extensive literatures, researched in the organization's innovation development.

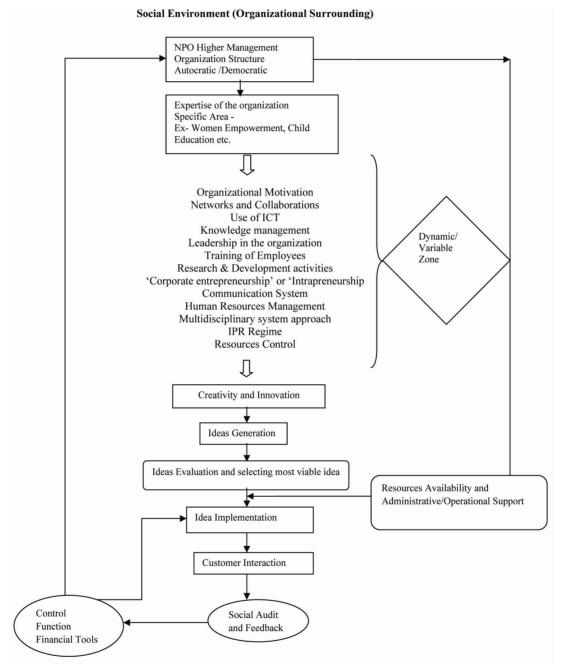


Figure 1. Comprehensive approach model for innovation enhancement

The model has various components interlinked with each others. The whole model is encapsulated in social environment within which the organization works. These components are having some lines of controls which indicate the flow of functional communication, authorities, responsibilities and work process. The beginning of this model presents the place of organization structure at the top having overall control and monitoring in whole

innovation process. Below organization structure there is an expertise in the domain area of organization. The expertise plays the vital role in facilitating and controlling the innovation in the organization.

The next essential part of this model is below the expertise, which is shown as dynamic zone or variables zone. This zone has accommodated various elements, which can be called as variables leading to innovation. Many of the previously conducted researches proved the influence of these individual elements in the organization on creativity and innovation development.

Many studies are conducted on each of those mentioned variables. But no study yet reveled or explained the combined impact of all these elements. It is also important to know that to use this model; organization has to decide about, which are the possible variables in dynamic zone to be considered while promoting innovation. There is no any firm rule on consideration of these variables, but it is desirable to consider maximum possible variables to promote maximum innovation. The list of all the variables shown in the dynamic zones is not exhaustive, but these mentioned variables are previously researched for their individual effects on innovation.

It may be possible to add some more variables which are not explained in this model, it depends on organizational expertise and competencies to have this existing or additional variable.

After extensive and intensive research investigation analysis it shows the direct proportionality between innovation and number of variables.

I.e. Innovation is directly proportional to Number of variables in dynamic zone.

Innovation α Number of variables in dynamic zone.

Innovation = Constant of proportionality * Number of variables in dynamic zone.

Here the Constant of proportionality is the favorability or support available from the the organization. The organization may allocate fixed budget and reserve the resources to execute and implement the innovation process.

The above formula is very clearly depicts the innovation enhancement model.

The efficiency of this model can be found out through the control function. At the end of innovation implementation an audit to be conducted to find out the output in many ways or forms such as economic and social value generated through the innovation, the profit generated, value creation inside and outside of the organization, increase in number of customers, geographic spread of market etc. Organization can decide its own way of measuring the final outcome.

Though it is mathematical formula to find out the innovation but in real sense its exact quantification may be subjective. The measure of innovation may be in monetary term, in production volume of product or services, in number of customers or may be in market size, organization may decide its way of measurement unit.

The details of each element in above model are analyzed as below—

3.1 Social Environment

The innovation enhancement in SE/NPO's can happen if they follow the same strategies as other profit business's follows. The innovation enhancement model proposed here have various components in it and there is logical sequence of flow. This whole model has effect of two very important factors; one the social environment of the place where the SE/NPO is exist or present and second important factor is the higher management.

The first factor social environment constitutes of various groups, institutions, laws, population characteristics and various sets of relationships among them, in total it form the social environment of any organization (Stinchcombe, 1965). The social environment has an effect for conduciveness of creativity and innovation in the organization (Amiable & Teresa, 1996). If the social environment welcome and accept the change offered by the organization it will have very positive impact on both outside and inside of the organization for further development of creativity and innovation. But the offered change must take care of the likings and need of the society. The offered innovation must have more value compare to all other options available in the market. The political structure and rules regulation or the laws of the land have very strong influence on innovation. If these social elements are favorable and supportive then innovation will grows automatically and if there is conflict between innovation and social environment this will hamper the growth of innovative organization.

The social environmental conditions external to the system that have immediate impact on internal functioning are the organization's task environment which is composed of suppliers, consumers, competitors, regulatory bodies and scientific or technical reference groups to which major organizational subdivisions relate with environmental uncertainty have positive relation with innovation (Pierce & Delbecq, 1977).

The external social environment has effect on inside work environment of the organizations, this relationships were examined among the social environment of organizations, employee satisfaction (both job-related/on-job & off job and personal), and perceptions of a creative work environment. This indicates that there are significant association between the social environment of the organization and satisfaction within the organization and personal lives, and the potential for innovation. Pleasure and pride in the work, freedom, and other personal variables were also found to be related to an innovative climate (Turnipseed, 2006).

3.2 Higher Management and Organization Structure

The very important facilitator of innovation is the type of organization (Hostager, Neil, Decker, & Lorentz, 1998; Alves et al., 2007). Some organizations are very autocratic and are hesitant to share the freedom with their employees. Here the term freedom expects autonomy of work culture within which all employees gets own space to think independently and then act on it. When the organization is reluctant to give freedom to think creatively irrespective of any immediate gain, this curtails most of the creativity and innovation in the organization.

These autocratic organizations are more bureaucratic (Manimala, Jose, & Thomas, 2006; Dess et al., 2003) and having very rigid formal structure. The formalization is a form of control employed by bureaucratic organizations, refers to the degree to which a standard body of rules and regulations, procedures and performance instructions are developed to handle decisions and work processing. In formalized social systems, behavior programming and strict enforcement of behavioral standers limits the performance (Shepard, 1967). The low formalization permits openness in the system, and this openness is a necessary precondition for idea commencement.

Whereas the organizations which are having open communication less formalized structure are less bureaucratic, this type of organizations are very supportive for creative participation of employees and allows their employees to experiment can be innovative (Thompson, 1965). These democratic organizations give equal opportunities to all the employees to think in their own areas and also allow the cross functionality through which employee may participate out of their designated areas.

There are other structural variable like how much Differentiation (Heterogeneity in occupational types), Professionalism and Decentralization in the constituents of the organization have an effect on innovation. The more heterogenous, professional and have decentralization giving more authority and power to function independently have very positive effect on innovation (Pierce & Delbecq, 1977).

Also the size (number of staff, size of budget) and age (Old or Young) of the organization, large organization size will be positively related with organizational innovation (Becker & Stafford, 1967). Age will be negatively related with organizational innovation i.e. older the organization, the more bureaucratic the system and the less friendly the system is to policy innovations (Aiken & Hage, 1968).

Along with the structural characteristics of organizations, the attitudinal, motivational and value system and a state of an organization plays a critical role in predicting organizational innovation. The top management's value of innovation and creative behavior is seen as playing a critical role in an organization's effective utilization of innovative capacity (Hage & Dewar, 1973).

3.3 Expertise of Organization

All creative work is based on expertise. Expertise is developed through the experience, memory for factual knowledge, technical proficiency and special talent in target work domain. The innate talent of imagining and thinking about the complex social problems as well as sensing out the important problems in that domain is possible through the factual knowledge, familiarity with past and current work, technical skills acquired (Teresa & Amabile, 1996).

Here we can talk about both organizational and individual expertise. If the organization is having very strong experience in any particular area it can develop unique solutions to the problems in respective areas of expertise. Also the organizational expertise basically depends upon the individual working within it. The ability of the people to think diversely on the problem depend upon his or her factual knowledge in domain area which helps to built innovative solutions which others cannot do.

Expertise of an individual is also linked with the personality traits; one can develop the expertise in any domain through ability to work independently, self discipline, orientation towards risk taking, tolerance for ambiguity, perseverance in the face of frustration and a relative unconcern for social approval (Barron, 1955; Feldman, 1980).

An adaptive expertise for any organization is the ability to innovate new solutions in response to daily workplace challenges. Perhaps the most crucial ability of an expert professional in any field is the ability to efficiently and effectively solve problems of daily practice. This ability is developed through the acquisition of extensive and organized knowledge resources, education, experience and the co-ordination of these resources in daily practice (Mylopoulos & Regehr, 2009).

3.4 Organizational Motivation

Motivation is a force which keeps action going. Motivation could be in monetary and non monetary form (Abbot, Jeong, & Allen, 2006); Higher management plays a vital role in motivation of all its employees to innovate (Hostager, Neil, Decker, & Lorentz, 1998). The basic orientation of organization towards innovation as well as support for creativity and innovation throughout organization must be given by management. The vision of innovation must be share at all levels and employees must be aware of the value placed (Hage & Dewar 1973) for innovation and risked involved into it. Organization can support and sustain innovation through the various motivational mechanisms for creating new ideas; open and active communication of information and ideas; such as rewards and recognition for creative work, fair evaluation of work including work that might be perceived as failure (Amiable & Gryskiewicz, 1987). It's important to mention that organizational motivation includes the absence of lots of components that can undermine creativity such as political problems, destructive criticisms, competition within the organization, strict control by higher management, excess of formal structures and procedures. If all these components of control and monitoring are soften this may motivate employees to think innovatively.

Beside direct monetary motivation, organization level strategy activity is the most necessary form of motivation and foundation for innovation. (Stewart & Fenn, 2006); Innovation is the profitable utilization of ideas. Obviously, this requires two things, one a source of ideas that can offer themselves to profitable utilization and an objective to follow to utilize the ideas. Those objectives are established and met by strategic innovation. Also these objectives of profitable utilization of ideas must be embedded in strategy of the organization. The right strategy tools can motivate ideas within the organization. Practicing innovation as a part of strategy can act as the major motivation for participation and the means to profitably utilize new ideas. The new value for customers can be identified and created through strategically-oriented innovation (Alves et al., 2007).

3.5 Networks and Collaborations

Networks among the organization plays vital role to survive for longer period of time. These networks are helpful to share resources and expertise with each other members of the network and helps to innovate - (Scarbrough, 2003, Alves, Marques, & Saur, 2004). It also helps to spread geographic limits and serve the maximum beneficiaries. Also the risk of failure can be minimized with network support. The network building strategy for innovation is helpful to set up new projects by means of a system of alliances among/ between various concern firms as partners. This explicit nature of network strategy has enabled these member firms to invest time and resources in the development of specific management expertise in inter-firm relationship building and project management (Harris, Coles, & Dickson, 2000). Networks also made possible the technological innovations along with nontechnical and operational innovations. These technological developments can leads to various kinds of innovations in organizations operations. The creation of internal coalitions or networks by extension of these networks to involve other external organizations into the same environment helps to grow together. This focuses the contribution of network interactions to innovation (Vergragt, Groenewegen, & Mulde, 1992).

Sometime any project which is not successfully in any particular area can be tasted in other geographic area or other population with the help of networks. This sharing of ideas, products and services is possible through network. Networks will also reduces the various competitive forces

3.6 Use of Information and Communication Technology (ICT)

Information and Communication Technology (ICT) has vital role in the organizational innovation. ICT has changed the pace of working in all types of organizations. Markets, corporate firms, public agencies, governments and non government enterprises are increasingly rely upon technology for collecting, editing, processing, producing and exchanging information. This information assist in all sort of other functions (Contini & Lanzara, 2009) like operations, production, marketing, finance, human resources, training and education(Mioduser, Nachmias, Tubin, & Forkosh-Baruch, 2003) supply chain and delivery, hence ICT is not in isolation just to play with information but to support and speed up all other functions into the organization. ICT's have opened variety of innovation potentials in all functional areas as explained above. The use of ICT enables to restructure organizations, like flattening of hierarchies and delegating responsibilities, to re-engineer business

processes—like introducing just-in time management or engaging in e-commerce, and to develop completely new products and services (Hempell & Leeuwen, 2006). This way ICT can help to innovate and improve efficiency leading to productivity of the organization (Ark & Piatkowski, 2004).

3.7 Knowledge Management

Various researchers (Herkema, 2003; Gloet & Terziovski, 2004; Scarbrough, 2003) believe that innovation as a knowledge process aimed at creating new knowledge geared towards the development of commercial and viable solutions. For innovation, knowledge is used and through innovation knowledge is created - acquired, shared and assimilated with the aim to create new knowledge for developing new products and services.

Knowledge management and innovation are very much correlated. Organizations treat knowledge as prime organizational resource and hence organizations started storing the information in the form of various knowledge management systems (KMS) to use it strategically in all areas of functions. The knowledge management in an organization support creation, transfer, and application of knowledge in organizations (Alavi & Leidner, 2001).

If the organizations have well built up KMS it can use to innovate successfully in all required areas. To innovate successfully one need to have tremendous knowledge in domain as well as all other functional areas. The availability of huge information/knowledge may creates information overload, which have created complexity of innovation (Plessis, 2007), hence the amount of available knowledge must be easily accessible and in more meaningful form. The complexity created by the explosion of richness and reach of knowledge has to be identified and managed to ensure successful innovation.

Hence nowadays higher managements are aware about the importance of KM for the development of their organizations. KM is becoming progressively more useful because management is considering the value of creativity, which enables the transformation of one form of knowledge to the next. This relationship shows that innovation is highly dependent on KM growth. All form of innovations like technological and non technical which are part of value chain in the organization has to be expressed, assisted and embedded with efficient knowledge level (Carneiro, 2000; Scarbrough, 2003).

3.8 Leadership in the Organization

Leadership is the ability of an individual to influence the behaviors of the other people to act in specific manner. Leaders always lead the group of people, guide and motivate all the players in group. Hence in an organization if there are leaders who believe and trust in innovation as the survival tool and essential for the growth of an organization, this can promote the innovative culture. Though it is believe innovation most of the time comes from bottom of the organization and top management strategic decisions regarding the adoption of innovations are often taken by CEOs and boards of directors (Borins, 2002).

The consulting firm McKinsey conducted a survey of 722 top executives (Senior Vice President level) and 736 lower level executives on leadership and innovation around the world from broad range of industries and found that seventy percent of the top executives said that innovation is one of the top driver for growth of their companies in next three to five years. In today's global environment innovation is the most important way to speed up the change in companies. The strategic leaders are moving beyond traditional product and service categories to pioneer innovations in business process, value chain, distribution, business mode and management function (Barsh, Capozzi, & Davidson, 2008).

NPO's/SE should take step to formally integrate innovation into the strategic management agenda of top executives/leaders of an organization in this way innovation can not only encouraged but also managed, tracked and measured along with company's growth. This will help to foster innovative culture based on trust among employees. In this type of culture people/employees understand that their ideas are valued, trusted and it is safe to express those ideas, and oversee risk collectively together with their top bosses. Such environment can be more effective than monetary incentives to promote and sustain innovation in the organization.

The leader has to work at two different levels first the operational and second strategic level; leaders must bear considerable responsibility if an organization is to be truly innovative on a continuous basis and if individual projects are to be successful. At the strategic level, leaders focus on specific, high-value goals that are to be achieved over an intermediate period of time, for example, three to five years. Leaders at the operational level focus their attention and efforts on lower-level, influential objectives to be accomplished in the immediate future, a time period probably measured in weeks or months (Le Storti, 2006).

3.9 Training of Employees

Many organization understood the importance of training to upgrade the skills, knowledge and competencies of employees (Acemoglu, 1997; Dawe, 2004). Training may be given in many areas depending upon the requirements like professional, technical, managerial, clerical etc., it helps to know the latest updates and developments in domain area. Training stimulates thinking and helps to evaluate or compare existing systems with the new developments, this thinking breaks all mindsets and give new dimension to as creative thinking. Organizations must dig out the training necessity in the requisite areas and should develop training programme for different levels of employees to develop confidence and expertise of the employees which will lead to creativity and innovation (Macdonald, Anderson, & Assimakopoulos, 2006). Hence to think innovatively and out of the box employees must be give training.

The productivity of an organization can be increased with the joint introduction of training and innovation (Dawe, 2004). Implementing innovation in isolation can promote the productivity growth, and its returns can be amplified by the presence of training. On the contrary, training enhances productivity growth if combined with innovation. Combine effect of training and innovation promotes productivity growth among both technically efficient and inefficient workplaces (Laplagne & Bensted, 1999). Hence both are complimentary to each other and interdependent.

3.10 Research & Development Activities

Research and development is considered as the major source of innovations (Manimala, Jose, & Thomas, 2006; Alves et al., 2007). R & D activities not only carried out to develop new product and services but also to improve the systems and process. R & D helps organization to create more values though innovations and knowledge generation (Mairesse & Mohnen, 2004; Mairesse & Mohnen, 2004) to enhance further innovations. R & D can be used to develop and test the innovation in controlled condition to analyses the effect of innovation for target group, this reduces the risk of failure. Hence organizations must promote R&D to develop all sorts of innovations its validations and continuous learning for further innovations (Cohen & Levinthal, 1990).

3.11 Corporate Entrepreneurship or 'Intrapreneurship'

Intrapreneur is a person who undertakes an innovation in an organization. It is an in-house form of entrepreneurship and finds out the possibility that, how intrapreneurs and organizations can work together for common befits. It is found that corporate have ideas and resources, what it needs is intrapreneural talent to take the responsibility to convert opportunities into marketable ideas by innovation (Pinchot & Gifford, 1985). Intrapreneurial innovation can be radical or incremental (Hostager, Neil, Decker, & Lorentz, 1998), this innovation may be related with the existing business line or may be totally different business under the same organization, an individual or a group of working employees in association with the existing organization creates new business or may suggest different way of doing same business with more profitable options (Sharma & Chrisman, 1999). Intrapreneurship promotes experimentation with little risk to an individual; organizations can produce little, sell little and allow failures in case it happened. Those things initially an organization finds difficult to tackle can be solved with organizational motivation to act like intrapreneur and break the mindset of impossible. Companies which follow this philosophy can successfully handle all market pressures in all conditions at almost all places in the world. The role of intrapreneurship can manifest in any role and function in an organization there is no limitation or monopoly on intrapreneurial behavior that anyone or particular level of employee inhibit intraprenurial characteristics (Seshadri & Tripathy, 2006).

Organizations must encourage/ inspire employees to act like an intrapreneures and pursue the various innovative business ideas to grow the organization (Couger, Higgins, & McIntyre, 1990).

3.12 Communication System

Communication is like the blood of any organization which flows from and though each part of the organization. Without communication it is impossible for organization to run its functions, and organization will standstill. All the process and operations are requires to control through communications. As far as innovation diffusion and implementation (Leeuwis & Aarts, 2010; Rogers, 1962; Antonelli, 2000) in the organization is not possible without efficient and effective communication channels. Communication is major determinant of organizational innovation (Kivimaki et al., 2000). Innovations are associated with risk and complexities hence there is resistance in the organizational adoption. In this case appropriate communication channels can develop confidence to accept innovation and reduce resistance for innovation. If there is any chances of variability in the communications, it may create uncertainty about the innovation implementation (Fidler & Johnson, 1984). The communication regarding innovation may include main information about type of innovation, influence and

power information, authority and responsibilities while operationalsing innovation (Schramm & Roberts, 1971; Fidler & Johnson, 1984). Hence the manner in which the characteristics of innovations are carried in the communication message, the type of communication channel and type of organizational structure determines the ultimate implementation of innovation in an organization (Nilakanta & Scamell, 1990; Fidler & Johnson, 1984).

3.13 Human Resources Management

Organizations are run by human beings and all functions and operations are planned, implemented, executed, monitored and controlled by human beings. Of course there is technological aid in overall operations but humans are creator and controller of it. All the innovations are created by human beings into the organizations; hence it's really important to nurture human resource to promote innovations (Yuan, Zhao, & Liu, 2006). Organizations must develop policies, practices and training programmes to make the human resource more productive, efficient by developing/creating and adopting innovations (Kantz & James, 2005; Yuan et al., 2006). There are various aspect of HRM liked with innovations in organizations (Leede & Looise, 2005; Scarbrough, 2003).

- Suitable organization structure.
- The Staffing system of an innovative organization.
- Individual roles/duties and responsibilities.
- Individual career development.
- Building team work and leadership.
- Extensive communication and overall participation.
- Performance measurement and reward system.
- Creating creative culture.

3.14 Multidisciplinary Approach

The innovation system model is based on multidisciplinary apparoch, which indicates the interaction among various elements of organization system. Many of the researchers though not spoken about all the factors responsible for innovation but they specifically mentioned about the multidisciplinary system leading to innovation (Alves, Marques, Saur, & Marques, 2007; Martins & Terblanche, 2003; Chaminade & Edquist, 2005). Multidisciplinary approach talks about bringing together organizations from inside and outside different sectors and institutions (Alves et al., 2004). Through this concept divers knowledge and skill can combined together to solve complex problems and facilities can be shared. This collaborative arrangement for innovation catalyzed the knowledge creation and fast problem solving to beat the competition. The innovation developed through such approach enhances its chance to be successful and more value delivering.

3.15 IPR (Intellectual Property Rights) Regime

It is observed that the business firms in all types of industries where innovations are patented have higher innovation intensity and are also more likely to be highly innovative. Studies also shows that's firms that uses IPR consultants have higher innovation intensity and are more likely innovative. At the same time, there is potential for increased scope of patentability, use of licensing as well as a greater translation of IP awareness into concrete revenue generation and asset creation (Helpman, 1993; Kolaskar et al., 2007; Verspagen, 2006; Park, 2008).

Research strategies should be merged with business planning, as the the new research development progresses and innovation are made, at this critical stage IPR are acquired before the research made public. Organizations can work out on licensing options, fairly early and gains return on the investments in a planned manner at times even before the project reaches its completion. Effective research and innovation no longer remain within the walls of organizations because it involves teamwork and harmonized networking with diverse groups and organizations and hence it is important to protect and preserves it in the innovating organization with IPR mechanism (Ganguli, 2000; Granstrand, 2006; Qian, 2007).

3.16 Resources Control

Resources (Hostager, Neil, Decker, & Lorentz, 1998) are of prime importance for any organization to innovate. There are major resources like man, materials, machines, money and time. All the innovations must have capacity to reduce the uses of resources and maximize the value for user and organization. Value could be efficiency, effectiveness, usability, more profit, social development etc.

But to innovate first one may needs some resources that includes everything that the organization has available to help work in the domain targeted for innovation (Alves et al., 2007). These resources includes wide range of components like sufficient time for producing novel work in the domain, people with necessary expertise, fund allocations to this work domain, materials resources, systems and processes for work in the domain, relevant information, technology and the availability of training (Amiable & Gryskiewicz, 1987). Supply of sufficient resource will promote and sustain the innovative activities at all levels in the organizations.

4. Challenges/Constraints for Innovations

All kinds of changes are not always welcomes by insider and outsiders of the organizations. There are always some groups in favor and against of innovations, but when organization at large evaluates the benefits and values to be generated through the innovations which decides the acceptability. There could be thousands of constraint/barriers to innovate but some of the broad barriers are important to know or at least to be aware of various possible constraint/barriers to innovation (Kolaskar, Anand, & Goswami, 2007; Manimala et al., 2006; Dess et al., 2003; Dougherty & Heller, 1994; Hostager et al., 1998; Klein & Sorra, 1996) in an organization are as below

- Lack of collaborations with other companies in the same area or related to the area of operations.
- Lack of collaborations with Universities, R & D labs, research (Social/Market) institutes.
- Inability to understand customer requirements and competitive environment.
- Shortage of requisite skills due to educational and training gaps.
- Availability of time for innovation and long time, to take innovation from company to market.
- Capital intensiveness or high investment for innovation, less budget for innovation, no funding for research and experimentations.
- Excessive government control, regulations and lack of government incentives for innovations.
- Insufficient competitive pressure to innovate.
- Price sensitiveness of market i.e. customer may not ready to pay extra price compare to competitor.
- Experience of failure in the past may force to act conservatively.
- Lack of patenting innovations.
- Absence of leadership to innovate and low involvement of employees to innovate and work together i.e. lack of team spirit.
- Inter-departmental conflict and poor communication.
- Inappropriate management policies, poor support and no motivation from top management.
- Insufficient infrastructure facilities (Ex- Labs, ICT- Software's and hardware's, Transportations, Support services etc.).
- Bureaucracy, red tapism and rigid organizational structure.
- Inadequate rewards, recognition and no link of promotions with innovations.
- Poor documentation, data, knowledge management and poor analysis systems to investigate failures.
- Size of the organization.

5. Conclusions

Innovation is necessary for all type of organizations irrespective of its categorization as business or non business organization. It's an essential tool to be competitive and cost effective in the market place. Today the market is very dynamic having so much of local as well as global economic environmental effect. To tackle this economic pressure innovation is the only tool. This will be helpful for leading to survival and growth. For initiation and sustenance of any kind of innovation top management's support is very important. The top management has an inevitable role throughout the innovation process from start until final evaluation of the innovation. This model shows the number factors leading to innovation. Each of these variables is studied/researched previously by many of the researchers and proved to be an essential for an innovation. This is the comprehensive model for innovation enhancement into the organization. No prior researches have considered these many variables together to describe innovation development. It is also important to note that many of these variables are interdependent like - use of technology and knowledge management, knowledge management and R & D, leadership and motivation in all variables, Training and HRM etc. to get the synergy effect out of this model

organization must have an expertise to choose its own mix of variables to maximize the innovations. It may also be possible to add some more variables which are not listed and explained in this study, to improve the innovation. This model may have the subjectivity while implementing and evaluating its effect but it will defiantly directives towards the innovation enhancement into the organization.

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