



Discussion on the Cultivation System Construction of Sustainable Innovation Ability for Small and Medium Enterprises

Xuelian Yang

Department of Business and Management, International Business College

Qingdao University, Qingdao 266071, China

Tel: 86-532-8595 3403 E-mail: chybaby@126.com

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Abstract

Innovation is the soul of modern enterprise, and sustainable innovation is the essential for enterprises to keep their long-term energies. Small and medium enterprises should start from the construction of interior sustainable innovation ability cultivation system, cultivate innovational leading thinking, establish innovational enterprise culture, improve innovational encouragement system, walk out the difficulty of the second venture by right of sustainable innovation ability, and realize sustainable and long-term developments of enterprises.

Keywords: Sustainable innovation ability, Small and medium enterprises

Small and medium enterprises are the important economic part in the economy, which has been the unassailable question. For a long time, the thesis to puzzle small and medium enterprises can be concluded as two problems, and one is the venture success of enterprises, i.e. once venture success, and the other is how to survive in the long-term when the venture is succeed.

The venture is the first innovation for small and medium enterprises, and the venture needs to select good project. Good project must accord with these following standards. First, the project has market demands. Second, the competition is not furious. Third, the project possesses business mode with some values including considerable profit space, development foreground, the possibility to quickly increase, and the difference ability which can not be followed. Numerous small and medium enterprises will be born in any country in every year. They grasp the space that large enterprises cannot consider, favorably make up the market vacancy, and successfully begin their own enterprise career. The innovation of market opportunity offers developments for small and medium enterprises, but one time innovation can bring up a small profitable enterprise, but can not make this enterprise become long-time enterprise.

Just like people want to pursue life, every enterprise want to survival for a long-term, so when small and medium enterprises experience successful one time venture, they need consider where their development impulsions are.

1. The sustainable innovation is the only choice to ensure the second successful venture for small and medium enterprises

In the knowledge economic age, enterprise thought the headspring of competition and development is the innovation, but the temporary innovation only brings temporary resplendence to enterprise, and the sustainable innovation ability is the root of competition. KFC possesses unique fired prescription in the world, which is the special advantage that other enterprises cannot obtained, but if only depending on this, KFC cannot become present KFC which spreads all over the world to more than eighty countries and possesses over nine thousands and six hundreds multiple shops. In China market, KFC will produce a sort of new product in average two weeks, and the quick speed of innovation makes all competitors amazing, so it does, more and more customers join into the loyal customer group of KFC, and now in the world, over six millions customers are enjoying delicious foods provided by KFC in every day. The magic weapon of KFC is not its secret prescription any more, but the enterprise sustainable innovation ability formed in a long term.

What is the enterprise sustainable innovation ability?

The enterprise sustainable innovation ability is the ability that enterprise can continually push and implement new technical innovation project (including innovations in techniques, product, raw material, organization, management and market), and constantly translate innovations into economical benefits.

For a long term, people always thought those reasons that small and medium enterprises lack innovation abilities are the deficiency of interior capitals and technical strength and the absence of exterior support policies, but they ignore the

inherent deficiency, i.e. enterprises have not established systematic cultivation system with sustainable innovation ability. The cultivation of innovation ability is a long-term and sustainable systems engineering, and the exterior power of innovation comes from market demands, and the interior power comes from the innovation culture in the interior of the enterprise and the innovation thinking of enterprise members, and integrated enterprise innovation system is the effective guarantee to keep innovation ability for the enterprise.

The cultivation system of interior sustainable innovation ability is the source that small and medium enterprises acquire sustainable innovation ability, and is their advantage comparing with large sized enterprises.

The innovation advantage of large sized enterprises rests with abundant R&D capitals, rich innovation experiences and advanced technical force in the industry. The sustainable innovation advantages of small and medium enterprises are embodied in that the leader's individual thinking has more influential power than large sized enterprises and small and medium enterprises have small and flexible organizations which make the reform of organization become more flexible and easier, and the function of encourage system is more indirect and obvious. Therefore, the urgent problem to be solved is whether small and medium enterprises can quickly construct interior sustainable innovation ability cultivation system and offer original power for the growth and development of enterprises in their second venture stage.

2. Structure of small and medium enterprises interior sustainable innovational ability cultivation system

The interior sustainable innovational ability cultivation system for small and medium enterprises includes three modules, i.e. innovational leading thinking, innovational enterprise culture and innovational encouragement system.

To cultivate enterprise sustainable innovational ability, first, the leaders of the enterprise should possess innovation thinking and confirm sustainable innovate as the basic management concept of the enterprise, and constitute the development strategy taking innovation as the core, and inspire the formation of all members' innovation thinking. Second, to establish and abstract innovational organizational culture and form sharing and good innovational atmosphere in all departments of the enterprise is the fertile soil to make sustainable innovational ability growth for the enterprise. Third, the enterprise needs establishing the interior innovational encouragement system. The innovational encouragement system is the impetus to make innovation translation and the direct transformer between the enterprise innovation result and economical benefits. In addition, the enterprise sustainable innovation always accompanies the reform of the organization, and the reform is the result of innovation and the impetus to implement innovation, and the favorable implementation of the reform has close relation with leaders, organizational culture and encouragement system.

3. How small and medium enterprises construct the cultivation system of interior sustainable innovational ability?

3.1 Establishment and influences of innovational leading thinking

First, leaders should have innovational consciousnesses and earnestly practice what they advocate.

The innovational thinking of all members is the direct spring of enterprise sustainable innovational ability, and every employee in the enterprise needs possessing innovational thinking and the innovation the process that all employees take part in. The cultivation of all member innovational thinking is a process from up to down, and the superior leaders are the sponsors and advocators in the process and the most important propellants of the innovation. The CEO or board chairman of small and medium enterprises is the founder of the enterprise, and in the early venture and growth stage, because leaders devote their much time and energies to deal with various confused business, so it make them usually lack the concept of comprehensive innovation and generally ignore the important function of innovation to the development of the enterprise, more blindly orient the object of the enterprise as the expansion of enterprise scale, and have no consciousness that the absence of sustainable innovation make the growth of the enterprise lose stable continuous powers. In every day, many enterprises quit the arena of the market because of deficient power of sustainable innovation. For example, past "IDILL" and "CHANGHONG" in Ni-Runfeng age induced the deviation of enterprise development strategy all because their leaders lacked innovational consciousnesses.

Therefore, leaders of small and medium enterprises should cultivate their own innovational consciousnesses and innovational spirits first, bring innovation into the basic management concept of the enterprise, continually develop their thinking domain in practice, constitute the development strategy taking innovation as the core, and decompose and carry out innovational strategy into the objects of the enterprise. Just as Mayun, the CEO of Alibaba which is the leading enterprise in China Internet industry said "Whether traditional enterprises or new enterprises all need continual innovation, development, and growth in the failure. Enterprises should study foreign experiences and make their own views deeper, farther, and wider."

Second, enterprises should fully understand that employees are the main body of the enterprise innovation.

For small and medium enterprises, every employee is the precious innovation source, and the innovation is not few managers or technical personnel's business any more. Whether leaders of the enterprise emphasize the exertion of all

employees' enthusiasm and creation is the important embodiment of the innovational leading thinking.

The leading thinking will form a sort of leading fashion with characters of innovation, i.e. the innovation ability is an important standard to select employees, and the enterprise should pay attention to cultivate employees' individual independence, personality and agility, encourage innovation, and fully exert all employees' creative enthusiasms and harmonious "team spirit".

Third, enterprises should treat employees equally without discrimination and give all employees abundant respects.

To treat every employee equally and fairly offers a guarantee to spread innovational thinking. Skeleton employees are easier to find real problems in their works. Shi Yuzhu, the CEO of Giant Group who put on "successful arriving" in China enterprise, summarized the reason that his teams didn't abandon him when the enterprise is in the difficulty was to respectably and equally treat his every employee.

The cultivation of all employees' innovation thinking needs leaders of the enterprise have a sort of equal and just management consciousnesses and offer premises and guarantees for employees' innovational thinking and innovational practices.

In a word, only leaders of the enterprise possess comprehensive innovational thinking, utilize their own influences to teach by personal example as well as verbal instruction in the interior of the enterprise, extend and carry out the practice of the innovational thinking, the all employees' innovational consciousnesses of the enterprise can be inspired, and the stable superstructure can be established to cultivate sustainable innovational ability.

3.2 Establishing innovational enterprise organizational culture and forming dense enterprise innovational atmosphere

The enterprise culture construction of small and medium enterprises is generally weak, and the important enterprise task in the second venture stage is to implement systematic enterprise culture construction. When enterprises complete original accumulation, they need scanning their own organizational mission, enterprise responsibility and willing, and abstracting enterprise value standard and organizational tenet. Innovational enterprise culture is the soil of sustainable development of small and medium enterprises, and the important model of sustainable innovational ability cultivation system of small and medium enterprises.

These following aspects are needed to establish innovational enterprise culture.

First, enterprise should take the team cooperation spirit as the guidelines of innovational enterprise culture. Innovation is a sort of creative activity with high independence, which depends on the mutual communication and collision of different ideas and opinions, and all employees' active participation and sincere devotion. The innovation is the result that enterprise draws on the wisdom of the masses. The team cooperation spirit is the allowance and active action to mistake and failure, just as the founder of Intel, Robert Noyce often said one sentence to encourage his employees, "don't worry, just do it". The establishment of the team cooperation spirit makes employees obtain intense adscription senses and consistently identify with organizational tenet and willing, feel occupational value and meaning, form a sort of good atmosphere with harmonious relationship and identical aim in the interior of the organization, and encourage employees' enthusiasms to take part in innovation. So, every employee will actively think and make suggestions for the development of the enterprise.

Second, the enterprise should establish interior experience platform to realize sharing of organizational knowledge.

The construction of innovational organizational culture can not be accomplished in an action, and it needs the enhancement of management practice, the accumulation of experience. The spread and communication of interior experience is the important part to accumulate innovational experiences for small and medium enterprises, and the free communication and channel of interior information is the guarantee to establish innovational enterprise culture. The establishment of enterprise interior experience platform can realize complete sharing of organizational knowledge to reduce learning costs of knowledge and enhance the innovational level of all organizational members.

Third, the enterprise should cultivate employees' sustainable learning ability and make learning become a sort of occupational habit.

Learning enterprise culture is an important character of innovational enterprise culture. Because knowledge is the spring of innovation, only continual learning, acquirement and accumulation of knowledge and experience can make sustainable innovation become possible. To establish learning organization is not the aim that only large sized enterprise needs and has ability to realize, and the learning habit needs to be cultivated since the enterprise is founded. To learn observation, thinking, communication, cooperation, and take learning as one part of daily work, every employee of the enterprise should be a person who should make learning as a sort of natural ability of the organization with sustainable learning habit and ability, and the sustainable innovational ability can be really cultivated and enhanced.

3.3 Establishment and perfection of innovational encouragement system

From innovational thinking to innovational motivation and to the transform of innovational action, and the power of

sustainable innovation all need comprehensive encouragement system as the guarantee, so enterprises need establishing innovational encouragement system to promote continual production of innovational results.

To establish highly effective innovational encouragement system, the enterprise should institute the all-directional innovational encouragement plan which has no difference in department and post, and only employee puts forward valuable advices, the enterprise should give him innovational encouragement according to his actual economical contribution. For example, the AOKANG Group which is the first enterprise in China shoemaking industry early established the "Gold Idea Award Fund" and appropriates millions Yuan every year to award employees who find out problems and advice for the enterprise.

Second, high effective innovational encouragement system needs to be constantly implemented. The quick and fair encashment of innovational encouragement is the representation with the maximum encouragement function, and the encouragement plan and system are not only temporary and face project. Only the innovational encouragement becomes the system which is trusted and identified by organizational members, employees' innovation enthusiasms and creation will be inspired fully, and the sustainable innovational ability will grow in the interior of the organization and really become the original power to improve the development of the enterprise.

Third, enterprise should bring innovation into the performance evaluation system of personnel or enterprise and establish good encouragement system.

The good encouragement system needs taking the checking of innovational ability and enthusiasm as the important factor of the employee performance evaluation, and taking the implementation of innovational results as one standard of the enterprise performance evaluation. This process needs decomposing and quantifying innovational ability to implement comprehensive evaluation combining with economical contributions of the enterprise produced by innovation.

4. Conclusions

The innovational consciousness of one nation needs begin from child, and the innovational ability cultivation of one enterprise needs begin from the foundation of the development of the enterprise, i.e. the construction of the interior sustainable innovational cultivation system.

At present, small and medium enterprises face opportunity and challenge, and the sustainable innovation is the only choice to realize the second venture for the enterprise. The cultivation of thinking innovation will make managers of small and medium enterprises realize the importance of innovational consciousness to the development of enterprises, and the value to set up knowledge innovational enterprise. The cultivation of cultural innovation will make the interior of small and medium enterprises establish a sort of interior environment and active atmosphere fit for technical innovation, service innovation, product innovation and quality innovation. The cultivation of management system and organization innovation will offer stable interior support and encourage mechanism for sustainable innovational strategy. The cultivation of exterior innovational environment will eliminate obstacles for the implementation of innovational strategy. Finally, all these cultivation will build up the sustainable innovational ability of enterprises to enhance the core competition of small and medium enterprises and become real century enterprises.

The tomorrow of small and medium enterprises must be better in the future.

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