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How companies can foster innovation

Wednesday, January 10, 2018 17:44

Innovation….innovation….innovation….innovation. Companies crave it. Customers demand it. Managers push it. All the while employees must deliver it. The term represents the business buzzword of the era.

While innovation has become a stalwart necessity of modern business, very few firms consistently harness creativity and deliver innovative solutions repeatedly. In innovation, time matters. We think of champions of innovation as Google, Safaricom, and Tesla who race time to put better products in front of consumers before others.

On the other hand, many of those who succeeded initially in beating others to market, later fell apart.

Blackberry developed the modern smart phone before anyone else. However, then Research in Motion could not sustain the momentum and Apple then Samsung took over global dominance with time. Yahoo Mail also fell short of sustaining innovation following initial success.

Time does not only matter for a firm's race to deliver innovative products and services before customers, but it also matters in how a company treats the time horizon for employees.

Exciting new research out of France by Fanny Simon and Albéric Tellier sheds light on why so many innovation attempts within firms fail. As we all notice, most innovative firms create project teams to focus on various creativity initiatives. Project members then move from one project on to another project and spread their learnings and experiences to new project teams thus expanding the firm's knowledge base. The increase in knowledge helps organisations to exploit the produced knowledge.

However, companies that use consultants, occasional workers, or regular workers put onto project teams infrequently will likely view a project as a short-term engagement.

When employees expect that their project relationships with other individuals on the team will get dismantled, then the group will focus much more on the immediate tasks and outcomes at hand and not on the future implications for the firm.

Also, such teams that view themselves as more temporary or non-repeating are less likely to diffuse the created knowledge throughout the organisation. Inasmuch, it becomes harder for the company to harness and sustain the momentum of creativity and innovation streams.

So, how should firms manage innovation? Interestingly, companies could do better by scheduling product and service innovations at regular time intervals. Then, when individual employees get involved on a project team, they are more likely to view themselves as involved in a continuous tide of projects. The employees will reasonably expect that their collaboration with fellow team members will probably recur in the not too distant future. The team therefore would shift towards a more long-term orientation and align their thinking, tasks, and expected outcomes in such a light.

In short, companies with innovation aspirations should not portray creativity as random or irregular bursts of project necessity but rather foster a culture and expectation of regularly scheduled innovation project teams. Such time pacing enables better coordination of innovation, more knowledge dissemination, and higher outcomes that lead to greater sustained profits.

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