

Initiating innovation in a mature us business essay sample

[Technology](#), [Innovation](#)



The current business environment is characterized by a considerable level of business environment and therefore businesses have to continuously reengineer their internal operations in order to build and maintain a competitive advantage. This is particularly relevant for a mature US business which is facing demand that is no longer growing. Therefore unless the business fosters innovation, it will not be able to maintain its profitability. For this reason, it has to invest in interpretive market research in which the technical people are put in the field so that they can observe user experience (cited in Dess, 2007). This is the only way to maintain a continuous improvement process in the form of product differentiation. In this respect the developers must consider the issues of usefulness, usability and desirability. With the information gathered from interpretive research, the product development team would be able to make trade-offs between the three issues. For example, if the product rates high in terms of desirability, then it would not make sense to invest in usability since the consumers would purchase the product anyway.

Customers and employees are the two most important stakeholders for the company. Interpretive consumer research would enable the company to conduct the innovation process according to customers' tastes and preferences. However the culture of innovation has to be built within the organization as well. In this respect, the management has to create the right working conditions which can foster a spirit of innovation. It is best when the ideas for new product developments come from the employees since they are in direct contact with the customers and since they will also be responsible for implementing the strategy. In this respect, a cultural

orientation based on ownership, responsibility and accountability might be effective (cited in Evans, 2004). When the employees own the processes, then they are motivated to undertake initiatives in order to maintain the continuous improvement process. This facilitates the process of managing change because most change management projects fail because of employee resistance.

In order to foster the culture of innovation, the management must undertake periodic training and development programs in order to enable employees to see how their work relates to the strategic focus of the organization. If they are able to make this connection then the employees can conduct the process of informal learning. The problem with formal training and development programs is that they cannot capture all the relevant issues that are likely to arise in the actual working environment. It is also difficult for the management to assess the return on investment from incurring expenses in arranging the programs. This is particularly the case in a mature business which may be experiencing cash flow problems as a result of declining profitability. Therefore the thing to do for a mature US business is to implement the strategy of cost minimization while at the same time fostering the spirit of innovation among the employees. This can best be done through implementing the learning contract which is a document that represents an agreement between the learner and the teacher to pursue certain activities to achieve pre-specified learning outcomes.

Three strategies have been suggested in this paper: interpretive consumer research, user value consisting of usefulness, usability and desirability and

training and development. By implementing these three strategies, the management in a mature US business can foster innovation. The critical success factor in this respect is to align employee interests to organizational interests so that the process of learning and growth may be interconnected both to customer relationship management and internal business processes. In this respect, the management might very well be implementing the balanced scorecard methodology which emphasises the interconnectedness between different process chains (cited in Hill & Jones, 2007). Therefore implementing the balanced scorecard methodology provides a framework in which the three strategies earlier mentioned can be implemented simultaneously. In this manner, a mature US business can foster innovations which will maintain the position of its product line in the growth stage of the product life cycle.

References

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