

# Free case study on innovation management

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## - Introduction

Innovation is an interesting ideology, one that sounds good to follow, but behind the veils of its looming success is a challenge in its implementation. According to Phaal et al. (2010, p34), the early stages of strategic development in technology and its innovation stance is more of a challenging situation. The main challenge in implementation of innovative ideas is the fact that the company flexibility must be assured in the wake of both commercial and technical uncertainty (Phaal et al., 2010. p34). Logitech has relied heavily in investment in computer accessories and gaming accessories, aspects that it has mastered over the years. However, their emergent need to expand its horizon has been admirable. In recent times, Logitech has embarked on a rigorous quest for business expansion with the need to invest in Smart Homes product lines. This means fashioning a novel value creation channel, harnessing existent managerial planning and goal setting approach, managing innovation and strategic leadership and fundamentals to the emergent Logitech.

## - Part 1: Value Creation

Current and emergent technological platform is inclined towards provision of Smart Home product lines that utilize wireless sensors over mobile platforms to integrate operations of various home appliances and simplified monitoring of these networks using mobile platform applications (Pereira et al., 2011, p713). Cohen (2010, p10) connotes that the era of ambient intelligence is here and this is changing the technology arena.

The emergence of Video on Demand (VoD), IP Telephony and its integration to non-real-time technology like web browsers has hastened the

development of Smart products (Kamel, Akinlar and El-Sayed, 2010, p87). To add to that, the realization of Fiber To The Home (FTTH) (Kamel, Akinlar and El-Sayed, 88) system has enabled faster connectivity to home and workplace networks. These conjoint configurations make it possible to establish microcontroller and radio transceiver systems (Bogue, 285) in addition to harnessing blue tooth technology for Smart Home utility (Pereira et al., 2011, p713).

Pereira et al. (2011, p713) continues to argue that the four fundamental mobile platforms that are utilized in Smart Home network systems include Symbian, Android, Windows Mobile and iPhone. The ease in interconnectivity using Bluetooth technology across these platforms has been an encouraging phenomenon making it easy to integrate home appliance equipment like temperature regulators, gas cookers, refrigerators, television, radio systems, freezers, and washing machines among others.

Large multinational corporations have started streaming into this arena challenging and fervidly changing the landscape of Smart Home appliances. The stiffest challenger of Logitech as it stands are Samsung and Panasonic company products that seem to flood the market with ingenuity and novelty that almost surpasses market expectation. These two companies have invested in offshore production plants thus having the ability to manufacture diverse products in addition to having made a name in the marketplace. For Logitech to be able to compete in this stiff market arena, it needs not only to invest in Smart Home products but also in technology that makes it easy to use applications in any product. Current product and service line shows a trend in which the operation of these products is reliant on mobile

platform and the product itself. However, Logitech can acquire a small high technology company that majors on exploratory framework in harnessing intelligence such that it introduces the emergent B. A. T. M. A. N technology in available technology platform within the same arena such that it adds value to its products. In this proposal, it is anticipated that each gadget will work independently as a transceiver such that it can exchange communication with near products and configure its application software to be able to control another machine fully. Take for example, a refrigerator in the kitchen can interconnect and communicate with a washing machine in the laundry room without the need for remote control or a mobile phone to do that. In this case, the refrigerator acquires all necessary drivers for individual appliances in the house and can be used to configure other appliances including giving commands to these appliances and in the event that one breaks down or one loses a phone or remote control, the other gadget's platform can be used to control and send commands to all other applications.

The Beauty of this application is in the fact that, while all systems remain interconnected, there is huge decrease in power consumption; thus the ability to send a gadget into suspend mode where major component services are halted thus saving on energy. Second, the approach has shown that in the event of destruction of a central server, individual user application points can easily be configured to take up the function of a server with all functionality. Finally, surrounding appliances identify one server point and reduce load on the communication system thus reducing the communication time and signal strength even around bends.

Current interconnections show weakness around bends especially given the fact that they heavily rely on Bluetooth network system (Pereira et al., 2011, p714 +). Creating a Wi-Fi multidirectional configurator, such that each gadget reads the signal from each of the appliances, reconfigures and adjusts its transmission signal such that the signals reinforce each other rather than cancel one another with a repeat within five minutes will strengthen the communication (Kamel, Akinlar & El-Sayed, 2010, p88 +). Upon long halt between appliance activities, those not in uses can be sent into dormant mode with two to three appliances left with a repeat signal sequencing interval auto configured to thirty minutes.

#### - Part 2: Managerial planning and goals

The political atmosphere in many regions has been found to be a major interference in smooth running of a company especially during introduction of new products in the market. In some cases, the political atmosphere of a region tends to directly or indirectly affect the economic status of that region. For example the introduction and accentuation of barrier tariffs creates uneven trading atmosphere leading to corporations to seek offshore expatriates to reduce production and manufacturing expenses including reduction in human resource related expenditure. The social arena is an aspect that defines the face of a company. Increasing opportunities for employee informal interaction would aid in improving their inter- and intra-relationship stance. Current and emergent technologies are offering better opportunities for individuals and groups to invent better models and applications that are easier to use as compared to traditional applications that relied on analog systems.

Logitech should aim at reducing political influence in its decision-making framework by fashioning and emphasizing their stand on politically related matters. Second, Logitech need to diversify their product lines to stop their overreliance on gaming accessories to other areas that can improve their economic stance. Outsourcing can also aid in taping international professionalism although there needs to be established a moderation framework in outsourced activities. Third, Logitech should seek to add their community associate activities in addition to increase their employee informal interaction stance by including activities like employee family fan day. Finally, Logitech urgently needs to diversify and acquisition of the target small high technology firm is a proper move to acquire market mileage over its stiff rivals.

#### - Part 3: Innovation management

There is an old adage that asserts, “ A change is as good as a rest”.

However, in application especially in the marketplace, this adage sounds subversive to some extent. Take Maden (2011, p188 +) for example, while company mergers are aimed at giving the acquiring company market mileage, many corporations with improperly placed holistic approach to imminent change. Being integration of two previously independent companies with their autonomous operation approach, shifting staff’s ideology of management has always remained to be a major challenge (Maden, 2011, p188). Employees feel a sense of loss (Maden, 2011, p189). First, employees lose their identity, second, they lack vital information thus feel anxious, then they indulge in an obsession to survive the change and finally there is loss of talent (Maden, 2011, p189, Eacott, 2010, p449, Sarala

and Vaara, 2010, p1366).

Second, the demarcation of those to be retained should be made on grounds of those who fall in the category of critical performers in either field (Maden, 2011, p189). Critical performers form the backbone of a company's forward drive by remaining consistent to their course of work schedules and persistently performing as per expectation.

Finally, it is imperative to have better assessment on the ease of an employee to adapt into a new environment as well as the ease in integration into a new cultural divide (Maden, 2011, p189, Sarala and Vaara, 2010, p1368 +). It is additionally noted that in cultural cross-integration, transfer of inherent knowledge of individual merging companies is inevitable (Sarala and Vaara, 2010, p1368). A major challenge that is imminent is in acquisition of an international corporation that does not share related cultural platform. According to Sarala and Vaara (2010, p1368), it is possible to establish a smooth, coherent and consistent decision-support program that ensures smooth knowledge transition without the haste to integrate the whole facility at once. Another approach can be acquisition and retention of the staff as they are and fashioning a new mission and vision statement that incorporates the new acquisition and the old such that all employees step into a new arena together in a redefined framework.

It is important to note that employees who are assured of their job security are more likely to offer their best services to the company unlike those that perceive that their positions are uncertain (Sarala and Vaara, 2010, p1369, Maden, 2011, p190). In addition to this, employees in the newly formed merger and/ or acquisition need to feel a sense of autonomy in decision

making in addition to a clear feedback channel on a top-down and bottom-up channel.

Managers at Logitech need to provide true and accurate information about every stage of the transition to avoid erroneous speculations that can easily be misinterpreted and turned into slander (Sarala and Vaara, 2010, p1369).

#### - Part 4: Strategic leadership

It is the aim of any competent business manager to aim at moving the business venture from a lower stance to a higher one. For this to be achieved, a strategic leadership approach is imperative. Borrowing from the works of Phaal et al. (2010, p35), it is admissible to note that there are four phases of a business development cycle. The first phase is the science-dominated emergence, one that Logitech excelled in mid-to-late 1990s (Phaal et al., 2010, p35). As from the start of the century to its current stance, Logitech has stagnated at the second phase, which is the Technology-dominated emergence phase (Phaal et al., 2010, p35). It is in this phase that it is clear, the investment of Logitech in accessories and game-related fields that has driven it through the past decade with high returns.

For now, Logitech needs to leap into the application-dominated emergence phase as it acquires the small high technology firm in its diversification to Smart Home applications and product lines (Phaal et al., 2010, p35). To be able to achieve this, Logitech needs to utilize the macro as well as micro fit model (Park et al., 2011, p489). Under the macro fit model, there is accentuation on strategy as well as the structure of the leadership and its relationship with organization environment and inter-organizational relations



that act as prerequisites in attaining higher performance (Park et al., 2011, p489-490). Although micro fit model is closely related to macro fit model, it is important to demarcate that the micro fit model is more of a closed system as compared to macro's open system approach (Park et al., 2011, p490, White, 2010, p5 +).

However, Gobble (2012, p63 +) come up with a rather inviting approach called reverse innovation. In this strategic leadership approach, there are five fundamental principles that are agreeable. First, it should be understood that the future is inherently going to be a mix of change and inertia (Gobble, 2012, p66). As such, the leadership model should be such that it is flexible to an ever changing working environment and technological arena. In so doing, it will be possible to engrave this culture into the hearts of Logitech employees and their resistance to future changes will be minimized as employees get engaged actively in the change process.

Second, the future is predictable and it is up to the management to set what they intend to be achieved by the company within what timeframe (Gobble, 2012, p66). Third, it is important to understand that visioning and futuring for the company is different based on the leadership profile in place and the support system for the same (Gobble, 2012, p66). Fourth, it is noted that at one point in time, thing will definitely go wrong and it is the work of the management to prepare for a response framework and establish individuals involved in repairing the damage (Gobble, 2012, p66). Finally, at whatever cost, constant monitoring and updating must be done to ensure the company keeps up with emergent trends.

- Conclusion

In conclusion, it is clear that the quest by Logitech to acquire a small high technology firm is imminent and a proper approach to remain marketable in a volatile environment. However, proper preparations and mechanisms need to be put in place to ensure smooth and consistent transition while using a holistic framework with enough checks and balances in place to ensure proper implementation at every stage.

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