

Developing innovation at nokia



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Abstract:

This paper looks into the current situation at Nokia, a company that deals in the production of mobile phones as well as mobile software that are intended to run on. The current workforce at the company has been facing the challenge of lack of innovation in and requires a diagnosis and recommendation of the problem that the company is facing. The lack of innovation in the current world situation is detrimental to the company since it requires innovative employees so as to ensure that it is in line with technological advancement in the world today. As the world is moving forward and making major technological advancements companies like Nokia need to be innovative so as to stay ahead of the pack. The lack of innovation will lead to other companies taking up a greater share of the mobile phone industry meaning that Nokia will lose a lot in terms of capital and investment. This paper looks at the problem at Nokia, the possible causes of the problem and also suggests recommendations on how to deal with the problem of lack of innovation at the company.

Introduction:

Innovation in a working unit of employees can be defined as the act of starting something new for the first time, it is the act of coming up with a product that the world has never seen before or coming up with a product that easily solves the problems that the world is facing. Nokia needs to innovate and come up with a product or a series of products that have yet to be implemented by any of its competing organizations. Creation of a new product may be as a result from a study, experiment or even current problems that are facing the world. Innovation can be said to be the brain

child of creativity of the company and its employees. In order to have innovation in the company proper motivation of employees is needed so as to be able to promote proper innovation in its employees. The company's employees must have a clear guideline and understanding of what innovation is and what it entails and what constitutes innovation. The company and its employees must first brace the benefits that come with innovation. These are discussed below:

Benefits of promoting innovation at the work place:

Promoting innovation in the team has great benefits for the team of employees as well as the company. Promoting innovation increases curiosity in the company's team of employees since it expands their thinking capabilities and lets them think outside the box. Innovation nurtures a character of wanting to know more so as to solve a problem. This is critical because curiosity leads to the team trying out and playing around with new ideas and concepts, this contributes highly to the learning process.

Promoting innovation leads to increased productivity of the team. This can be through positive competition within the team. Promoting innovation leads to the team building and cohesiveness. The team acts as a single unit in order to meet the goals of innovation that have been set. Promoting innovation will increased employee motivation and morale. Promoting innovation encourages the team with passion in undertaking their tasks. Innovation leads to the team having more praise other than criticism and these increases and boosts the team's spirit when facing a problem.

(Rafinejad D. 2007)

Promoting innovation in a team also has great benefits on not only the team members but also to Nokia as a whole. Nokia benefits greatly by being the first organization to take a product or service to the market before any of their competitors. Innovation gives Nokia an edge over its competition. By being the first organization to take a new product or service to the market Nokia gains a large market share. Due to having a large market share and increased team productivity Nokia benefits by the increase of profit margins. This in turn increases the share price of Nokia. Innovation also leads to increase in shareholder dividends due to the increased profit margins of the company. Innovation will increase the overall production of Nokia by having a highly motivated team. (Prather. C. 2001)

Problems that lead to lack of innovation at Nokia:

The lack of innovation is a dynamic constraint that affects the company. So as to solve the menace it would be important to first ask ourselves the question where does the problem lie? The company and its employees must understand the underlying problems that are leading to lack of innovation.

Employees at Nokia also lack motivation and morale to develop any new products. Motivation is described as the mental push or pull that stimulates the company's workers towards a certain desired action that will lead towards the achievement of innovation goals. Employee enthusiasm directly affects an employees work input and output of an employee. Innovation requires a lot of employee effort and Nokia is facing the challenge of ensuring that it constantly motivates its employees so as to allow the company to operate at optimum efficiency. As discussed innovation is a

direct effect of work output and input and it is greatly influenced and affected by motivation. Especially in the kind of volatile global market that companies like Nokia are dealing with. It is important for the employees to be well motivated so as to make sure they are innovative. Nokia needs also to look at building a team that works because it is important for employees to work together so as to ensure that they are innovative as well as productive.

The recent financial meltdown that the world has brought about an increase in the prices of materials and production of new products, the company lacks enough funds so as to promote and nurture innovative ideas at the work place. The prices of energy, resources and labour have all shot up and the company is having problems trying to produce any new products in the market. The company is facing a very hard time trying to produce goods for its market in the United States let alone the global market. The company is on the receiving end of unfair competition from other mobile phone manufacturers for example Samsung who are operating in China which offers better market conditions as well as reduced cost of production. Without enough funds the company cannot come up with any innovative products for the current market since Nokia would be forced to make the cost of their product so high that customers would opt for other brands.

Recommendations:

How to foster innovation in employees:

In an effort by the company to promote innovation Nokia could adopt a few strategies which encourage the team members to be as innovative as

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possible. The company needs to set up a team that will champion innovation in the organization. The team should lead the way for other employees. So as to increase innovation Nokia must first select the suitable employee team to tackle the problems at the organization. The team member should be selected and employed in a free and fair manner and it should only contain people who are qualified in the particular field that Nokia is dealing in. the team selected must include young and energetic people who are willing to learn fresh ideas and who are willing to take risks as well as being ready to branch away from the norm products that Nokia produces. The organization must select a competent team. It must ensure that employee dynamics in the team selected are good so as to increase the productivity of Nokia. The most important part of an organization is its employees. The employees should work together towards a goal.

Employee diversity is a major setback to employees working together. Therefore Nokia should be able to harmonize all its employees so as to be able to achieve its goals. Employee relation intercession would be very important when there are many conflicts at the work place, when there is a recruitment of new employees and low employee morale.

How to ensure the team works together:

Employee training:

Nokia could choose to hire a professional to train employees in the organization on the benefits. Employees could be trained on the importance of working together with their fellow employees.

Mentorship plans and futuristic leadership:

Nokia's top leadership for example, the board of directors should offer the required mentorship to the organization's employees. The management should also be responsible for leading the company's workers towards meeting its goals and objectives. The company should also talk to the workers as a group and as a unit that requires working together. Nokia should resolve all conflicts that exist between the employees. Nokia must encourage open dialog as well as an open channel for communication between workers. Nokia should encourage team building and offer incentives for teams that have good performance.

Nokia should then come up with an approach to innovate its team members. From time to time Nokia should reflect upon its approach so as to ensure that Nokia has in place proper measures and strategies that are in tune with Nokia's morals, plans and objectives of Nokia. Nokia should then inform the whole team of the strategies and motivate the team to come up with new ideas for a new product or service (Konstadakopulos, 2001). Nokia should adopt a strategy of free flow of ideas within the team whereby the team members should be free to exchange information and ideas for the betterment of Nokia. Nokia should come up with an award scheme for some of the most innovative ideas. Awards could be in the form of salary bonuses to the team or team member who came up with the most innovative idea. Nokia must also ensure that the owner of an implemented idea get recognition for their work done (Konstadakopulos, 2001).

Nokia must also be able to avail enough funds, resource and time so as to facilitate the research, design, testing and implementation of the innovative ideas. Nokia must encourage team member not to give up and take chances with ideas. Nokia should encourage the team to learn from its mistakes in the past. In as much as the team should be able to take risks Nokia must be able to teach the team how to pick between the risks and the benefits of taking the risk. To be able to differentiate the two should be well explained to the team members. Finally Nokia should have a perfect action plan so as to be able to implement the strategies that have been discussed above. Without the action plan the strategies discussed above will have no beneficial use to the organization (Konstadakopulos, 2001).

The team selected by the organization should be able to anticipate future trends. Innovation is all about being the future. Nokia must be able to cater for research in future trends by collecting data from consumers and opinion polls. Nokia must be able to come up with practical and realistic ways for the team to overcome the problem facing Nokia. The organization must provide an environment that encourages and supports the team to do its best, to the best of its ability (William, 1989). Nokia must desist from internal or external interference of the teams work and should encourage the team to make its own independent decisions without having external pressures this could affect innovation. In as much as Nokia does not interfere in the teams work Nokia should continuously challenge the team to come up with innovative ideas and alternative ways of solving a problem.

In an effort to maximize on innovation and profits Nokia must be ready to branch out and invest in emerging markets. It should promote innovation by

encouraging the team to find new opportunities and concepts. Team members should be encouraged to be curious and experimental since it's only by taking risk that they could learn. The policy of free flow of information should be implemented for the team so as to increase and boost the team building effort. Team building could also be enforced by, as discussed above, financial incentives to the team for having innovative ideas. Incentives will constantly challenge the team to be better. They also boost the team's spirit, morale and enthusiasm towards their work. These incentives could include pay rises, bonus pays and job promotions (Rajat, 2009).

How to control employee motivation and performance:

Nokia can use incentives and gifts to motivate employees into. Nokia should propose a system which offers employees financial incentives which are pegged on the profits that the company makes from any innovative. This will increase work input and output. This will in turn increase the company's profits. The employees participating in the scheme directly affect the company's profits. Nokia must ensure that the scheme motivates the selected employees to be more productive (Konstadakopoulos, 2001). The goals and ambitions must be realistic and attainable. Nokia must spell out goals that can be achieved. It would be best if the goals were based on the history of the company. If the goals are set too high it would demoralize the employees.

Nokia should provide a suitable climate for the development of employee careers. Promotions should be given on the basis of merit not on the basis of

years of service. This will enhance career development for hardworking employees. It will also act as a motivating factor. Nokia must also plan for leadership and management. Only qualified employees should be promoted to leadership and management positions. This will ensure that Nokia has competent leadership and thus increase the company's productivity. It is important to increase employee performance so as to increase the overall performance of Nokia. Nokia's goals offer the reference to performance. Nokia should clearly state its objectives and the progress to the goals must be monitored regularly. Nokia should have a feedback system that tells the employees how close or how far they are from Nokia's objectives. So as to be able to meet this objectives employee performance is critical.

The first step to performance management is the statement of Nokia's performance goals. Nokia must have clearly stated and defined goals. The employees should be made aware of these goals. The next step would be coming up with a performance plan. The company must routinely monitor and track this plan. Nokia should evaluate performance and reward where due. The performance plans of Nokia should be open to development. They should allow for improvement.

Conclusion:

So as to be able to achieve an organizations goals and objectives it's important for Nokia to embrace effective intercession. Organization development intercessions are aimed at increasing the performance and output of Nokia. So as to be successful organization development intercessions should affect the whole organization and should go down to

individual level. The intercessions should be sponsored by the head of the company and should be supported by Nokia's staff. Intercessions that should be implemented in this case should involve respect for employees and the administration, having a working administration in Nokia, having trust and open channels of communication between the administration and the employees. The intercessions must be able to support open confrontation of problems that are facing Nokia. Major stakeholders in Nokia must also participate actively in the intercessions. This will somehow give the intercessions a bit of weight and seriousness.