

The Influence of Awareness and Creating Culture of Innovation in IT Sector

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Abstract

Researchers have invested significant resources in understanding the innovation process. This research paper focusses on innovation awareness. The study attempts to assess the awareness of innovation management and its types among the employees working in IT Companies. The data was collected from 220 usable random samples of respondents belonging to IT companies located in Maharashtra State. This study indicates a significant need to increase the awareness of innovation among employees to create a desired culture of innovation.

Keyword: Innovation, Awareness, IT Companies, Culture, Employees

1. Introduction

Innovation is any product, process, policy, or structural change that is perceived to be new [1] and leads to economic benefit. Companies, nowadays, are developing their strategies around innovation to gain competitive advantage. Many organizations are investing in separate research and development department for innovation. Innovation Management has become the need of every organization in today's competitive world. Innovation research has covered a full gamut and factors as structure [2]; the focus on customer needs, leadership, information sharing, inventiveness, ability to implement [3]; building cross-functional teams [4]; organizational learning [5]. It is critical to understand the awareness of innovation management and its influence on creating a culture of innovation inside the organization.

2. Literature Review

The long-term survival of an organization and its returns to stakeholders is highly related to its ability to innovate [6]. With globalization and convergence of multiple technologies, innovation is critical for an organization to help them address competitive threats and commoditization of their products and services,[7] and upskill their employees [8][9]. The importance of innovation was emphasized by changing the vision of the traditional linear model of innovation to move to more dynamic and interactive visibility [10]. Innovativeness of top leadership seems to be an essential part of the overall entrepreneurial orientation for innovation among firm employees. Organizational values, a set of displayed risk-taking and initiative taking behaviors that is consistent among all employees and the level of autonomy has a significant power to shape the culture of innovation and create a sustained competitive advantage.

3. Research Gap

Though many researchers have been done on the concept exploring and describing Innovation Management in IT sector, and the factors affecting the innovation management in various organization, it was indeed required to emphasize on the basic thing such as awareness and its role in employees participation in innovation management.

4. Research Methodology

Sample Design

The study was conducted in Mumbai and Pune region in Maharashtra state, India. A sample of 220 usable random samples of employees of various IT companies was taken. Simple random sampling method was used. Only private IT companies were considered for the study. This study is cross-sectional in nature.

Data Collection Instrument: - The primary data was collected with the help of a structured questionnaire. The questionnaire was provided to the employees, and they were asked whether they aware of or not with innovation management and its levels. If they were aware of innovation management and its types, they were asked to mark a tick (✓) , and if not, then mark a cross(X) . Therefore, the data was collected in the form of 'Yes' or 'No' from 220 respondents.

A total of 300 questionnaires were distributed to the target population in the sampled region out of which 250 responses were obtained. From the responses received, 234 were usable. Out of these 234 usable responses, 220 were responses were selected randomly.

Statistical techniques used for analysis

Percentage scores have been used to analyze the data and get inferences.

5. Objectives of the Study

From the literature review and discovering the research gap, the present study was planned with the following research objectives

- To study the awareness of employees of small IT companies with respect to innovation management.
- To study the awareness of employees of small IT companies with respect to different types of innovation management.
- To study the importance of innovation to employees to their company.

6. Data Analysis and Interpretation

Frequencies

Table 5.1: Statistics

	Awareness_ Innovation_ Management	Incremental_I nnovation	Radical_ Innovation	Transformational_I nnovation
N Valid	220	220	220	220
Missing	0	0	0	0
Mean	1.68	1.66	1.68	1.65
Median	2.00	2.00	2.00	2.00
Mode	2	2	2	2
Std. Deviation	.469	.475	.467	.478
Minimum	1	1	1	1
Maximum	2	2	2	2

Frequency Table

Table 5.2: Awareness_InnovationManagement

	Frequency	Percent	Valid Percent	Cumulative Percent
No	71	32.3	32.3	32.3
Valid Yes	149	67.7	67.7	100.0
Total	220	100.0	100.0	

Table 5.3: Incremental_Innovation

	Frequency	Percent	Valid Percent	Cumulative Percent
No	75	34.1	34.1	34.1
Valid Yes	145	65.9	65.9	100.0
Total	220	100.0	100.0	

Table 5.4: Radical_Innovation

	Frequency	Percent	Valid Percent	Cumulative Percent
No	105	47.7	47.7	47.7
Valid Yes	115	52.3	52.3	100.0
Total	220	100.0	100.0	

Table 5.5: Transformational_Innovation

	Frequency	Percent	Valid Percent	Cumulative Percent
No	139	63.2	63.2	63.2
Valid Yes	81	36.8	36.8	100.0
Total	220	100.0	100.0	

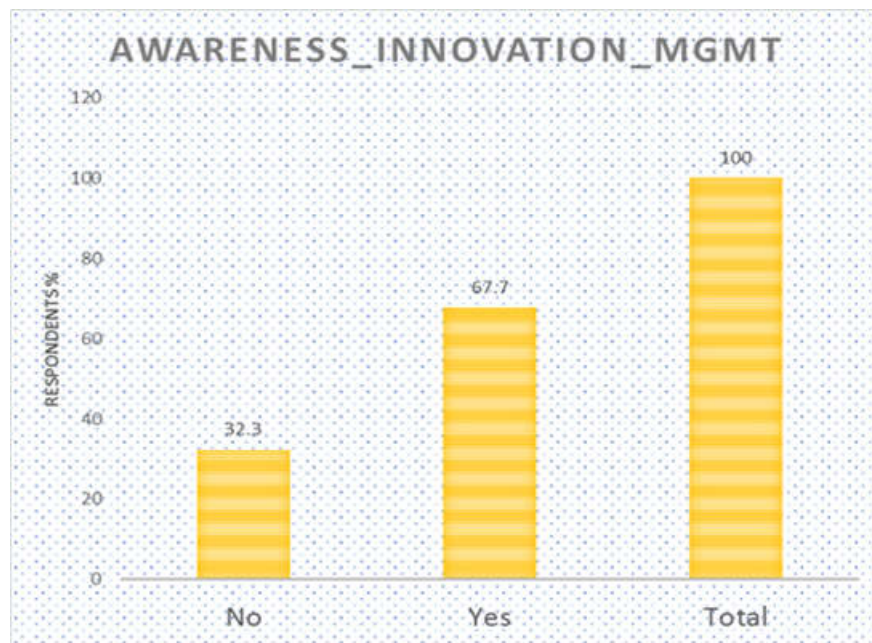


Figure 5.1 Awareness Innovation Management

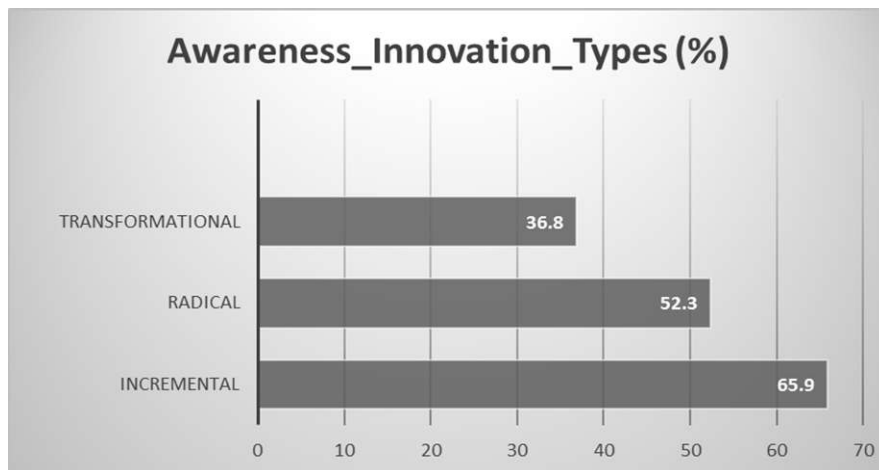


Figure 5.2 Awareness Innovation Types

Table 5.2 above reveals that 67.7% of employees working in different IT companies located in Mumbai and Pune region in Maharashtra state are aware of innovation management in the IT sector. Also, it has been found that 65.9% of the employees are aware of Incremental innovation, 52.3% of employees are aware of Radical innovation while only 36.8% of respondents are aware of Transformational innovation.

7. Conclusion

Despite the significance that top leadership place on innovation, its awareness is low among the employees. This leads to low impact of innovation management practices that are deployed in the organization and thereby reduce the efficacy of the innovation management practice. Awareness can be improved by adoption and evangelization of various innovation management programs and other techniques like consistent and robust communication from research and development department. Innovation management gives an organization sustained competitive advantage, and its effectiveness is dependent on the awareness of the practice. Organizations need to communicate their innovations to the broader audience effectively. This communication adds to the desire and initiative taking ability of the employees. Also, synchronous linkage of application development and testing department with R & D department plays an essential role in improving the level of awareness among the employees of IT companies.

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Appendix

Questionnaire

Name of Employee (Optional) _____

Name of the Company _____

Department _____

Sr. No	Innovation Management	Aware of	
		Yes	No
1	Are you aware of the concept of Innovation Management in the IT Industry?		
2	Do you know there are different types of Innovation Management?		
3	Do you have an idea about what are the different types of Innovation Management in IT companies		
4	Are you aware of Incremental Innovation in which changes include integrating new features into existing products on the market or creating differentiated versions of the same new product?		
5	Are you aware of Radical Innovation in which financial and product risk is high, but also the rewards are potentially larger ?		
6	Are you aware of Transformational Innovation which involves products or services to be brought up that no one has thought of ?		