Innovation: A Strategy for Survival of Educational Organizations

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Abstract

Innovation is the foundation of a successful business, Applegate and Harreld (2009). They argue that entrepreneurs can be found and a culture of entrepreneurship can be developed in organizations of any size and age. Emerging opportunities must be nurtured and the transition to high growth must be managed. Once breakthrough innovations catch hold, growth must be funded and managed to exploit the full value of the opportunity. Different organizational structures, cultures, governance and risk management systems, and leadership styles are needed to manage the business innovation lifecycle from an initial idea to a sustainable business. Education therefore can play this critical role. The overall aim is to explore how educational organizations themselves should understand and prioritize innovation. This article has been designed to advance our understanding of the gap between words and deeds regarding innovation.

Key Words: Innovation, Education, Strategy, Leadership, Process and Culture

Introduction

It is hardly surprising that innovation has become the new mantra of CEOs everywhere.. In the world today, there are few alternatives to innovation. Most organizations have reached the point of diminishing returns in their cost cutting: they are working harder and harder to eke out smaller and smaller efficiencies. Fewer and fewer companies are generating consistent and profitable organic growth. And with customers becoming ever more powerful and value conscious, it's nearly impossible to raise prices and still remain competitive (Hamel cited by Snyder and Duarte, 2003).

Education either has not been spared in fact Kuboni (2012) Observes that, today, technology is a significant driver behind change, and sometimes plays an important role in innovations in educational design and delivery. There are immense possibilities for greater and wider-spread change with the use of present-day technological advancements, as well as with the implementation of innovative educational programs. The challenge is to ensure that innovation plays a constructive role in improving educational opportunities for billions of people who remain under-served in a rapidly developing world. Today, educators have the challenge of monitoring changes in technologies, determining if they apply to learners living in 'the real world,' and seeking ways to use technologies to complement and support instructional methodologies and practices.

Innovation is widely proclaimed as one of the most vital requirements if not indeed the most vital requirement for firms, public sector organizations and whole economies under contemporary conditions. Governments, world economists, business professors and many top boards declare it to be so. In fact the next battlefield that will drive the international competitiveness and business outcomes of organizations is innovation. Governments and influential observers throughout the world have emphasized these messages. Departments of state and quasi-governmental organizations in Austria, Australia, Canada, France, Germany, the Netherlands, Sweden and the UK, to name but a few, have issued reports and calls to action. The common objective of the innovation policies devised and adopted by these countries is to produce 'innovation-driven' economies. (Organization for Economic cooperation and Development [OECD]2004).

What is innovation?

The word innovation stems from the Latin *innovare*, meaning to make something new. However, not surprisingly, there is scope for controversy about how 'new' or 'original' something really is. Many, if not indeed most, ideas and inventions are based on some previous contrivance. Innovations are often new adaptations or, indeed, some new combination of existing ideas or artifacts.

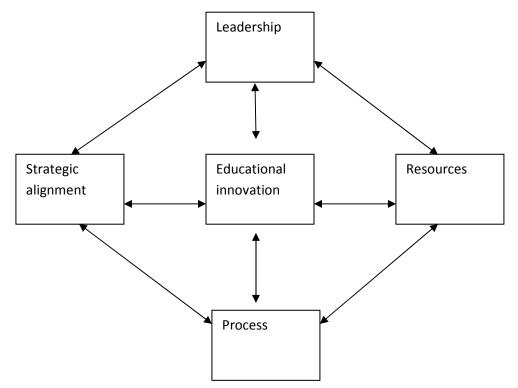
Not surprisingly, the literature on innovation contains a wide array of definitions. One useful distinction comes from Kim Cameron and Dave Whetten (1998), who in their view see innovation as that which involves discontinuous changes and breakthroughs. Gary Hamel (1998) redefines innovation as strategic innovation—the capacity to reconceive the existing business model in ways that create new value for customers and stakeholders and advantage over the competition. In other words, to innovate requires rearrangement of certain priorities, allocation of resources, and adjustment of organizational forms, changing of organizational cultures, collaborating throughout the value chain and to respond in a number of other ways which are deemed appropriate.

Innovation is thus recognized as carrying huge social as well as economic implications. 'The competence, creativity and motivation of staff are the source of the capacity for innovation and transformation in organizations. It has been widely noted that, as trade of all kinds becomes more and more globalised, then the advanced, high-wage economies, in particular, must rely on their applied inventiveness to maintain their future prosperity. Organizations, nation-states and whole regions such as the European Union face a similar challenge. New products (to ensure markets) and new processes (to ensure productivity) are required, and innovation is seen as key to that end (Storey, J. & Salaman, G. 2005). The innovation challenge is heightened under current conditions. Rapid technological change, the liberalization of trade, intense competition from low-wage economies, the reduction in communication and transport costs, shorter product life cycles and consumers switching between products and providers at an accelerated rate – all these factors, and more, render whole rafts of products and services highly vulnerable if they do not lead the way or at the very least keep pace.

Innovation seems to be the only alternative in today's business environment says Hamel as cited by Snyder &Duarte (2003). Yet in most organizations, innovation is more rhetoric than reality. This is evident in the fact that majority of midlevel employees in many organizations can hardly describe the "corporate innovation system.", they have not been trained to be more innovative neither do they know what processes and methods have been put in place to support innovation. Many employees don't truly believe that top management regards every employee as an innovator, potentially capable of shaping corporate direction.

The problem is that most senior executives in the educational organizations don't have a highly developed and deeply practical understanding of what innovation looks like as a corporate-wide capability. To them, innovation is largely about new product development rather than across-the-board business innovation. Innovation is a risky and only occasionally rewarding diversion from the basic job of improving operational effectiveness. Most leaders have not succeeded, or even attempted, to make innovation an encompassing capability. Today the bleeding edge for organizations is not quality but innovation. But like those long-departed auto executives, most managers today don't have a detailed model of how to build this new capability

Conceptual Framework



Corporate innovation system

In order to capitalize on the innovative capacities within Educational organizations, it is important to provide some basic elements that foster it in the organization. The way these elements are provided can be formal or informal, and adapted to the size and nature of the organization in order to truly encourage and leverage innovation. They are strategic alignment between the goals of the individuals and the organization. The leadership should provide strategic alignment and be a coach to the people and help them to establish an attitude of relentless growth to enable the organization achieve its stretch goals. Leadership helps to inspire and organize systems for innovation. Resource allocation and the innovation process itself set up a save environment for the talented and empowered employees to take risk and share ideas in realizing the cooperate innovation

Organization strategy

Educational institutions, like all other organizations, require constant monitoring to identify areas for potential improvement. However, educational reforms are often not well implemented. This results in massive wastage of finances, human resources, and lost potential (Credaro 2006). The best place to start is to ensure that everyone in the organization has a "line of sight" from their individual job to their department's goals to the organization's mission. There are so many people in the workplace that simply follow the directions of their superiors without any idea of how their work will be used. Understanding the larger picture of how the products of their work will be used gives people a perspective to think creatively. They may come up with better ways of meeting their work requirements, or moving beyond them.

Strategic alignment is the process of linking innovation strategy with corporate vision, goals, objectives, and strategies. According to Kotelnikov (2011), the cost and time required to create a new product or service are so large that lack of a perfectly aligned and executed innovation strategy can be extremely wasteful. You can pursue any opportunity you want, but you cannot afford to pursue every opportunity you want. Strategic alignment "creates a directional beacon that defines which domains to explore and which ones to avoid The notion that organizations have core competencies has gained extensive credibility in recent years. In particular, the research and writing of Prahalad and Hamel (1990) has been instrumental in reconceptualizing how competitive advantage can no longer be sustained solely from price and performance attributes such as features, cost, and quality.

Their view of strategy and strategic advantage involves orchestrating all the resources of an organization toward creating future opportunities and markets in areas where they hold the advantage. Core competencies need to exist at the organizational level and be embodied in the very lifeblood of the organization. As strategic mandates, they must be embedded across a wide range of employees, thereby becoming an enterprise-wide competency.

A good example of an attempt to offer an integrated strategic approach to the management of innovation is that provided by Leadbeater (2003). He suggests that in the contemporary world innovation is mainly happening not in the traditional settings of the R&D labs of the large corporations but in the 'spaces' between organizations. He suggests that a shift is occurring from a 'closed' model of innovating to a more 'open' one. Centers of vibrant creativity are to be found, he contends, in Seattle, Bangalore and Helsinki. The common factors include engaged, outspoken, enabled citizens. Thus, this segment of the management strategy literature in relation to innovation emphasizes a whole series of management processes ranging from environmental scanning, an understanding of threats and opportunities, an assessment of internal capabilities, the acquisition and mobilization of resources and capabilities, and the deployment and management of those resources and capabilities in pursuit of the chosen end.

Leadership and innovation

Useem (2006) asks key questions "How are Innovation and Leadership linked?", "How do we lead in a way that generates Innovation?" Managers are vitally important to the prospects for organizational innovation for a variety of key reasons (Selman, 2011). Even if they themselves are not necessarily the prime 'innovators', their attitudes and actions largely determine the degree, nature and impact of innovative activity. They set the priorities and the strategies for organizations; they control the allocation of resources; they filter ideas, information and theories deriving from external sources such as academic research results, government and consultants. Managers' sense-making repertoires set the tone for much of the discussion and action in organizations.

At the front end, innovation must be the domain of leaders who, by definition, have access to resources and can implement the massive changes required to push innovation across a broad group of people. There is no doubt that leadership is the engine that drives innovation. It requires a dual set of responsibilities: accountability for embedment of innovation in their own way of thinking and acting and accountability for the creation of an environment and systems that make everyone else capable of leading or engaging in innovation. Innovation and leadership are closely related (Selman, 2011). Leadership always has some focus on bringing about a better future. In this sense, leaders are necessarily innovators. We would not normally consider a spectator of the status quo to be a leader. The term innovation also suggests some break with the 'norm' or the status quo.

Many organizations try to become innovative, but few have succeeded in embedding innovation as a core capacity. Prahalad and Hamel (1990) stress that sustaining core competencies for the long run is critical to creating value. In their view Leaders must identify core competencies as specific, deep, shared understandings around the critical few core advantages of the organization. They must establish a core competence acquisition agenda of how current or new core competencies can strengthen positions in existing or new markets. Leaders need to recognize that building core competencies requires sustained effort over a long time period, roughly five to ten years. On the other hand they need to deploy core competencies across organizational units and divisions in a manner that is aligned but flexible. Finally leaders need to protect and defend core competencies over time. Core competencies may be lost in many ways, including lack of funding, loss of interest, fragmentation, or divestiture. Maintenance of core competencies is a critical aspect of strategy that can be easily overlooked.

Leaders can influence innovation by creating time and space for learning about innovation, both for themselves and the people in their work units. They can do so by engaging in and stimulating out-of-the-box thinking. They need to model new ways of thinking and pay strict attention to ensuring that they were not unintentionally squashing nontraditional or innovative, creative ideas. Another way is by creating an innovation-rich environment with opportunities for development. Finally they need to balance the day-to-day business pressures with innovation embedment.

Process

If you want to be a high-quality, innovating organization then you must understand your processes because you can line people up into different departments, but you are bound to reorganize every eighteen months or so as the market changes. The key is to have a set of processes so that one person's activity is a suitable input to the next person's activity. The key thing to watch out for is that a set of core processes can be too restrictive. If you want it to be different you can make it different. In fact, for truly radical innovation I think you have to consider breaking the mould entirely and allowing people to create their own processes (Leadbeater,2003). A good example is that of Google whose CEO Eric Schmidt says that "we run the company by questions, not by answers

The challenge of closing the ever-widening gap between the haves and have-nots may rest with the willingness of the education community to view education from a new perspective —and to innovate Kuboni (2012). This may include making use of affordable and accessible technologies to expand access to education. It may also require other innovative process or service strategies that do not rely on technology. It may require a shift in focus, to target educational and training programs to align more closely with what people identify as their most urgent needs.

Culture and Values

As we know, culture plays an important role in any change effort. Culture consists of the implicit and often unstated organizational values, norms, and ways of doing business that subtly reinforce and guide many behaviors and decisions. Culture and values are a central part of an organization's DNA and so affect all elements of innovation process. If the culture and values of the educational organizations are at odds with innovation, chances are that the innovation effort will be more difficult, perhaps even fail. For example, it is well known that encouraging ideas from everyone in a culture where risk taking is valued will be easier than in a culture where risk taking is punished. Similarly, a culture that has a strong process orientation makes thinking differently more difficult because of people's discomfort with changing their existing methods of operation. A culture that is open to change often finds innovation easier.

The Strategies of the Innovation Process

Information technology has created an additional strand to the curriculum, but classroom practice remains largely unchanged even in this sphere. Oberg (1990) observes that an understanding of the nature of change is essential to every teacher librarian, whilst classroom teachers have "developed orientations of Conservatism, individualism and presentism".

Baldwin (2011) describes the organization process as follows: First: You need to pick a type of innovation process that is correct for your organization. The result of this process could include a new product, a new service or the reinvention of a current strategy concept. Consider tools to use, strengths to take advantage of and weaknesses to stay away from. Second: look at your organization to see where and how this process should be initiated by examining whether the organizational structure support the innovation process you have selected. Third: determine the size and complexity of the development and pick a time-line which is appropriate and compatible with the scope of the project. Finally decide on what measures should be appropriate to spur creativity in your team. Examples include (but are not limited to): Analyzing your organization as if you were going to create it from scratch. Step outside of your organization and pretend you are your most formidable competitor. How would you then attack your own organization to take advantage of weaknesses and to overcome strengths? Baumgartner (2010) observes that events and ideas campaigns are based around a creative challenge or a problem. However, these challenges are typically ill thought out and, even when they are carefully considered, fail to inspire creative thinking Identify where your competitors are strong and where are their holes of which you could take advantage with some development and a determined effort to exploit the openings. Step back to see what new things you could do which would build on these competencies. Ultimately ask your customers by gently probing for their real pain, and what the possible solutions might be, in order to make this effective.

The current economic environment has required many tertiary educational organizations to explore new and innovative ways to survive and deliver quality services (Kenny & McNaught, 2000). There is a claim that universities now service a mass audience and rely on research and entrepreneurial capabilities more and more for funding. Lines (2000) noted rapid growth in the number of students attending universities, resulting from system wide structural changes. Many organizations have shifted to a more corporate model of management with central strategic planning processes and priorities, budgetary controls and increased accountability mechanisms. A common element in innovation, as Lines (2000) observed in the seven universities which she studied, is strategic push for more flexible learning options to cater for the new, more diverse student population, often involving the introduction of new learning technology systems.

Resources: Funds and People

Resource creation and allocation is the backbone for innovation. We all know that underfunded efforts not only have less chance of succeeding but often make the people involved in them look incompetent in the process. Having the appropriate resources is the ante to get in the game of innovation from everyone and everywhere. Resources are required as a start-up proposition and then as ongoing support.

Human recourse

Human resources are the most important factor for innovation'. But innovation from everyone requires fluidity of human capital. People need to move to where the ideas are, especially if they have the passion to work on them and the skills needed. The big challenge is getting the right people on board. A few years back, when open innovation was not as well known as it is today, it was difficult even hiring the right lead guy(Lindegaard , 2011).. The best way to deal with this is to educate more people – and in all ranks – about open innovation and identify the opportunities it can bring to the given company and industry. In Germany, a joint report on innovation policy by the ministries of economics, technology and education makes it clear that 'Innovation secures the future. New products, services and processes make organizations more competitive in global markets and so secure jobs for the future in Germany. That is why innovation policy is a central component of a forward-looking policy for more growth and employment' (Federal Ministry of Economics and Technology/Federal Ministry of Education and Research 2002: 3).

Resource allocation problems are created in several ways (Rijnbach,2010). When it comes to financial resources, the problem is often the yearly budget cycle. If not in the budget, then implementation will start next year, after the new budget has been approved another issue with financial resources is the question who pays for the development and implementation. Without clear sponsors, great ideas might be lost. When it comes to allocation of people, the issue becomes even more serious. This is even more difficult when the idea is radically new and the company might need to hire staff with different knowledge and capabilities.

Funds. Getting the funds and capital right for innovation is critical to the long-term success. One of the most important devices found to embed innovation is to move the funds close to the ideas. In innovation, as with other areas of business, the bottom line is that organizations exists to bring profits and other benefits to the stakeholders of the firm. Therefore decision-makers should allocate resources with the expectation of a return on resources they dedicate to an innovation project. (Bacon2011)

Organizations should decide how fast they want to grow and provide enough money to fund the innovation required to get it done .Innovation projects must have adequate funding or else they are apt to fall short of their full potential. Another pitfall is under-funding disruptive innovation projects. As Skarzynski Gibson(2008) state, "Since the vast majority of the organization's revenues are coming from existing customer segments and distribution channels rather from new ones, it is natural for senior managers to allocate capital accordingly.

When planning resources to any particular innovation project, it is wise to allocate resources in stages and to make the amount of resources proportional to the potential opportunity. In fact, the creativity and innovation process requires the ability to cope with uncertainty. According to McGlade, Andrew and Jeannine (2008), "In business today, what is known is considered safe, and what is concrete is considered true. On the dark and unknown side, when our creative genius is sparked, we begin to venture into a world of abstraction, ideas, and possibilities."

Despite of all these it should be noted that no one educational organization can monopolize knowledge in any given field. That's why modern organizations must develop a new expertise: the ability to attract novel solutions to difficult or unanticipated problems from outside sources around the world.

Education and Innovation

As countries around the world struggle to lay the foundations for stronger sustainable growth in the future they need to focus on policies that encourage innovation. Studies across time and countries confirm that innovation is the primary source of technological change and productive growth. As a matter of fact Countries in Asia particularly China and South Korea are increasing their investments in research and development and in science and engineering education to secure their place as significant hubs of innovation

In 2009 business accounted for75% of research and development funding in Japan, 75% in South Korea and 72% in China. US multinational still locate about 84% of their research and development activities in innovation clusters around research universities. It is recognized that availability of a workforce with necessary skill is a key determinant of where business locate their research and development activities many countries are increasing their investments in tertiary education. Learning institutions will therefore have to increase their investments in the innovation landscape and boost research and development across all disciplines.

Educational institutions are organized on many levels, from the individual classroom under the management of a single teacher, to groups of classrooms supervised by a Head Teacher or Executive Teacher, to a whole-school structure, under the guidance of the principal. Within each level of educational endeavour, there exists the possibility of improvement to practices and their resultant outcomes. An individual teacher at classroom level may instigate a new assessment process of benefit to the members of that class

Higher educational systems are expected to provide us with the scientific and technological breakthroughs which are assumed to be indispensable for economic and social development(Vught,1989). Institutions are therefore required to be innovative. Particularly higher institutions of learning should focus on the need to be creative and excellent as possible

Conclusion

Providing education in new and unconventional ways is only one of a number of solutions, but it is through innovation that we can meet the challenges of improved efficiencies, lower costs, increasing accessibility, and greater success in achieving development goals through education. Societal problems beyond the control of schools frequently prevent educational reform; these cannot be wholly held responsible for the failure of educational reform. Lack of supporting structures, a deficit in the consultative process, an inadequacy in holistic approach, and the absence of ongoing evaluation and amendment contribute greatly to the impairment of implementing innovative practices.

Present practices are inadequate to meet changes in work, knowledge, and citizenship while serving a greater number of students with diverse backgrounds and educational objectives. A paradigm shift from instruction to learning is required to adequately serve the clients of educational institutions, which in turn requires an alteration in procedures for improved outcomes. Educational practices, and the structures that support them, must change in order to ensure that the citizens of the future - our school children of the present - can exist and grow in a world characterized by change, unpredictability and enterprise.

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