

INNOVATION MANAGEMENT

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Abstract

The paper explores innovation management principles and processes which can create long-lasting advantage and produce shifts in competitive position. Besides, management innovation can be defined as a marked departure from traditional management principles, processes, and practices

Keywords: management, organization, innovation activates, innovation management .

Management innovation — that is, the implementation of new management practices, processes and structures that represent a significant departure from current norms — has over time dramatically transformed the way many functions and activities work in organizations. Many of the practices, processes and structures that we see in modern business organizations were developed during the last 150 years by the creative efforts of management innovators. Those innovators have included well-known names like Alfred P. Sloan and Frederick Taylor, as well as numerous other unheralded individuals and small groups of people who all sought to improve the internal workings of organizations by trying something new.[1].

Let's consider the notion of innovation and why it is so important. So, what is innovation? Here's some more definitions of innovation (Google lists more than 10 million...):

- “a new way of doing somethind”... Wikipendia
- “generation of new or improved products, processes and services”...NSF.gov
- “the introduction of something new”
- “a new or variant product, idea, process or way of thinking”... USG.edu.au
- “the ac of innovation... the creation of something in the mind”... tbfreedictionary.com
- All of there definition can be simplified.

Lets explain what the management is. Management related to all business and organization activities that direct people to work together to accomplish desires objectives and goals for their organization. Using available resources efficiently and effectively, manadgement comprise of planning organization, starting leading or directing and controlling an organization a group have one or more people or entities to achieve strategic goals. [2].

Lets considering the above definition together. What is innovation management? In a wide meaning innovation management describes the decisions, activities, and practices that move an idea to realization for the purpose of generating business value. It is managing the investment in creating new opportunities for generating customer value that are needed to sustain and grow the business or company.

Few companies understand how such innovation occurs — and how to encourage it. To foster new management ideas and techniques, companies first need to understand the typical stages in the management innovation process. Having an innovation framework can be a key component to continuous effective change that increases the capability of the business to generate customer value. Innovation promotes the need for constant change and renewal, potentially impacting all areas of a business. Change is often resisted, necessitating appropriate incentives and rewards to promote needed innovation. Many of the most enduring innovations have required long term investment and staying power. This must be addressed as part of the organizational decision making approach if an innovative environment is to be sustained. Innovation management is quickly becoming a critical requirement for enabling a sustainable business. Some of the benefits for doing it well include:

- Improved timing for market introduction
- Ability to maintain or improve business margins
- Enabling access to new customers and markets
- Increased market share
- Improved and longer lasting competitive advantage
- Increased employee engagement and initiative

- Improved customer satisfaction
- Sustainable increase in shareholder returns

A management innovation can be defined as a marked departure from traditional management principles, processes, and practices or a departure from customary organizational forms that significantly alters the way the work of management is performed. Generally speaking, the process of innovation focuses on the development of new products, services, or technologies. [3].

However, the that can enhance business results go well beyond these, including changes to a company's business model. Identifying and making these investments successfully and repeatedly constitutes the key objective of innovation management.

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