Crucial Role of Innovation in Growth and Success of Organization

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Abstract

This paper has the main purpose of measuring the importance of innovation in regards to organizations. In today's competitive environment that activity must be a part of leadership. The main aim of this study is to identify the role of innovation in the success and growth of the organization. This research work will help organizations and firms to understand the importance of innovation in a firm in a target market. This paper also helps the organizations to deal with the innovation strategy which is used for increasing profitability. This paper provides clear knowledge about the innovation with relevant examples showing merger and blends of innovation and organization in the north Gujarat region. To the future researcher, this can become a source of identifying the innovation process strategy in the organization to succeed in the target market. An organization can easily build upon existing data gathering tools and instruments to make the task or work very easy and less time consuming, modifying existing product innovation, process innovation, position innovation, and paradigm innovation. This paper also useful for creating a positive impact on innovation in the target market or customers. This is also important for making clear sites for uses of the various innovations in the development of the organization of a business firm. This study is also useful for growing and developing organization in the target market by making more creative, profitable or innovative.

Keywords: *Innovation, Growth, Success, Organization*

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1. Introduction:

In this paper, the researcher intended the investigate the innovation process and its necessity in the organization this is regarded from the researcher's point of view and presented definitions of innovation, growth, success, and organizations. Some of them saw innovation from a new perspective and some from treatments and some from past literature reviews. The main point of this research paper is that innovation is a completely different form of creativity.

In this research paper, the importance of innovation and innovation's crucial role in the growth, development, survival, and success of organizations is discussed with detailed information collected from the sources. In the market innovation is a very important and very complex issue thatorganizations faced in today's time. But we can say that innovation is recognized as the success key of an organization. Innovation has a very important role in the growth, development, survival, and success of the organization. Every firm which produces the product or offers services have special stage or place in the market. They have to accept innovation and inventory concept in their firm to achieve the target level and also to stay in the market for long-term.

Organizations cannot predict each customer's demand and choice. Customers would not prefer one product every time they want something new and innovative in that product. To reach this demand organization must have to focus on innovation.

That innovation is usually based on customers' choice, demand, style, fashion, trend, and customer feedback. Although innovation has acquired increasing importance for companies, achieving regular innovation capability imposes huge challenges for managers in the organization.

1.1 Definition of Innovation:

Innovation is one of the most significant concepts for every organization and companies and its role in the development and success of the business in correlation with the market is infallible. Innovation in all customer's minds is generally applicable from product development, methods of management, ways of doing works, planning of innovation, etc. Changing or improvement of the process or product is common. Innovation either is product innovation or it is a process innovation that is the subject for a long time not for temporary based process, Although by producing a new product or services or by giving effective marketing advertisement firm maybe can attract the customers by outside temporary but cannot attract the customers for a long time. Then the innovation and inventory of the process of manufacturing the product are more important. The organization can get the benefits of profit only by giving the quality product to thecustomers.

1.2 Concept:

In this research paper, the analysis process reflects the key factors of the innovation, which are divided into six segments; they all are namely (1) general purpose of organization (2) origins of the firm (3) legitimacy and guidance (4) People or Customers (5) assignments of the task (6) future perspectives of the customers. These factors of innovation and new elements gain proper knowledge about the strategy of the firm that how it can build and maintain the capacity of innovating the products in the organization. In the last decade, innovation is known as the best support system of the organization.

1.3 The crucial role of innovation in the growth and success of the organization:

The process, content, material all are very important factors for the innovation process. So, every organization must have to aware of their regular customers about that new product which introduced in the market with inventory idea. Innovation is beneficial to organizations. In this

competitive market segment in where we live, innovative ideas are recognized as the factor of uniqueness in the organization. For the new organizations, the main aim is just to start up not to build up. To create a unique product from the competitors in the firm, making a strong brand identity, andbuild your customer's strong network or group of consumers, you must have to innovate. Innovation word is doesn't always mean to create something new, innovators also often take something that already exists in the market, take it, improve it, change it, make it better and make it the best for their customers with a different perception. Being innovative is does not happen overnight, it requires a long time, hard work, and effective efforts to create something truly innovative that will make difference and make uniqueness in the market. Innovation and creativity isa two side of one coin they walk hand in hand when it comes to the organization. Innovation is a facilitator of an organization and such a way of empowering then peoples to take charge of their lives and economic prosperities. At the same time, the organization is the answer to the question of innovation both at the individualbusiness-level.

Without innovation, there is no idea or vision for the organization. The organization has to develop its firm with the help of innovation. Innovation is also helpful for the employees of the firm, investors of the firm, and regular consumers of the firm. If innovation takes place in the organization there will some kind of changes also take place in the process, material, time, employees, etc. every employee can learn something from this invention. There are so many kinds of innovation that are available in the business world. The organization can adapt the innovation strategy by research and development process.

If the organization wants to grow its business to become more successful and profitable several ways can be used. In these ways, innovation is one kind of successful strategy for the organization. The organization is not a process of overnight success it is a long process. Firms have to plan about innovation in advance. They have to add it to their decision- making plans. All alternative plans for innovation are also needful in the organization in such a case of error and circumstances.

1.4 Importance of Innovation:

1. The main importance of innovation in an organization is to expand the success ideas all over the world. The market must develop every organization for increasing the country's economy. Innovation is important for thissegment.
2. Innovation in the organization is not only the chance of survival of business but alsohelps to increase consumer network and also help to build a strong image in themarket.
3. If innovation is done successfully in the organization then it will be a continuous process for the organization. It's a very beneficial role in thefirm.
4. The other importance of innovation is that if an organization wants to come up with creativity then innovation is theanswer.
5. In the case of a new start-up, innovation is the key factor. Small business or large business innovation is more important.
6. In the case of the organization is decreasing the profit or losing the hold on business then it can take the help of the invention to stand up. They have to think out of the box to become unique in the market.

1.5 Innovation can help the Organization to:

1. To improve the productivity of afirm
2. To reduce the costs ofproduct
3. To be more competitive in themarket
4. To build the value of your organization in the international marketalso
5. To establish new partnerships and relationships with competitors
6. To increase manufacturing in respect of increased profitability

1.6 Businesses that fail to innovate run the risk of:

1. losing market share to competitors of afirm
2. falling productivity and efficiency in a shorttime

3. losing key staff withregards
4. going out of the business

Consequently, it turns out to be critical to deal with the issue of normalization and reception with ability. The outcomes recommend that there is a significant connection between item advancement and item quality and the organization's character. The organizational picture is that the marking item has personality and distinction. This standard assumes a significant job in advancement, as it is expressed that the objective clients are fundamentally affected by their mental self-view, especially when settling on choices to purchase style. This examination centres around how many purchasers' social qualities recognize brand inclinations in item development fibre, and to what degree each worth build can clarify organizations inclinations with regards to Gujarat.

2. Literature Review:

2.1 Introduction:

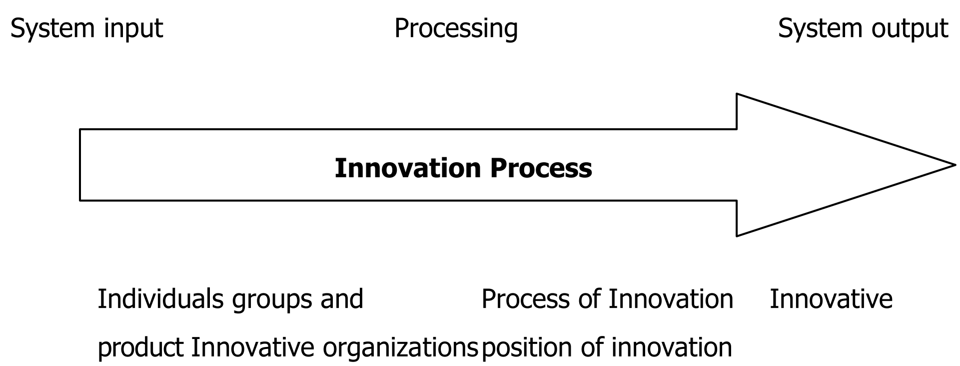
The recent studies on innovation are an experience of some big companies concerning the dedication of the employee and organization team. Walk with the mission in the mind and vision in the eyes the team can achieve the level of success with hard work to do the innovation task in reality.

The importance of competitiveness is reflected by the researchers in past studies. They believe that to become stable in the market the organization has to hold the hand of innovation. Understanding the meaning of innovation in a business concept is a little more controversial for all organizations, mainly in the academic sphere (Birkinshaw et al…2008) the author makes focuses on technological innovation in the organizations.

2.2 Innovation Process:

In every organization there are innovation strategy is already made by the manager for the future innovation process. This figure shows the innovation process of any organization.

Figure-1 Innovation Process



This figure shows that the inputs of the process are the main factor for the innovation process. It affects innovation most. After adding inputs to the organization, the process will start. By this process, an organization can get the output or the result. With this process, customers get innovative products from the organization.

There are four Ps of innovation are available in the management

(1) Product Innovation: - Product innovation means a change in the existing product.
(2) Process Innovation: - Process innovation means to change the way of production on the existingproduct.
(3) Position Innovation: - Position innovation means the change in the context or concept in which the products are introduced in themarket.

(4) Paradigm Innovation: - Paradigm innovation means the change in underlying models used to frame the organization's productivity process.

The literature indicates that innovation is one of the most important factors in stimulating an organization because influencing employee behaviour encourages the recognition of innovation as a fundamental firm attribute and dedication to it by employees. As such, the organization should concentrate on fostering an innovative culture that encourages innovation to be institutionalized, which can occur by deliberate action or through means regulated by leaders or indirect mechanisms, such as frameworks, processes, or institutional policy declarations. Unilever is a classic example of a multinational company that has pioneered with goods that tackle local sensitivities to benefit thelocals.

Hofstede (1997) found certain dimensions of all related organizational culture, including outcome-oriented processes, the work-oriented workers, an open or closed framework, loose or restricted control, and also a pragmatic or normative approach. All of these dimensional angels had generally adapted and also applied to organizational culture researches (Sodergaard, 1996).

Innovation is important because of the knowledge era; many organizations see it as the strongest contributor to the market. For generating the business or we can say holding the business tight every organization should have to increase profitability day by day it can only possible with the help of the organization's well performance and competitiveness (Potters, 2009). Sustainable and profitable growth in a company requires innovation activity (Gupta, 2007). From a deep point of view, innovation is a management discipline that focuses on the key mission of the organization to touch the target level. Defines the measure of success and continually reassesses opportunity (Gaynor,2002 in Lin and Chen 2007).

Product innovation is one of the several organizations' keywords to development.

Some under-development organizations or new organizations adopt the innovation process to become top-level or expanding their product line or becoming a brand. Vazquez-Brust and Sarkis (2012) described it as a new concept for launching an organization for for-profit purposes.

Innovation has been investigated in many disciplines and is defined by diverse perspectives (Damanpour & Schneider, 2006). Broadly, innovation can be defined as the adoption or creation of new ideas (Ibid). At the organizational level, the process of innovation is strongly associated with organizational learning and refers to the ability of an organization to generate, accept and implement new ideas, processes, products, or services (Calantonea et al.,2002). However, the nature of innovation in services is different from manufacturing. Innovations in services are rarely radical and are mostly small improvements in products and processes. (Fuglsang, 2008). It has been demonstrated that innovations in services are more complex and integrated. They are often the product, process, and organization (Ibid). Davenport (1993, p 1) introduced a new approach to process innovation as one of the main types of innovation. This approach “combines the adoption of a process view of the business with the application of innovation to key processes”. This new approach can help organizations achieve major reductions in process cost, improvements in quality, service levels, and other business objectives (Ibid). It is defined process innovation in the service industry as the adoption of technologically new or significantly improved production methods (OECD,2005).

Process innovation is a new and desirable approach to transforming organizations and improving their performances. It includes incremental improvements rather than radical changes (Davenport, 1993). It has been presented that a clear approach to process innovation is really important. Process innovation does not take place in a casual and offhand manner. The process includes the pressure of day-to-day business, creating a vision, understanding the existing process, and designing new process and organization in detail (Ibid). Information also is a powerful tool for enabling and implementing process innovation (Davenport,1993).

Schumpeter (1934) first put forward the concept of "innovation." He defined "innovation" as the new combination of factors of production made by the entrepreneur and thought innovation was the critical driving force of economic growth. Schumpeter's concept of innovation involved production innovation, process innovation, market innovation, use of new raw materials and getting materials in new ways, and organizational innovation. Schumpeter paved the way for innovation theory research. Following him, many scholars shifted the focus of innovation research from economic growth at the macro level to enterprise innovation management at the micro level to illuminate the "black box" of innovation within firms.

2.3 Hypothesis:

HP-1 There is a significant relationship between product innovation and organization HP-2 There is a significant relationship between a process innovation and organization HP-3 There is a significant relationship between position innovation and organization HP-4 There is a significant relationship between paradigm innovation and organization

2.4 Conceptual Model:

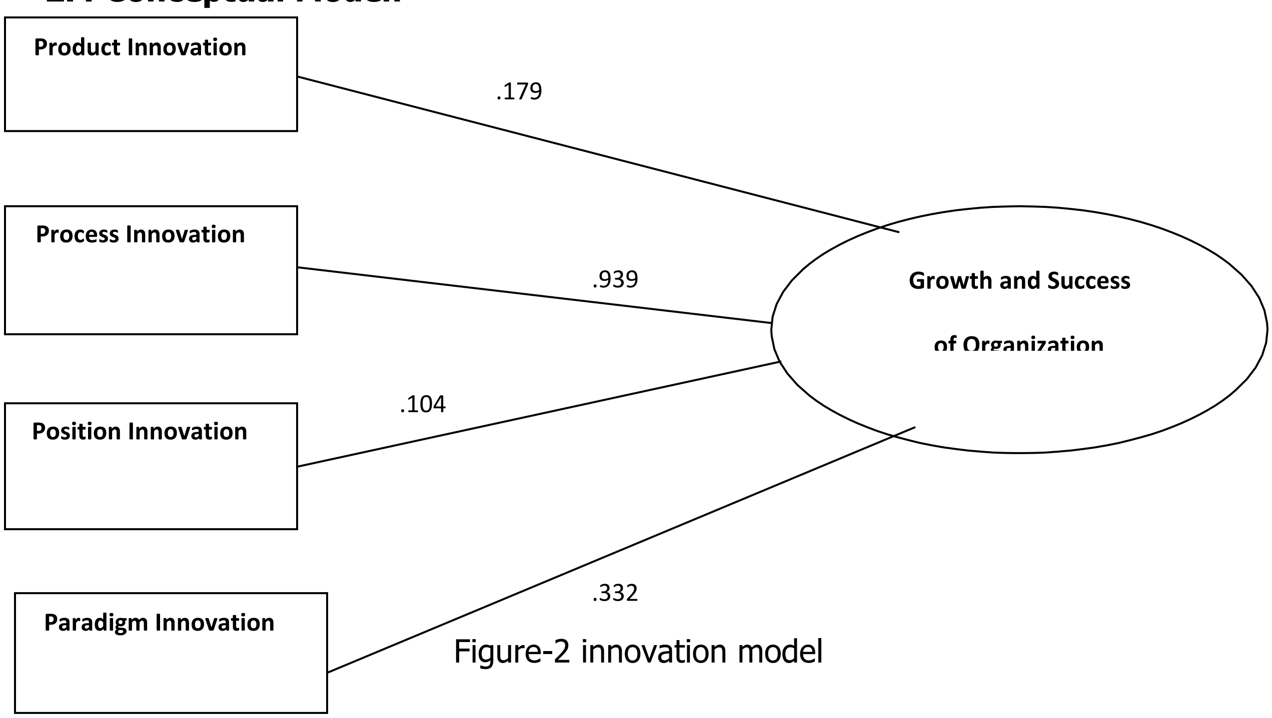


Figure-2 innovation model

This figure shows the relation between various innovations with the success of the organization. In an Organization's success and growth, there will be innovation is the main phenomenon. This figure reflects that there is organization is a dependent variable and product innovation, process innovation, position innovation, and paradigm innovation are independent variables.

The top 20 most innovative companies

1	Apple	11	Sony
2	Samsung	12	Facebook
3	Google	13	General Motors
4	Microsoft	14	Volkswagen
5	Toyota	15	Coca-Cola
6	IBM	16	Hewlett-Packard
7	Amazon	17	Hyundai
8	Ford	18	Honda
9	BMW	19	Audi
10	General Electric	20	Daimler

According to this table, these all are the world's top 20 companies which are very innovative and active. These companies make innovations to develop their business in a daily sale. They innovate frequently which their products to give something new to the customers.

3. Research Methodology: -

Initially, eight main activities platform and five decisions regarding gates are completely identified with the help of the three simple phases. This process is based and started by the opportunity identification activities in this research study. Though it is realized by the researcher that this controversies method is still used and applied by the investigators to identify customers needs and expectations, demand and lifestyle, fashion and choice, test and habits, the main focus of the researcher during this conception, innovation and development phases is something that is to evaluate the innovative ideas in the market and competitive advantages together with the face of technical feasibility and internal production capabilities of the company that the brands are generally usedto.

3.1 Objective:

This research work can help the organization identify the importance of the innovation process. That creates a clear concept of innovation for the growth and success of the market. This research paper also helps to identify and deeply understand the role of innovation in any developed organization for increasing the profitability of the firm.

3.2 Scope:

This study always becomes helpful for future researchers for measuring the significant values between innovation and the success of an organization. The other scope for this study is that it provides a clear or proper model to understand the effect of innovation variables and organization. To the future researcher, this can become a source of identifying the innovation process strategy in the organization for success in the market.

3.3 Research Design:

As per statistical tools and techniques that will be used of descriptive statistical tools, hypothesis tools, and t-test tools. This research paper is exploratory and based on a simple selection of organizations in the North Gujarat region. The organization can easily build upon existing data gathering tools and instruments to make the task or work very easy and less time consuming, modifying existing

product innovation, process innovation, position innovation, and paradigm innovation. As the data is collected first, it becomes very easy to make the statistical connection between cultural traits and innovation performance metrics with the branding strategy. The target population for this study is organizations around north Gujarat. The sample size for this paper is
50 and the data collected from the respondents are 42 with duly framed and structured questionnaire.

4. Data Analysis:

After the research methodology, the next step for the research study is data analysis and interpretation. The data will be analyzed after collecting sufficient data from the target respondents. The analysis is done with the help of an ANOVA table and coefficients. By using this analysis method researcher can identify the measurement of the variables and the summary of the data.

Table-1 ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	25.185	4	6.296	12.553	.000[a]
Residual	18.559	37	.502		
Total	43.744	41			

a. Predictors: (constant), Paradigm innovation, Production innovation, Process innovation, Position innovation
b. Dependent variable: organization

This table shows the ANOVA value of the data. Regression analysis of the data is done with the help of the ANOVA table. This research analysis is done by using the SPSS software. The significant value of the variable is 0.000 that represents that data is significant.

Table-2 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.759[a]	.576	.530	.7082

a. Predictors: (constant), Paradigm innovation, Production innovation, Process innovation, Position innovation

This table shows the values of the R, R square, and Adjusted R square. The Dependent variable Organization reflects the R is .759 at the same time the R square =.576 then the Adjusted R Square is .530 that is also not significant.

Table-3 Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1. (constant)	2.204	.715		3.082	.004
Product innovation	.283	.207	.247	1.367	.179
Process Innovation					
Position innovation	-.015	.189	-.015	-.078	.939
Paradigm innovation					
	.450	.270	.407	1.666	.104
	-.206	.210	-.215	-.981	.332

a. Dependent variable: organization

The table-3 coefficients for the variables of this study show the relationship between the said variables such as organization, Process innovation, Position innovation, Product innovation, and Paradigm innovation. The organization's significant value is .004 which proves that this is significant. That shows a positive relation with independent variables. These all the independent variables are not significant.

4.1 Conclusion:

Innovation is the most crucial concept that every organization survives from in this competitive era. There are two times effects is caused by innovation. If innovation is working well in the organization then it is successful and if innovation is not working well in the organization then it is unsuccessful. But on the other side Innovation is the success key for organizations. Every company must have done the innovation process for creating the image, better goodwill, for more productivity, for increasing the profitability of the business, when an organization's product enters into the development path the organization must have to apply the invention on that product. The growing product always becomes successful because it has a special place in the customer's mind. This research paper makes a clear focus on the importance of innovation either it is process innovation, product innovation, position innovation, or paradigm innovation of the organization. In north Gujarat, there are so many local organizations that work with the same strategy but others are constantly doing innovation on the product and making the product more fruitful for the regular customers that organization earning more profit from the business. This research paper gives a clear idea about the role of innovation either it is based on the product or it is based on the process that always has a significant place in the organization. It will always help the owners of the organization to develop the firm, increase profitability, to become a well-known brand in the market.

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