

INNOVATION AND THE CHANGING WORKPLACE

- 2 approaches to change:
- Ambidextrous approach
 - Disruptive approach



AMBIDEXTROUS APPROACH TO CHANGE

- Enables organisations to incorporate structures and processes that are appropriate for both the **creative impulse** and **implementation of ideas**
- Allows **flexibility** with **control** to ensure targets are met



DISRUPTIVE CHANGE

- Refers to innovations that **radically change** an industry's rules of the game for producers and consumers
- Changes can be in:
 - Products
 - Services
 - Processes



CHANGING THINGS: NEW PRODUCTS AND TECHNOLOGIES

- New-product changes
 - A change in the organisation's product or service output.
- Technology changes
 - Change which relates to an organisation's production process.



THREE CRITICAL INNOVATION STRATEGIES

- Exploration
 - New ideas are generated
- Cooperation
 - Mechanism for both internal and external coordination made available
- Entrepreneurship
 - Person within organisation who can see the need for and champions productive change within the organisation



THREE INNOVATIVE STRATEGIES FOR NEW PRODUCTS AND TECHNOLOGIES





COOPERATION

- 72 per cent of top executives surveyed by *BusinessWeek* and the Boston Consulting Group reported that innovation is a top priority, yet almost half said they are dissatisfied with their results.
- Therefore, many companies are seeking to transform the way they find and use new ideas by improving cooperation, and internal and external coordination.



INTERNAL COORDINATION

- Horizontal linkage model
 - An approach to product change that emphasises shared development of innovations among several departments
- Fast-cycle team
 - A multi-functional team that is provided with high levels of resources and empowerment to accomplish an accelerated product development project



EXTERNAL COOPERATION

- External coordination:
 - Organisations look outside their boundaries to find and develop new ideas
- Open innovation
 - Extending the search for and commercialisation of new ideas outside the boundaries of the organisation



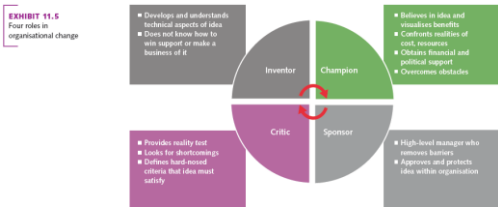
COORDINATION MODEL FOR INNOVATION



ENTREPRENEURSHIP AND INNOVATION ROLES

- Mechanisms to make sure new ideas are carried forward, accepted and implemented
- Requires roles in organisation:
 - Inventor
 - Champion
 - Sponsor
 - critic
- A new idea champion:
 - sees the need for and champions productive change within the organisation

FOUR ROLES IN ORGANISATIONAL CHANGE



Sources: Based on Hansel L. Agle and Andrew H. Van de Ven, Suggestions for Managing the Innovation Journey, In Research in the Management of Innovation: The Minnesota Studies, ed. A. H. Van de Ven, H. L. Agle and Marshall Scott Poole (Cambridge, MA: Ballinger/Harper & Row, 1989); and Jay R. Galbraith, (Winter 1982), Designing the Innovating Organization, Organizational Dynamics, 9-25.

CHANGING PEOPLE AND CULTURE

- People change
 - Changing the attitudes and behaviours of a few employees
- Culture change
 - A major shift in the norm, values, attitudes and mindset of the organisation
- Training and development
 - Most frequently used approach to change



ORGANISATIONAL DEVELOPMENT (OD)

- Planned, systematic process of change that uses behavioural science knowledge and techniques
- Improves organisational health and effectiveness through:
 - Ability to cope with environmental changes
 - Improvement of internal relationships
 - Increased problem-solving capabilities (contd.)



ORGANISATIONAL DEVELOPMENT CONTD.

- OD can address 3 types of current problems:
1. Mergers and acquisitions
 2. Organisational decline/ revitalisation
 3. Conflict management (contd.)



ORGANISATIONAL DEVELOPMENT CONTD.

OD activities include:

- 1 Team-building activities
- 2 Survey-feedback activities
- 3 Large-group interventions (contd.)



ORGANISATIONAL DEVELOPMENT CONTD.

OD Steps:

- 1 Unfreezing
 - Participants become aware of problems and become willing to change.
 - Use a change agent.
- 2 Changing (intervention)
 - Individuals experiment with new behaviour/skills.
- 3 Refreezing
 - Individuals acquire a desired new skill or attitude and are rewarded for it by the organisation.



IMPLEMENTING CHANGE

- Creative innovation without implementation is ineffective in creating change
- **BUT** change can trigger resistance
- Managers need to be aware of the reasons people have for resisting change



RESISTANCE TO CHANGE

- Can be due to:
 - Self-interest
 - Lack of understanding and trust
 - Uncertainty
 - Different assessments and goals



FORCE-FIELD ANALYSIS

- Originator: Kurt Lewin
 - The process of determining which forces drive and which resist a proposed change as a result of competition between:
 - Driving forces
 - Restraining forces



FORCE FIELD ANALYSIS

