

# INNOVATION MANAGEMENT

## 1. THEORETICAL DEFINITION OF INNOVATION MANAGEMENT

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# 1. Theoretical Definition of Innovation Management



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An essential characteristic of the present?

**Change!!!**

- Characteristics of contemporary global change:
  - continuity;
  - increasing pace;
  - significant impacts on economic actors.

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- Dynamic changes are part of virtually all areas of life:
  - economic;
  - political;
  - sociological;
  - technological;
  - legislative;
  - ecological;
  - cultural.

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- A prerequisite for organisational success:
  - constant monitoring and perception of change;
  - flexible responses to change:
    - **knowledge of innovation management principles;**
    - **the ability to actively influence the future.**

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- The ability to actively influence the future:
  - Consumer demands on producers are increasingly complex (consumers are no longer satisfied with a quality, affordable and unique product);
  - competitive advantage = product consumption experience;
  - producers must anticipate what the future demands (what the consumer will want to experience).

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- The competitiveness of innovative organisations consists in their ability to:
  - estimating future customer needs;
  - realising those needs;
  - selling those needs;
  - maintaining the cost-effectiveness of the organisation.



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- The need to change the approach to the consumer is nothing new.
- However, it is now no longer about providing only the cheapest, highest quality or most original product, but a product with new emotions attached to its consumption.

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The relationship between the customer need and the organisation's focus::

<u>Period</u>	<u>Customer need</u>	<u>Company focus</u>
<u>1960s</u>	cost	effectiveness
1970s	quality	quality
1980s	choice and availability	flexibility
1990s	differentiation (uniqueness)	innovation
after 2000	experience (emotion)	finding new needs for the customer

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- The idea that only a company that grows steadily can exist in the long term has been true since the earliest days of human economic activity (today its importance and timelessness is even more pronounced).
- Growth in this case does not necessarily mean constantly increasing values of parameters such as turnover, profit, number of customers and the related number of orders, assets, etc. Rather, in the context of the turbulent environment of the contemporary market economy, this continuous growth is understood as the ability to continuously develop and shift the knowledge and values of the company.

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- So we have a relationship in the organisation:

development and advancement of knowledge



continuous growth



long-term existence

Thank You for Your  
Attention