Assessing Models for

# Harnessing Innovation

ICL

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## *Assignment 2*

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## 1.0 Introduction

Innovation is offering new services or products to its customers by doing things in different ways either incrementally or radically. Innovation is a broader concept embedded in every aspect of a successful business. Collaboration and team building has contributed in many ways to harness innovation throughout the organizational process to achieve breakthrough results for innovative organizations.

Startup incubation is another model used to harness innovation where innovative idea generation will be converted into commercialization through a sequence of practices with required resource allocation which will generate innovative results within the planned time horizon.

The objective of this study is to identify innovative models for team building and startup incubation which will harness the innovation process within the team building and incubation process. During the study, Tuckman's and Hackman's model of team building has been discussed and its effects to harness innovation have been addressed. Sahay Technology Business Incubator and Booz, Allan & Hamilton Corporate Incubator models have been investigated along with its effort towards harnessing innovation in the business context.

## 2.0 Innovation Models for forming effective innovation teams

In any organization, the success of its innovation effort will be recognized by its leadership, team effort, and employee devotion (Johnsson, 2017). Innovation can be in any form such as the introduction of new goods or services, or the implementation of a new production methodology entering into a new market (Alsaaty, 2011). An effective team is a back born of any successful innovative organization irrespective of the nature of its goals, and innovation framework (Super, 2020). This study has identified two main team-building models which harness effective innovation efforts.

1. Tuckman Model of FSNPA team-building model
2. Hackman team-building model

## 2.1 Tuckman Model of FSNPA team-building model

In 1965 Tuckman has introduces the FSNPA model with five stages team-building model which enlighten the area of team-building, namely forming, storming, norming, performing, and adjourning. When a team bypasses each stage its requirements and relevant practices and leadership styles will change according to each stage in the lifecycle (Rickards & Moger, 2000)

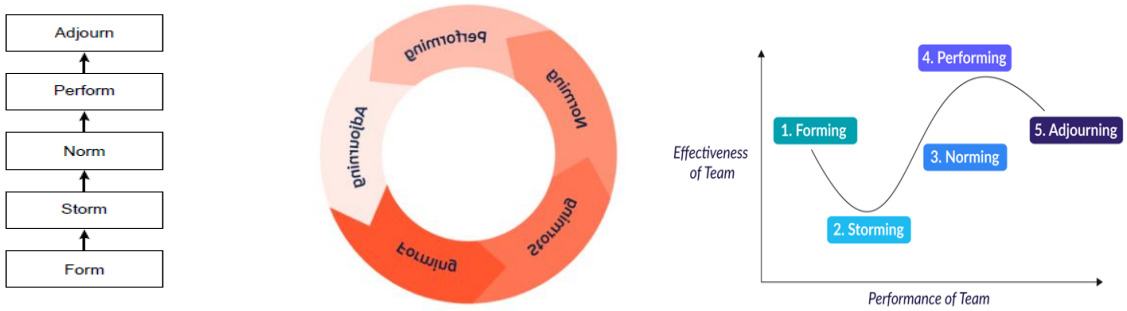


*Figure 1 The FSNPA stage model of team development*

1. **Forming:** At the initial stage of team formation members will be very polite to each other and respect each other, sometimes unclear with the objectives, conflicts will be avoided, and start to work with each other. The leader will act as a "teller" giving clear direct instructions.
2. **Storming:** Member creates conflicts with each other due to different work standards and practices they even try to suppress each other. The leader will play the role of "Coacher" by making new standards against conflicts.
3. **Norming:** Members will acknowledge the efforts of each other and the team develop a strong sense of commitment and act toward goals. Leaders play the role of "facilitator" and facilitate requirements for the team.
4. **Performing:** Members are clear on their vision and goal and take responsibility for themselves. Leaders act as a "Delegator"
5. **Adjourn:** The purpose of creating the team archives and members move on to new assignments with achievements and recognition.

### 2.1.1 Harnessing Innovation through Tuckman Model

When passing each stage creativity should stimulate and leadership plays a vital role in sharping creativity. There is a positive correlation between creative climate within the organization, creative leadership, and team innovation. Proper leadership with clear organizational infrastructure promotes innovation within teams which aligns with organizational goals. The innovative culture will identify creative ways of solving its challenges and the team will land at innovative solutions for new conceptual designs (Lee-Kelley, 2005).

Creative leadership will contribute seven factors of creative leadership which are known as the platform of understanding, shared vision, positive climate, resilience, network activators, learning from experience for effective innovative team building (Rickards & Moger, 2000)

To evaluate the performance of effective team building, staff motivation, reworking, and effective change management, staff attrition due to team building, staff performance evaluation feedback, and staff satisfaction attributes can be considered as a criterion for qualitative evaluation parameters. The stage gate model of innovation will be more suitable for this kind of effective team-building approach (Johnsson, 2017).

### 2.2 Hackman team-building model

In yer 2002 Hackman introduces his model for effective team building which had five key dimensions.

Figure 2 Hackman's effective team building model

1. **Real Team:** A team with a clear understanding of roles and tasks
2. **Compelling Direction:** Clear goals have been assigned to the team
3. **Enabling structure:** Clear workflow and processors has been assigned to a team.
4. **Supportive context:** The team is enriched with resources and information.
5. **Expert coaching:** Proper leadership, training, mentoring, and coaching facilities are available for the team.

Teams enriched with all five criteria will be able to achieve an effective team. An effective team will pave the path to innovation (Boogaard, 2020)

### 2.2.1 Harnessing Innovation through Hackman Model

Innovation is becoming part and parcel of today's successful organization context and it needs more team effort than individual isolated efforts. The effective team structure of the Hackman model will create effectiveness in its teams and harness innovation through its five dimensions. Contributions from innovative teams result in harnessing innovation within the organizational context increasing innovation in all aspects (Drach-Zahavy & Somech, 2001).

In many teams, an opportunity to propose new ideologies should be encouraged and proper leadership directions towards it will create innovative ideas and outcomes (DeCusatis, 2008).
The outcome of innovation and team can be measured through the level of outcome from the team effort, level of team learning, innovativeness within the team, success rate of innovative ideas, and the level of team interaction (Drach-Zahavy & Somech, 2001).

A mix of stage gate theory and innovation diffusion theory may be applicable for assessing the level of innovation and its impact. Guidance through proper leadership with innovation supportive culture will harness innovation in teams within an organizational context.

A ‘MINT’ process of innovation assessment which act as a balance scorecard method including innovation elicitation, project selection, ways of working, and impact can use as a measurement matrix for team innovation assessment, also staff performance evaluation feedback with comparison to JD, and KPI’s, customer satisfaction with innovation, feedbacks from customers on

products and quality can be considered and more qualitative performance measurement criteria (Nilsson et al., 2010).

### 3.0 Innovation Models for start-up incubators

Business incubators are designed for organizations to grow and develop in their early stages including training, educating, coaching, and mentoring even allowing access to business models such as venture capital and business angels. Startup incubators require a time commitment and a series of application processes where it shapes the business design from a very early stage to make sure it will grow with potential innovative growth aspect (Mvulirwenandea & Wehnb, 2020). It is vital to identify the suitable incubator modes which suit the organization before applying them to the business.

### 3.1 Sahay Technology Business Incubator Model (2004)

Based on Sahay Technology Business incubator model basic idea or concept generation is a key dimension and the innovation process is incepted from concept generation. Innovative ideas/concepts will be transformed into successful businesses and will be accomplished by using other dimensions accompanied by access to capital, market, network, and knowledge, and the right people will create a great business venture with the required infrastructural support (Ryzhonkov, 2013).

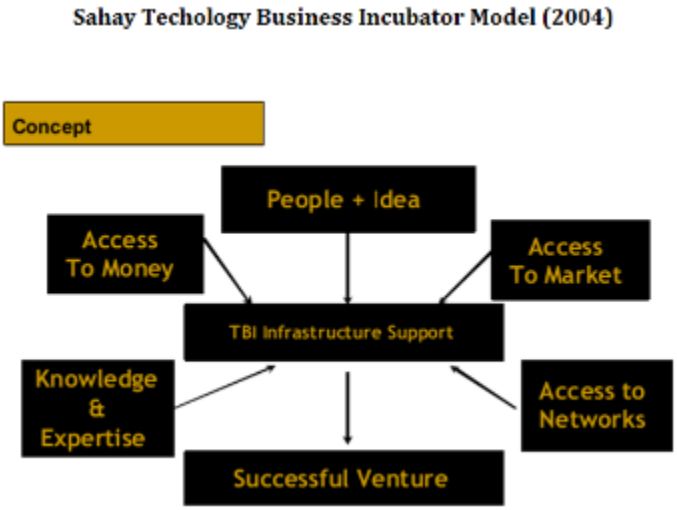


*Figure 3 Sahay Technology Business Incubator Model*

Business incubation is not a single-handed process but multiple dimensions will be involved in this incubation process creating a building box with multiple processors and resources (Ryzhonkov, 2013).

### 3.1.1 Harnessing Innovation through Sahay Technology Business Incubator Model

Business Incubation helps startup organizations to grow exponentially and the starting point is concept generation where new innovative ideas will harness the process which resulted in steady innovative concept generation. In many cases, startup incubators help organizations with idea generation and its conversion phase which involves innovative collaboration on both processors (Mvulirwenandea & Wehnb, 2020).

With the help of the incubation process elaborated in this model, a successful venture will be created with the ability to measure its performance with plane vs actual results in terms of both qualitative and quantitative aspects such as value creation, organization wealth maximization, impact on the society, new idea generation and its commercialization progress, also as a venture capitalist and business angels will be involved in this process as they are purely result oriented performance measurements will be imposed at each level (Ryzhonkov, 2013).

System process innovation, the successfulness of forward and backward integration, product life cycle impacts, process lifecycle, the efficiency of product or service commercialization, and efficient use of supply chain management parameters can be considered attributes for performance measurement metrics for the effective startup incubation process. Succesfulnes and efficient and effective use of the above attributes will measure the performance of the desired model and incubation process.

### 3.2 Booz, Allan & Hamilton Corporate Incubator Model (2000)

Booz, Allan & Hamilton's Corporate incubator model supports continuous innovation, and within corporate incubation, there are two parts to idea generation (Ryzhonkov, 2013).

1. While staying in core business generating innovation streamlines into new product service developments
2. Innovating into new business ventures

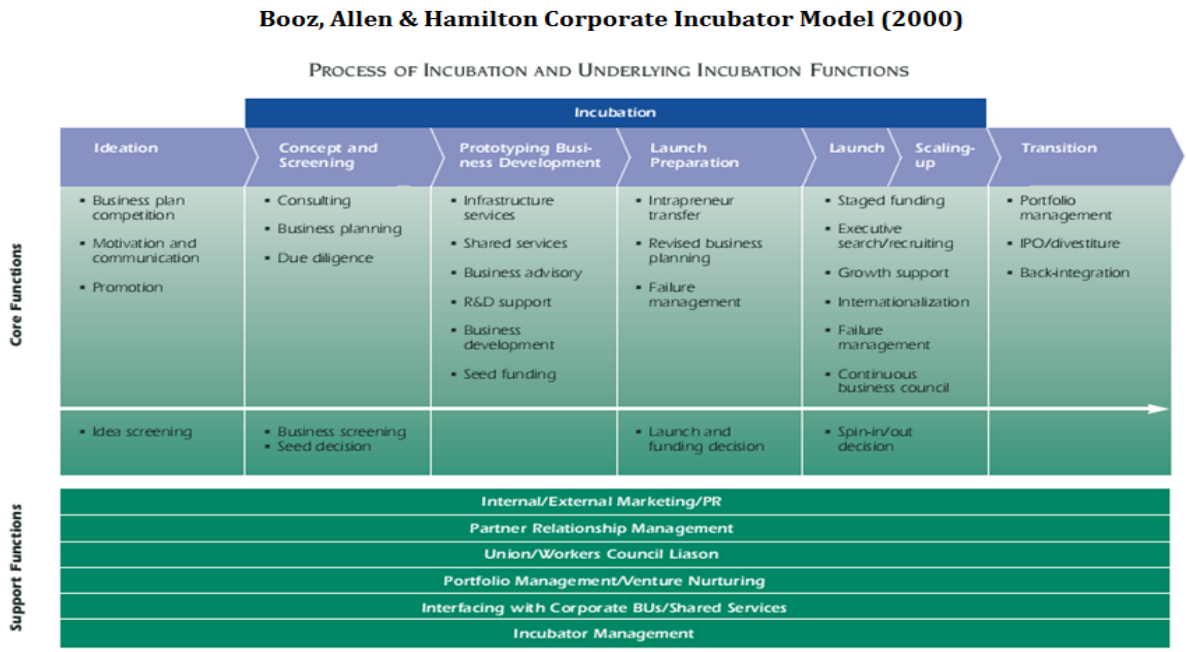


*Figure 4 Booz, Allen & Hamilton Corporate Incubator model*

This model has a core function including seven stages and a support function including six stages, which collaboratively contributes towards the innovative startup incubation process.

Effective leadership, proper incubation process, empowering culture, belief in success even when it fails, proper resource empowerment, and proper incubation period, such as less lead time to market commercialization key in this model which enables the success of startup incubation using this model (Ryzhonkov, 2013).

### 3.2.1 Harnessing Innovation through Booz, Allan & Hamilton Corporate Incubator Model

The stage gate model of innovative incubation supports this model with concept/idea generation which is the starting point of this model enabling various innovative idea generation and screening the concepts. With proper screening, it ensures that the best ideas will be captured in the process and the whole startup incubation process will start following proper innovative concept screening (Ryzhonkov, 2013).

Ideation, concept screening, prototyping, business development, preparation of launch, launching, scaling-up, and transition are seven steps of the startup incubation process and each stage is

supported by supporting functions enabling effective innovation to be harnessed throughout the process (Mvulirwenandea & Wehnb, 2020).

Performance measurement of the successfulness of the incubation process can be analyzed through various quantitative and qualitative measurements such as the process timing and circle till commercialization, resource effectiveness based on output generation, supply chain management parameters, and technology-driven nature of the incubation process as well as the return generated from the process comparing expectation vs actual (Bhuiyan, 2011).

Effective system alteration to the organization, appropriateness, and usefulness of the IT infrastructure and system processors, the effectiveness of backward and forward integration, defective product, and customer response to final output can be used as attributes for performance evaluation criteria.

**4.0 Conclusion**

With an increasing focus on innovation, to sustain in the market organizations need to invest their efforts in the innovation process. Various innovation strategies, tools, and concepts are available and organizations should select the best suitable approach depending on the nature of the organization. The success of the innovation process will highly depend on factors such as organizational commitments, leadership approach, facilitation of resources, vision mission, and goals of the organization.

Along with the above-mentioned factors team building and startup incubation plays a vital role in where innovation approach may initiate from their two derivatives. Proper team-building approaches and start-up incubation will pave the path to harnessing innovation throughout the processors. Many qualitative and quantitative factors and models can be used to measure the effectiveness of the innovation process and also, ‘learning from mistakes’ will create more genius innovative efforts for any innovative organization.

It is important to identify the legal framework within the innovation team building and incubation process. Since both team building and incubation act within a specified period of staff replacement, modifying the structure should analyze in detail in the study.

Using this study it is identified that well-developed team structures are better contributors to faster innovative efforts. Teams need to be well informed about their goals and required innovative efforts to be a success at the ending phase. Also, well startup incubators are high promoters of innovation which will have support from various aspects in its early incubation phase, this model is allowed to do many innovative attempts within the set parameters and many drastic innovations come out from these attempts.

For the successful implementation of teams and startup incubators for harnessing innovation it is vital to in place a proper performance measurement system along with a recognition and reward system where rewarding and recognition also plays an important role in the innovation harnessing process. Since both team building and incubation processors are dealing mainly with human resources and most areas are sensitive careful attention should be given when handling the two processors. Also, innovative processors and attempts must be aligned with organizational objectives and goals where innovation and the organizational goal should drive in the same direction.

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