

Prized Innovation Features of a Business Environment for Graduates

Sithembiso Khumalo and Tanya du Plessis

University of Johannesburg, South Africa

College of Business and Economics, Department of Information and Knowledge Management

skhumalo@uj.ac.za

tduplessis@uj.ac.za

Abstract: Innovation has proved to be a credible source for business development for various organisations, many organisations rely on their ability to innovate to produce impactful and disruptive products and services. Organisations are increasingly focusing on employing candidates or graduates with the ability to be innovative and improve business development. Higher Education Institutions (HEIs) hold the responsibility to produce graduates with the capability to produce innovation and adapt to the innovative cultures and structures created by organisations. This aim of this paper is to determine the most prized innovation features of a business environment suitable for business development, this is to aid HEIs to be informed of the curriculum relevant to produce graduates capable of innovation and business development. The quantitative approach aspect of this research paper enabled the researcher to collect data using an online survey questionnaire from 69 innovation experts from the South African Business Innovation Community (Innovation Summit), and the Innovation, Sustainability and Visionary Leadership Group. The quantitative data was then analysed through inferential statistical analysis. Based on the findings from this research paper, business leadership is deemed the most prized feature of an innovative environment, along with explorative culture and brand identity. Findings from the commercialisation units further support the above findings, as they indicated that most graduates and young entrepreneurs lack leadership skills. In conclusion, entrepreneurial Higher Education Institutions should align their curriculum to industry needs, through understanding the various activities that graduates are expected to engage with in industry to contribute to business innovation and business development.

Keywords: Innovation; Innovation features; Business environment; Business leadership; Entrepreneurship.

1. Introduction

The Business Council Australia (1993) defines innovation as the creation of improved processes and procedures to add value to an organisation. Innovation can further be defined as the process of conceiving and designing and adopting ideas through the creation of products, procedures, and services (Bansi, 2016; Rooke, 2017; Arnaut, 2019). Innovation has become one of the most essential components within various organisation to remain competitive and sustainable. Higher Education Institutions HEI's needs to understand the various features of innovation features within organisations that promote business development to produce graduates capable of adapting and contributing to these organisational structures driven by innovation and business development. Innovation can be as the application of systems or processes that have existed before but where never paid attention to (Rowe, 2008:8). Selman (1999:2) states "*innovation means intentionally 'bringing into existence' something new that can be sustained and repeated, and which has some value or utility*".

Moreover, innovation is concerned with real world services and products that add value to the world (Bansi, 2016). It is essentially the making of new products, systems, or tools with the intention to enable humans to benefit from what they have been struggling to achieve (Selman, 1999:2). A research gap further exists on the determinants for ensuring graduates with the capability to produce innovation. The Prize element in a signification framework focuses on valuing a specified thing as extremely highly valuable. The innovation features of a business environment in this research include Business leadership, Explorative culture, Brand identity, technical skill development, Structured systems, Community service, non-technical skill development, Business sales and profitability, Compensation and Financial literate employees. Hence, the aim of this paper is to determine the most Prized innovation features of a business environment, this is to aid HEIs to be informed of the curriculum relevant to produce graduates capable of innovation and business development.

2. Literature review

Innovation can be categorised into different types of innovations that are generally key to the strategy of a business for sustainable competitive advantage (Varadarajan, 2018:144). The different types of innovation are product innovation, marketing innovation, business model innovation, and strategic innovation (Coccia, 2006:9). Generally, innovation can be defined as the introduction or implementation of a new or improved product, service or process, and new business practice (Varadarajan, 2018:149). Innovation can further be defined as

knowledge that is used uniquely and differently, it could be a new way of thinking and innovation is normally the result of complex and dynamic interactions and learning processes by different stakeholders (Pellissier, 2012:4). Innovation plays a significant role in business growth and the creation of new businesses; hence it is important to nurture innovativeness (Chen & Yin, 2019:26). Innovativeness can be described as the capacity of an invention or innovation to disrupt the business industry or create a shift in the business paradigm, specifically in the market structure of a particular industry or in science and technology (Varadarajan, 2018:150). There are various definitions of innovation, namely: innovation can be defined as the process of successfully Commercialising an invention; or innovation can be defined as the successful process of Commercialising an idea, product, or practice (Varadarajan, 2018:152). It is important to identify the stage of the process of adopting innovation, as well as the types of information in each stage for input and output features of the system (Edwards-Schachter, 2018:66). Note that innovation and creativity is also driven by a culture of innovation, models, structured processes and infrastructure (Levitt, 2002:138).

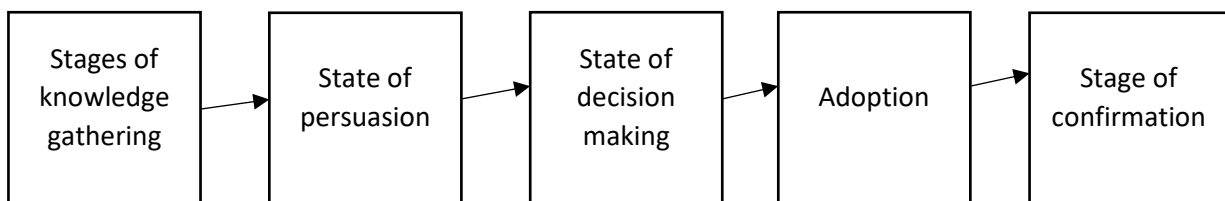


Figure 1: The stage of the process of adopting innovation

(Source: Popa et al., 2010:155)

Figure 2.1 notes the significance of innovation adoption, through the stages of the process of adopting innovation. The primary stage of innovation adoption is created to lead towards good and poor behaviours towards the persuasion stage, with the intention to move to the stage of decision making. While on the confirmation stage, the decision-maker implements a code of conduct that can be followed by the variations in the attitude that are caused by trying to decrease reasoning conflict due to adopting the innovation (Popa et al., 2010:155).

Innovation is the lifeblood for organisations, and the true value of innovation can be established through the results, such as ideas that are commercialised products (Datta, Reed & Jessup, 2013:147). The ability of organisations to commercialise their innovation can improve the economic state of an environment and market and create new markets. Regardless of the type of organisation, profit-driven or education-driven, entrepreneurial-related activities that pertain to commercialisation begin with the generation of an idea and its launch (Datta et al., 2013:147; Thani et al., 2021). Education-driven organisations may have an abundance of ideas, yet fail at launching (Thani et al., 2021). It is stated that one out of 3000 ideas and innovative inventions get the opportunity to be commercialised into prosperous products (Datta et al., 2013:148). On the other hand, Kakouris (2021:467), states that recently there are developments in entrepreneurial education that suggest that more critical stances are being adopted in the teaching and advocacy of reflective approaches to entrepreneurial education.

3. Methodology

This paper is part of a PhD study on the innovation and commercialisation dynamics of entrepreneurial universities, but for the purpose of this paper the focus is on prized innovation features of a business environment to inform and assist in improving university curriculum. The PhD study utilised a mixed-method complex approach but for the purpose of this paper the researcher reported on some aspects from the quantitative data collected. This paper utilised a Signification Framework as method for this research, Signification framework methodology refers to a structure that underlines a system, concepts and text representing the world perception and philosophies of a researcher, is further utilised to represent the meaning that is generally applied in sensemaking (Deprez & Hanchar, 2017; Magoma, 2018). A Signification Framework aims make sense of a phenomena through five elements namely; Presume, Predict, Prize, Perceive and Produce, which all have their research meaning and purpose. This paper only reports on the data from the Prize element, which focuses on valuing a specified thing as extremely highly valuable. This study was further strengthened and re-enforced using pragmatism as philosophical paradigm, this allowed the researcher to explore practical ways that can work in the real-world context and improve university curriculum.

Date was collected through a survey online questionnaire from 100 delegates from the Innovation, Sustainability and Visionary Leadership Group and the South African Business Innovation Community (Innovation Summit). A 69-response rate was obtained for the questionnaire distributed. This means the researcher got 69 responses out of the 100 participants the questionnaire was sent out to. The participants for this research varied from, government representatives, company representatives, Chief Executive Officers, Managing Directors, entrepreneurs, academics, company founders, business analyst chief of section, board member, Chief Operating Officer, creative director, learning manager, filmmaker and editor, lead consultant, mentor, mentor and Ambassadors from the Vice Chairperson in the Northern Lights Northern Conference of South Africa's Youth Committee, business development, marketing and sales. Descriptive and inferential statistical analysis technique was used to analyse the data with the aid from Statistical Package for Social Sciences (SPSS) software and Microsoft Excel for descriptive and inferential statistical analysis and visualisation, for example, stacked graphs. SPSS was only utilised to generate the data in Microsoft Excel and no further analysis was done regarding the variables e.g., reliability, validity, correlations, and regression.

4. Results and discussion

This research paper aimed to determine the most Prized innovation features of a business environment, this is to inform and assist HEIs with aspects and features of innovation to consider within their curriculum to produce graduates capable of innovation and business development Next figure 4.1, the question asked the participants to what extent they **PRIZED** (signification framework element) the innovation features of a business environment. The features would constitute an environment that is conducive for innovation to thrive.

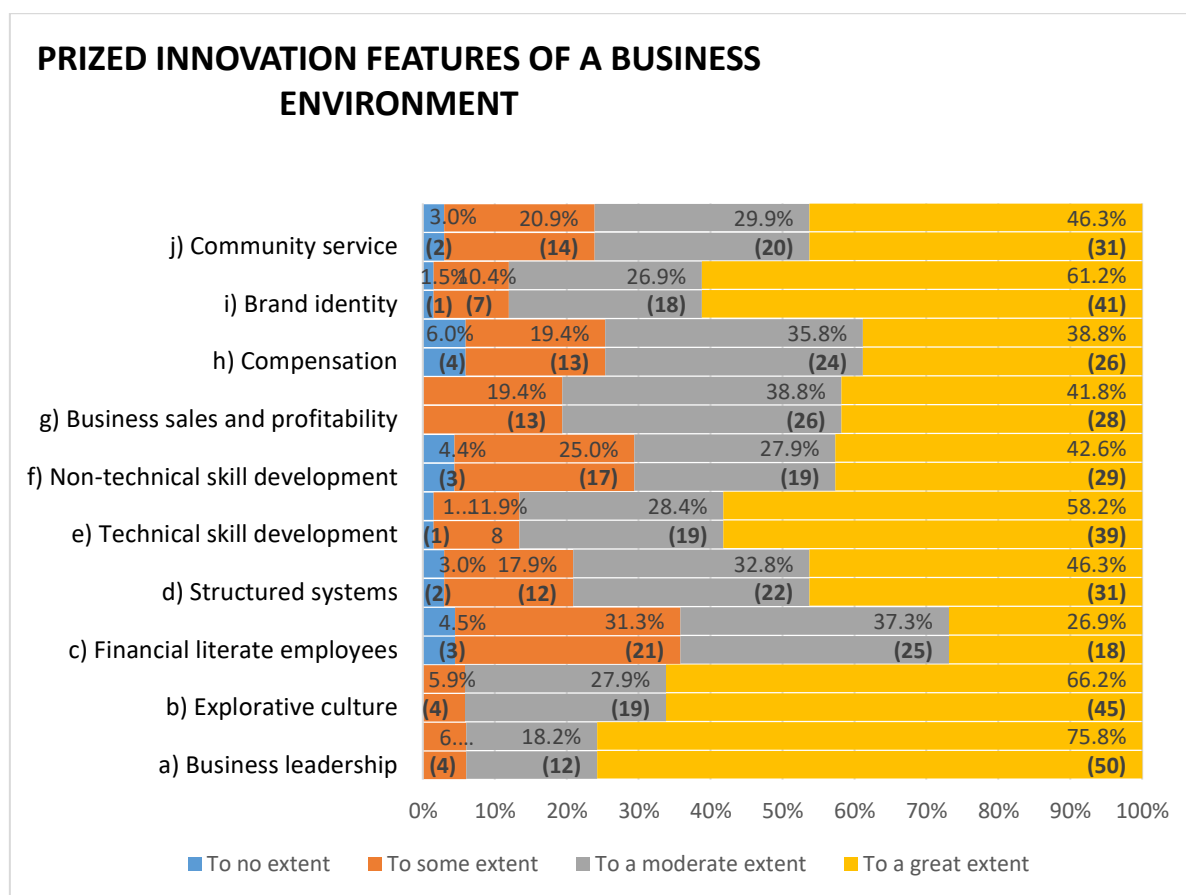


Figure 2: Prized innovation features of a business environment (own source developed for this study, 2021)

Figure 4.1 reports on the prized features of innovation within a business environment. On the business leadership feature, a) 0.0% participants prized to no extent, 6.1% participants prized to some extent, 18.2% prized to a moderate extent, and 75.8% prized to a great extent. On explorative culture, b) 0.0% participants prized to no extent, 5.9% participants prized to some extent, 27.9% prized to a moderate extent, and 66.2% prized to a great extent. On financial literate employees, c) 4.5% of the participants prized to no extent, 31.3% participants prized to some extent, 37.3% prized to a moderate extent, and 26.9% prized to a great extent. On

structured systems, d) 3.0% of the participants prized to no extent, 17.9% participants prized to some extent, 32.8% prized to a moderate extent, and 46.3% prized to a great extent. On technical skill development, e) 1.5% participants prized to no extent, 11.9% participants prized to some extent, 28.4% prized to a moderate extent, and 58.2% of the participants prized to a great extent.

On non-technical skill development, f) 4.4% of the participants prized to no extent, 25.0% participants prized to some extent, 27.9% prized to a moderate extent, and 42.6% prized to a great extent. On business sales and profitability, g) 0.0% participants prized to no extent, 19.4% participants prized to some extent, 38.8% prized to a moderate extent, and 41.8% prized to a great extent. On compensation, h) 6.0% participants prized to no extent, 19.4% of the participants prized to some extent, 35.8% prized to a moderate extent, and 38.8% prized to a great extent. On brand identity, i) 1.5% participants prized to no extent, 10.4% participants prized to some extent, 26.9% prized to a moderate extent, and 61.2% prized to a great extent. On community service, j) 3.0% of the participants prized to no extent, 20.9% prized to some extent, 29.9% prized to a moderate extent, and 46.3% prized to a great extent.

Noteworthy in figure 4.1, majority of the participants prized to a great extent business leadership, 75.8% of the participants which was the highest response. Business leadership is vital for business innovation, HEIs should invest more time skilling graduates on business leadership, amongst other vital skills. Furthermore, business leadership has a direct influence on organisational culture and for innovation to thrive an innovative culture is needed.

The results in figure 4.1 depict innovation features of a business environment that are most sought-after features; prized meaning, those features that bring with it the most value to the business environment. In this case this would assist the entrepreneurial institutions to understand the types of activities graduates are expected to engage in the industry and be able to contribute to business innovation and the types of skills required. Having knowledge of the types of skills required, the university will be able to decide on an appropriate intervention, for example, in the form of curriculum alignment to increase frequency of industry networking opportunities or community engagement to hone their innovation in community service. Based on the findings, the researcher was able to develop the **PRIZED** element of this study's signification framework (cf figure 5.1).

5. Intervention discussion

Next, figure 5.6 presents the **PRIZE** Intervention key.

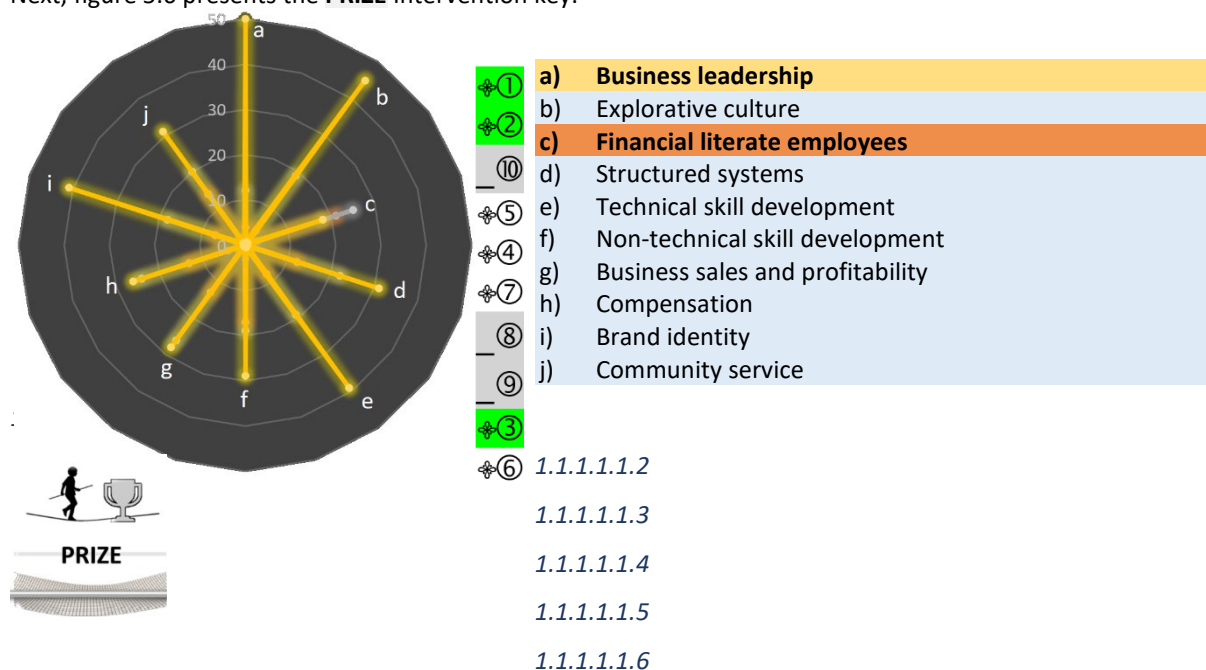


Figure 3: PRIZE Intervention key – Innovation features of a business environment (own source developed for this study, 2021)

Figure 5.1 presents the **PRIZE** Intervention key together with two examples of how it may be applied in terms of the innovation features of a business environment that are most sought after by business innovation experts.

Intervention application 1: Business innovation experts assign the most value to these features in this order to constitute an environment that is conducive for innovation to thrive:

1. Business leadership
2. Explorative culture
3. Brand identity
4. Technical skill development
5. Structured systems
6. Community service
7. Non-technical skill development
8. Business sales and profitability
9. Compensation
10. Financial literate employees

If innovators comprehend the prized innovation features of a business environment that is conducive to innovation, then innovators will be able to align their inventions accordingly. If not, an intervention is necessary.

Intervention application 2: If HEI admission requirements restrict innovators (scenario, Mathematics as prerequisite for entry in business management), yet financial literate employees are the least prized innovation feature, then an HEI programme review intervention is needed. This does not mean financial literate employees are not prized, it means that innovators are not necessarily actuaries. Instead, innovation features that are regarded as most significant are 1) business leadership, 2) explorative culture, and 3) brand identity.

6. Conclusion

HEIs and the business industry need to find a common environment that is conducive for graduates to thrive and innovate. It is significant for universities to determine and understand the most important aspects and features of innovation for innovation and business development. This will influence the improvement of the curriculum to suite the industry needs and innovation development. This paper aimed to determine the most Prized innovation features of a business environment, this is to aid HEIs to be informed of the curriculum relevant to produce graduates capable of innovation and business development. Findings revealed that business leadership, explorative culture and brand identify are the most prized innovation features for business development. Furthermore, findings indicate that financial literate employees are the least prized innovation feature for business development, this is important because most innovators are not that financially literate and yet university mathematics requirements may restrict innovators from entering the university due to the requirements.

In conclusion, it is significant to note that findings indicate HEI's need to focus mainly on leadership, brand identity and explorative culture within their curriculum to ensure that they produce graduates with the ability engage in these activities and to innovate and contribute to business development.

Acknowledgement

Permission to conduct research was obtained from the College of Business and Economics Research Committee CBEREC with a clearance code and was assigned the clearance number IKM2018_023. The research participants were given an informed consent form as part of the research process to obtain permission to conduct research ethically and to ensure that their identity remains anonymous.

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