MANAGEMENT OF THE INNOVATION IN THE COMPANY:
KNOWLEDGE SHARING OR AUTONOMY?

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Abstract
In this overview study author points at the crucial innovation strategies of the companies: innovation of the product or service. Then it describes necessary step in innovation: identification of strategic gap in order to gain competitive advantage and implementation of learning or training. Study mentions also three important ways and attitudes which lead to the innovation: support of the leaders (transformational leadership); knowledge sharing (which can be associated with experiential learning and with realizing the hidden potentials of the experience); and the need of the knowledge worker to autonomy. The leadership has to consider when it is preferable to let the knowledge workers to work independently; and when it is better to search the ideas in group (for example brainstorming or collective mind mapping). On the other hand, the method of mind mapping can be used in group, but also it is an instrument, tool to look for new ideas for independent person, individual par example for planning, making decision and writing of articles. Conclusion part of the study contains Table with defined crucial opportunities and risks of autonomy and knowledge sharing.

Key words: innovation strategies, sources of ideas, transformational leadership, knowledge sharing, autonomy, information management decision taking, motivation.

Classification JEL: M12 – Personnel Management.

1. Introduction
Current approaches in innovation emphasize the importance of quick response to the external environment, ability of the firm to search and find appropriate ideas. The aim of the innovation is to create the required new service or product, and the way to this can be collective (knowledge sharing) or individual (autonomy of the knowledge worker). The major role plays also the leadership, which can be the accelerator of the progress and of the process of the innovation. Below the reader will find the description of these factors.

2. Methodology
Authors summarize the current approaches to innovation: especially transformational leadership, knowledge sharing or autonomy pursuant the actual articles. At the end point at the opportunities and risks of autonomy or knowledge sharing in management of innovations, which are listed in synoptic, well-arranged table. The aim of this overview study is to reflect the innovation strategies and to compare the different approaches: one which lay stress on knowledge sharing and other which lay stress on autonomy.

Following parts of this chapter will be concretely focused on the most important viewpoints or starting points that are inevitable for appropriate understanding the topic of innovation management in organizations.

2.1. The firm or company innovation strategies
Today’s enterprises are confronted with serious challenges: global economy expansion, severe struggle for markets, drastically shortening of product life cycle, rapid technological changes, structural transformation, size reduction, and so on. In order to respond to these changes, the companies have to increase their productivity, improve the quality of products and services, develop new products and meet the requirements, demands and desires of the consumers. In short, enterprises need to realize the innovations, because improving all the institutional components of the structure and business operations is the categorical
imperative of modern business. Capacity of the enterprise to deliver more quality, more functional and less expensive products on the market indicates the development of innovative processes in that enterprise (Wever, Marteus & Vaudeubempt, 2005). The companies dispose of two crucial strategies which can lead to competitive advantage of the enterprise: 1) innovation of the product; and 2) innovation of the services (Waters, 2001).

Incremental innovations of the product are defined through the existing product whose performance is significantly increased or improved. The product can be enhanced through the use of components or materials with higher performances or complex product, which consists of integrated technical subsystems, can be enhanced through partial changes of one of the subsystems. It means that product to be innovative have to be substantially modified (Waters, 2001).

According to Jung, Chow and Wu (2003) the valid definition in EU, innovations of the product do not include the following: minor modifications or improvements; routine improvements; regular seasonal changes; customizing the products to one client, which does not include significantly different characteristics, in comparison with the product for other clients; changes in the design that do not influence the function, purpose or technical characteristics of, product or service; re-selling of a new product or providing the service by another enterprise.

About the Waters (2001) and Donate and Guadamillas (2011) are the ways to the new product acquiring (buying patents, licenses or companies that have interesting new products) or license and permission for the use of some invention, new product or technology. About Daly (2014), and Gubbins and Dooley (2014) in principle, each invention is protected by a patent and its application is not allowed without inventor's consent. Buying the patent protects only a part of invention that can be acquired by buying the license, while the rest is usually included in construction and technological documentation; developing one’s own product or someone else’s, based on the contract with a company that has an interesting idea, but does not have sufficient means for self-development. Relevant statistics shows that for the creation of one product, which will be in high demand or which will be able to make profit, about 55–60 good ideas are necessary! Those strategic ideas can be searched and found within the company or in external environment.

According to Waters (2001) are internal sources of ideas are the following: improving the quality of existing products (for example the application of quality materials); improvement of the existing product (for example better performance of basic function); expansion of product range (when a certain shoe factory starts to produce new shoe models, children’s, men’s, women’s, special); development of additional programs (when a shoe factory starts to produce orthopedic shoes); organized creative work of a group of engineers; systematic encouragement of the ideas and proposals of other employees (sales, marketing, production, service, and so on); organized collection of innovations and patents within a company and so on.

External sources of ideas are as follows: work results of scientific and research institutions and laboratories; monitoring the activities of competitors; monitoring the activities of companies that are not direct competitors; monitoring the requirements of customers; collecting the ideas from current and potential customers; settlement body (customers’ complaints); monitoring the lists of products that are imported; searching patent information; consulting scientists and engineers from other companies; consulting the experts from universities and institutes; professional literature; various professional associations, professional corporations, chamber of commerce; special consulting organizations (consulting firms).

Concerning the innovation in the realm of the services, we can distinguish two basic forms; we can install new services or we can systematically improve the existing ones.
Typical examples for the above-mentioned refer to banking, advertising, trade and other services, i.e. their improvement, such as electronic banking, electronic commerce, and Internet communications and so on (Debrulle, 2014; Dajami, 2014).

2.2. Management of the innovation in company

For knowledge management and management of innovation the important method for planning necessary changes is identification of a strategic gap. It means we have to ask: “Where are we?” and “Where we want to move? Where we want to be? What knowledge we don’t have yet?” For identifying the gap according to Tsai (2001) is also necessary to cooperate One’s Company with another (Nicolescu, 2006; Peeters, 2014; Maroušek, Hašková, Zeman & Vaníčková, 2014).

2.3. Leadership and innovation

Support of management concerning innovation depends primarily on two factors: on transformational leadership and knowledge sharing. Transformational leadership have a trust in firm’s members and have to know the essential trends in management and marketing, and is suitable that is capable to effectuate the adequate changes in firm. One proverb say: “Without vision people perish”, and this proverb show the true essence of the transformative leadership. According to Doh and Quigley (2014) and Zeman and Vaníčková (2014), knowledge sharing leads to development of competences of workers, to creating the learning society and also to better cohesion in firm. We will describe both aspects: relationship of transformational leadership and successful innovation has been studied and researched intensively in recent years. Some previous research has shown the influence of transformational leadership on innovation. Transformational leaders have a good effect on creativity on employees and organization (Lale & Arzu, 2009). Transformational leadership improves employee empowerment and organizational climate which supports innovation (Jung, Chow & Wu, 2003; Xue, Bradley & Liang, 2011).

Transformational leadership is as a set of behaviors’ including influence of idealization, inspirational motivation, individualized consideration, and intellectual stimulation that changing needs and expectation of followers to the higher level (Bass & Avolio, 1994). Transformational leaders have the crucial assumption that the people are basically positive, so they look the followers or employees as the responsible persons, which have good awareness of work and who are proud of their job (Bae & Koo, 2008). Intellectual stimulation is a leader behavior that promotes intelligence, knowledge and learning of employees, so they could be more innovative in solving their problems and finding solutions (Morales, Reche & Torres, 2008).

In the knowledge-based economy, having a successful leader is one of the most effective ways to manage the source of organizational knowledge and the ability in engineering knowledge (Holmapple & Joshi, 2001). The role of leadership in knowledge based management is focused on implementing, and creating knowledge sharing. Creating and managing the knowledge, which lead to a success? Leader can play an important role as an innovator; teacher and facilitator have positive influences on organizational knowledge sharing (Yang, 2007).

2.4. Knowledge sharing and innovation

The concept developed by a resource based-view (RBCV) stated that company can be regarded as a connection or a ligament of heterogeneous resources distributed to most of the company and these resources will persist over the time in those companies (Amit & Schoemaker, 1993; Wernerfelt, 1995). Knowledge and the knowledge management are regarded as the most significant source and strategy of company. The company which is able
to acquire, integrate, store, distribute and apply and transform the knowledge into an enterprise capabilities, and new resources, will be able to build and maintain sustainable competitive advantage of company (Caimo, 2014).

The companies which has a superior knowledge holding an ability to coordinate and combine traditional institutionalized knowledge and it’s capability with the latest way and trend in order to give the greater value to the consumer than the competitor (Zack, McKeen & Singh, 2009). Competitive advantage in the future is determined by the knowledge worker as a resource owned by the company (Drucker, 1993). Knowledge sharing play important role in work on latest development projects, in improvement team performance, in improvement of innovation capabilities and business performance, including sales growth (Maroušek, Zeman, Vaničková & Hašková, 2014).

Knowledge sharing is an important part of knowledge management (Reychav & Weisberg, 2010). Knowledge sharing is defined as a series of actions taken by employees in disseminating relevant information to other employees within company (Bartol & Srivastava, 2002). Knowledge sharing is as a cultural social interaction through knowledge change activities, skill and experience of employees in all departments of organization.

Successful implementation of knowledge sharing depends on the attitude of employees towards knowledge sharing and it is influenced by the intention of knowledge sharing. The intention of knowledge sharing is determined by willingness to share knowledge (Bock & Kim, 2002; Zhang, 2011).

Knowledge sharing consists of tacit and explicit knowledge sharing. Human experience became the basis of the activity of sharing tacit knowledge (Nonaka & Takeuchi, 1997; Polanyi, 1966). Tacit knowledge sharing is the face-to-face interaction among employees to share, what they know and use, what they learn (Wang & Wang, 2012). Tacit knowledge sharing is the employee’s activity in diffusing knowledge, intuition, and hunches gained through past experiences (Endres, Endres, Chowdhury & Alam, 2007). Tacit knowledge is not codified, is not communicated openly, gained by sharing experiences, observations and imitate (Kamasak & Bulutlar, 2010). It is significantly probable, that tacit knowledge is related to the implicit memory, which contains our knowledge about activities and performances, which have been made automatic (Vaničková & Zeman, 2014).

![Lewin’s model of experiential learning](own study)
According to experiential learning theory is learning a process where knowledge is created through the transformation of experience. The transformation of knowledge is going on the base of the reflection of the experience, on the base of questioning.

Someone will learn from failure than success of his/her self and the other. Experiential sharing is the employee activities in sharing his success and failure experience to colleagues. It can be in the beginning hard to create a good environment to share the experiences and competencies, it demand the active listening from the leader of the group, the capability to capture the relevant aspects of the experience and often also the courage to self-disclosure, and openness to the expediencies of the members of the group.

According to Hibbert, Huxham and Sydow (2010) and Song and Kolb (2013) the explicit knowledge is knowledge, which can be easy verbalized or which can be easily transferred to the recipient through the institutionalized information channels (e-mail, internet). We can activity of explicit knowledge sharing describe as a transfer of knowledge, that can be institutionalized and often realized in a work environment because it can be easily obtained, codified and present (Hong, 2010).

2.5. Elimination of crucial problems concerning innovation

The strategic meaning of information has been stressed by Peter Drucker (2013). He has underlined the role of continuous learning and also teaching in society. There are a lot of information sources, but crucial is to choose the important sources; to differentiate between the relevant and irrelevant. There are many training and explicit learning in societies; the important is to transfer the important knowledge to employees; and apply the knowledge, transform it to the capabilities.

The people live in turbulent époque, and so many changes occur in ecology, economic, social realm. The managers have to monitor the environment, the social and political context and perceive the changes which can create new opportunities or threats. A lot of companies are also changing, at the one side are changing relationships in enterprises, at another are changing the preferences and the attitudes of customers toward the products. It requires from manager to create adequate interpersonal climate in company suitable for knowledge sharing, on the other hand to monitor the trends and preferences in society, and then to be capable to modification the products or services, in order that gain competition advantage (Torenolied & Akkerman, 2012). The crucial question is: “What is and what can be for us the competition advantage? Which sources we could provide, so that we can reduce the cost? How we can improve the services or products? “But in process of searching the responses and answering, there is necessary to reflect also the ethical dimension of the process of decision.

In general for management is also necessary to realize quantitative or qualitative researches, and to get data and analyze it. The researches have to be realized on the one side in internal environment (par example about the communication and level of satisfaction about communication or about knowledge sharing or implementation of it), on the other side in external environment (customer’s preferences and monitoring of trends in society).

Manager also should perceive the information which can be unfavorable, and could lead to bad consequences or make barriers to the knowledge sharing and innovation. The solution consists in identifying of crucial problems and obstacles, and subsequently is necessary try to solve them. Scozzi and Crowston (2008) wrote “Methods for modeling and supporting innovation processes in SMEs” identification the problems facing small and middle enterprises in innovating. This paper identifies SMEs crucial problems in this area as follows: procedure neglect; responsibility avoidance; lack of process control; management deficiencies; problem framing and solving; lack of a structured organizational memory; lack
of a strategic vision (short-term); change and conflict management; communication across department; blame culture; lack of structured communication (internal and external).

These problem manager should perceive, make reflexion of them and then he should try to found appropriate solution. Avoidance is not a solution.

2.6. Information Management

The information management can be related to the internal communication and also to the idea management: we can distinguish knowledge sharing (or) and autonomy of knowing subject, employee.

Idea management is a process which is related to the knowledge sharing (but also to an individual and his autonomy), and it is connected with question, how the new ideas, products are created. Ideations can take many different forms. We can distinguish the ideation and the process of generation of new ideas from the point of view of evolution: evolutionary way to new product means to modify an existing product or adding a feature or function to it. On the other side we have a revolutionary way, disruptive; it means to leave the examined ways, to take a brand new perspective. We can differentiate between ideation from the point of view of the structure or happiness; on the one hand we have ideation which follows some recipe, formula, algorithms and leads to the solution; on the other hand we have ideations, which could be delivered by serendipity; where the intended idea is generated by the unexpected, by the unconsciousness process or by “fortune”. This classification reflects also a level of consciousness or unconsciousness. The first one can be regarded as a targeted, goal-centered activity; the second one can be regarding as an artistic (as an inspiration or discovery, finding), disregarding practical purpose and allowing ideas to flow without constraints.

Axinte and Ivanus (2013) after research of 10 innovative SMEs propose some suggestions for managing SMEs:

1. Tear down the walls or create dedicated ideation space. Break up teams into people who know each other but are not “that friendly” with each other in order to minimize group think.
2. Provide a framework to capture ideas. Accept all ideas and get them written down on the board. You never know when a concept can be recycled for future use.
3. Setting and Location. Create a positive environment to delivery pinches, but vary that format as well as locations and times of ideations sessions. Predictability can kill ideation. Mix it up to get people out of their comfort zones.
4. Info alchemy. Create and maintain your idea inventory and review it regularly. Build a database of ideas from which new combinations and solutions can be derived.
5. Include a diverse group of people. In addition to your team, include members such as the sales team, people who interact directly with customers, and maybe even a few select customers themselves to offer their insight into the meeting.
6. Establish rules of engagement. At some point during the ideation process you will need to inform your team what you are, and are not looking for. Communicate what the overall process will look like, and how ideas will be evaluated.
7. Recognize and reward contributors. Instill a sense of urgency in every employee about what needs to be done; give them the support they need to feel their good efforts will be rewarded.

This idea management happens in the group, we can say, that it is collective form of idea management, where important role play encounters, sharing and creating of idea database, creating of ‘institutional memory’. It requires the openness for the idea and personalities of other people. Here it depends on relationships in the company. This approach highlight, emphasize the cohesion, participation and enrichment by the contribution of another member of the team. Other authors underline the personality need for autonomy and self-control as
Peter Drucker (2013). Six major factors determine knowledge-worker productivity: Knowledge-worker productivity demands, that we ask the question: “What is the task?” It demands, that we impose the responsibility for their productivity on the individual knowledge workers themselves. Knowledge workers have to manage themselves. They have to have autonomy.

Continuing innovation has to be part of the work, the task and the responsibility of knowledge workers. Knowledge work requires continuous learning on the part of the knowledge worker, but also continuous teaching on the part of the knowledge worker. Productivity of the knowledge worker is not – at last not primarily – a matter of quantity of output. Quality is at least as important. Finally knowledge worker productivity requires that the knowledge worker is both seen and treated as an ‘asset’ rather than a ‘cost’. It requires that the knowledge worker want to work for organization in preference to all opportunities. Leaders in the company have to delegate the task clearly and set the dead-lines. Knowledge worker will then search for the sources and ideas. Sometimes the best ideas are coming, in the leisure time, or in the time of recreation, break. Continuous learning requires from the knowledge worker, the knowledge of his own style of learning. Continuous teaching of knowledge worker is also very good opportunity to discover the gaps in the knowledge and arising new questions. This model of knowledge management put stress on the autonomy of knowledge worker, on his self-control and on his vision, which needs a time to develop. We can say, that is possible, that the individual knowledge management might precede, or accompany the collective forms of knowledge management (knowledge sharing).

Some methods like a mental mapping may be used individually or in the group. Mind mapping is note taking system (we can say that is idea and images generating system too), that uses images, colors, words and numbers arranged in connected, radiant and hierarchical structure. The term of Mind map was created by British author and psychologist Buzan (2006). Original invented as a way of learning people more effectively. In the realm of the work mind maps can improve quality of learning, thinking and working. Mind mapping has numerous uses and potential functions including taking notes, planning, brainstorming, generating creativity, organizing, summarizing, collaborating and many others. In business mind mapping can be used for (Evans & Evans, 2000): Planning, Project management, Negotiation, Presentation, Problem solving, Collaboration, Creative thinking, Note taking.

According Evans and Evans (2000) mind mapping can be used by the trainer, but we think that also by the leaders or by the knowledge managers for outline prospective courses or program, illustrate a business case for new project, organize training program content, generate ideas during meetings and training session, draw a connection between business needs and developmental efforts.

Mind maps stimulate and accentuate the association through their unique line structure. By clarifying association of ideas, which are expressed as a single words or pictures? Mind maps help us to remember put the information into our brains in a way that make it easy for us to access. We don’t think in lists or sentences, we think in key themes, images, shapes and patterns there are four elements of mind maps: the subject of attention is crystallized in central word or image, the main themes of the subject radiate from the central image or branches, the branches hold a key image or a word printed on the associated line – details radiate out, the branches form a connected, modal structure.

3. Conclusion

Notwithstanding there exist a lot of approaches to innovations, inter alia management of innovation using transformational leadership, knowledge sharing or support of autonomy, there is gap in understanding the opportunities and risks or both approaches. Maybe the managers are leading people implicitly understanding their behavior and motivation, the role
and function of autonomy and knowledge sharing, but we need to formulate, and frame the opportunities and risks of both approaches. Transformational leaders have a good effect on creativity on employees and organization (Lale & Arzu, 2009). Transformational leadership improves employee empowerment and organizational climate which supports innovation (Jung, Chow & Wu, 2003).

A range of authors wrote informed studies and they often quote the positive effects of knowledge sharing, but they don’t state the risks. We want to contribute to the reflection of these factors in management of innovation.

In this overview study, we have quoted the different approaches to innovation. Some of them lay stress on the cooperation and knowledge sharing, other emphasizes the function and the meaning of the transformational leadership and other underline the need of autonomy. The knowledge sharing as an assumption for innovation is necessary to complete with different approach: autonomy of the knowledge worker. The leadership has to consider when it is preferable to let the knowledge workers to work independently; and when it is better to search the ideas in group (for example brainstorming or collective mind mapping). It depends on manager’s reflection and understanding of psychology of different persons in his group, on his philosophy about their need: need workers rather autonomy (independence) or knowledge sharing (affiliation)? Which of these approaches increases the cohesion of the workers? The following table below the text, is summarizing opportunities and risks of autonomy and (or) knowledge sharing.

Table 1: Opportunities and risks of autonomy and knowledge sharing (own study)

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Risks</th>
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<tbody>
<tr>
<td><strong>Autonomy</strong></td>
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<tr>
<td>• Self-determination (Deci, Ryan)</td>
<td>• Isolation</td>
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<tr>
<td>• Self-efficacy</td>
<td>• Lack of feedback</td>
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<tr>
<td>• Independence</td>
<td>• Weak cohesion</td>
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<tr>
<td>• Self-realization</td>
<td>• inhibition</td>
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<tr>
<td>• Auto-regulation</td>
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<tr>
<td>• Achievement motivation</td>
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<tr>
<td>• Individual responsibility</td>
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<tr>
<td><strong>Knowledge sharing</strong></td>
<td>• Groupthink</td>
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<tr>
<td><strong>Enrichment by other’s</strong></td>
<td>• Social loafing</td>
</tr>
<tr>
<td>• Experiences</td>
<td>• Group polarization</td>
</tr>
<tr>
<td>• Emotions</td>
<td></td>
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<tr>
<td>• Solutions of problems ideas and also:</td>
<td></td>
</tr>
<tr>
<td>~ Sharing/empathy</td>
<td></td>
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<tr>
<td>~ Cohesion</td>
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<tr>
<td>~ Social support as coping mechanism</td>
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<tr>
<td>~ Social motivation</td>
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The method of mind mapping can be used in group, but also it is an instrument, tool to look for new ideas for independent person, individual par example for planning, making decision and writing of articles. It can be used by individual, and then the following turn the individual maps can be used to create the bigger common map. Or the created common map in group can be used to the individual re-thinking, and completing of the mind map. So the veritable leaders should be acquainted with the methods of knowledge sharing, and how to explore the experiences of workers using their own reflection (Lewin’s model of experiential learning), how to learn them to reflect their experiences; but also should be acquainted with
creative mind mapping, and also with the software which enable the creation of the mind maps.

References:


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