

HOW TO CREATE INNOVATIVE TEAM IN SMALL ORGANIZATION – INTEGRATED SOLUTIONS ON THE EXAMPLE OF MICROENTERPRISES IN POLAND

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Abstract

Nowadays, when the basis of competition is innovation, permanent advantage is not due to the superiority of a particular invention, but with extraordinary ability of members of the innovative teams. They need to build an organization that is able to learn from mistakes more quickly, more effectively and consistently than their rivals. Especially microenterprises are increasingly faced with the duty of employees to share ideas and the necessity of team work on innovative projects. Therefore, finding answers to the question of how to build an innovative team in small organization that will be able to create valuable ideas, it is now a key challenge for the managers and owners of microenterprises. In the case of innovative projects team, using the 'collective wisdom', will find a better solution than a single employee. Team coordination of tasks and communication between members can improve team's creativity of thinking. Decisions in the team are taken jointly, which are best accepted and quickly implemented. This paper presents some results from a quantitative research study aimed to analyze determinants of building innovative team in microenterprises. The main objective of the following article is deepening and systematizing knowledge related to factors influencing on building innovative and effective team for creating innovative ideas. In the first part of this article a theoretical background for team building is characterized. Teamwork is conducive to innovation, especially at the stage of creation, when ideas are born and initiatives are undertaken. Confrontation of knowledge, experience, skills etc. stimulates creative thinking of team members. Leadership sets the directions and indicates the rules. Good communication is essential for innovative activities, especially in the implementation phase, when the ideas are not implemented by the creator, but by the contractor. Further part of this article focuses on definition and significance of microenterprises in Polish economic reality. The author also presents results of the research conducted on group of 87 microenterprises.

Key words: team building, innovation, microenterprise, employees, communication.

Classification JEL: M12 – Personnel Management.

1. Introduction

Employees of the company, especially creative people for many organizations are one of the most valuable resources. Thanks to them is the development and growth of innovation in the organization. If additionally enterprise connects the potential of individuals in a team, a significant release could occur innovation potential in the enterprise. Especially in small organizations that employ less than 10 employees are sought creative ideas and creative staff. Conducting activities aimed at discovering the creativity of employees and rewarding their employer shows that the innovation is a special added value contributed by employees to the company, increasing their competitive advantage. For the company that creates new ideas, products, services or solutions is not enough just to hire employees who demonstrate a high level of creativity.

Especially small businesses due to their organizational constraints should take special care to human capital for best using them. This means that the taken direction considered to be innovative and competitive is consistent with the manner in which aim businesses and organizations with an established market position. For the majority of microenterprises is needed greater flexibility, openness to experimentation and new experiences, focus on improvement, which is associated with encouragement to take risks, tolerating mistakes

and treating them as a basis for learning. There is therefore expedient development of innovation culture is based on effective teamwork.

Creativity of employees is a result of the successful combination of knowledge, skills and motivation. If the employee receives additional support team, the elements of this combination can create a symbiosis effect.

The aim of paper is to search the problem of creating innovative teams in microenterprise. The paper passes sequentially through theoretical considerations regarding teamwork, and the next microenterprise is defined as a special form of entities operating in the Polish economy. The main objective is deepening and systematizing knowledge related to factors influencing on building innovative and effective team for creating innovative ideas. To achieve this objective, the attention is undertook to conduct qualitative research by In-Depth Interview (IDI) which had to answer the question: „What affects the building of an innovative team in the organization?” Finally the multifaceted analyzes taking into account human resources as a main source of innovative ideas, motivation system, team communication, the structure, procedures and the principle of decision-making and the organizational culture.

2. Theoretical background for team building

Following the literature, a team can be defined as a social system of three or more people, which is embedded in an organization (context), whose members perceive themselves as such and are perceived as members by others (identity), and who collaborate on a common task (team-work), (Alderfer, 1987: 190–222; Hackman, 1987: 67–102; Wiendieck 1992; Guzzo & Shea 1992: 269–313).

Team building, also called a team development or a group development, is an extremely popular and common intervention (Salas *et al.*, 1999: 309–329). Porras & Berg (1978) and French & Bell (1984) observed that team building was one of the most frequently used organization development interventions. The primary objective of team-building activities is to increase effectiveness of work teams. This is usually achieved through improving problem solving and interpersonal relations in teams. Interesting research results can be found for the application of team building to such diverse settings as microwave cooking manufacturers (George, 1977: 71–80), hotel management organizations (Beckhard, 1966: 3–25), medical rehabilitation teams (Halstead *et al.*, 1986: 357–361), metropolitan rapid transit authorities (Golembiewski & Kiepper, 1976: 46–60), and nursing teams (Robinson-Kurpius & Keim, 1994: 155–161). Special issue of a scholar journal was devoted to application of team building to sports team (Hardy & Crace, 1997: 1–10). Organizations employ many variations of team building concept. The emphases of programs change over time and programs are often situation- and problem-specific.

Teams are able to offer much more than the individual, both in terms of frequency of generating ideas and initiatives, as well as flexibility their realization. Activities in the area of innovation should just characterized by a high degree of teamwork (Nowacki & Staniewski, 2010).

Shandler & Egan (1996) claim that by applying principles of team building, “any group can transform itself (...) into a high-performing team”. That the employee was an active participant in the organization must be able to independently dispose of their assigned resources, and above all must think innovatively (Antonic & Hisrich, 2003: 9). It should be noted, that the concept of understanding innovation is also subject to change. The scope of the innovation underwent expansion. Initially for innovative solutions that provide a competitive advantage to companies considered technology investments. With the development of marketing (60 years of the twentieth century) innovation focused primarily on the product and its attributes. The development of quality assurance systems allowed to accept the

importance of process innovation. Today, the concept of 'innovation' is defined very broadly and applies to any change that will replace the current reality by better option (*Drucker, 1992: 160*). So widely understood innovation requires the involvement of many people in the search for new solutions to the enterprise. Aware of this management team set to build creative work teams.

Teamwork is conducive to innovation, especially at the stage of creation, when ideas are born and initiatives are undertaken. Important role play team standards. They indicate what is important, what you should strive for, and what to avoid. According to Vesta (*1990*), standards group representing the pillars of innovation are: vision, participation, task orientation and support for innovation. It is also frequently mentioned a risk-taking, tolerance for errors and speed of action. In the case of group determinants of innovation is very important compactness and team cohesion. Greatly facilitates this the process of innovation implementation (*Anderson & West, 1998*). The diversity is in turn an opportunity to reveal a synergy effect. Confrontation knowledge, experience, skills etc. stimulates creative thinking. Not without significance is the size of the team. Not many teams influence on motivating the individual participants and ensure the effectiveness of action. Leadership sets the directions and indicates the rules. Good communication is essential for innovative activities, especially in the implementation phase when the ideas are not implemented by the creator but by the contractor.

The companies often promotes teamwork, recognizing it as more valuable than the individual work, especially in tasks associated with creating innovative ideas. Enterprises organize for example 'brainstorming sessions', in the belief that during these meetings people produce greater number of ideas that are also more valuable – creative and innovative. For building innovative projects favors free exchange of innovative proposals (ideas) in organization (*Perenc & Holub-Iwan, 2011*). However, the presence of other people and their reactions to the presented ideas have a strong effect on the cognitive processes of individual members of the group. This influence is particularly evident in the diversity of the group members. Diversity of team members may be due, among other things with a different style of problem solving. Kirton (*1976*) defines two main styles of solving problems, 'adapter', better functioning in the defined framework, and the 'innovator' who often redefines the problem before it starts to deal with the solution. The different styles of problem solving leads to conflicts, hampers and blocks creativity of individual members of the group. In turn, the diversity of different kind of education, job function, seniority, turns out to have a positive impact on the work of the group, causing her strong drive to work (*Kurtzberg & Amabile, 2000–2001: 285–294*).

Significant for the effects of the group's work proves the diversity of its members in terms of personality. It turns out that the presence of extroverts in the project group has a positive impact on the team's work only to a point. Too many extroverts in the group leads to a significant reduction in the effects of its work. The social impact occurring in a group can lead to a narrowing of creative thinking and reduce the quality of solutions. In small groups may be a risk effect of 'groupthink'. Dangerous or wrong decisions arise when there is no consent on the freely expressed disagreement and the decisions or ideas are formed by consensus.

High impact on the team's creativity have conflicts that arise in the course of the team's work. If there are conflicts of medium intensity and concern substantive issues related to the problem to be solved, then the results of the work group as a result of the disclosure of the different opinions prove to be more original, diverse and more complex than the effects of team work in which all its members agree to any proposal. Presenting different ideas, the need to justify and defend their causes more creative members of the team, and also triggers new insights. However, the conflicts, which are ground relationships or group

process, that disputes such as this: who is responsible for what, always have a negative impact on the creativity of the group. Also, in the theory, a positive conflict has substantial negative effects in case of escalation of the conflict, personal attacks, outbursts of anger, etc.

One of the most important factor of creating innovative ideas is human behavior of people in team. Following the work of Homans (1974) on the elementary forms of social behavior, we can conceptualize human behavior in teams as activities, interactions, and sentiments. Activities are observable actions of individuals that can be measured by quantity (e.g. the production output of a factory worker) as well as by the correctness of their execution (e.g. the effectiveness of an action). Interaction refers to the connectedness or the 'being in contact' of two or more people regardless of the activities that bring them into contact. According to Homans (1974), interaction can be studied in terms of frequency and intensity. The third element of social behavior is sentiment which refers to human emotions, motivations, or attitudes. Sentiments cannot be directly observed but nevertheless influence interactions and activities and are, in turn, influenced by them.

The aim of innovation management is to create conditions for the organization, which will be conducive to solving a variety of complex problems in an uncertain environment (*Tidd & Bessant, 2011: 114*).

In the microenterprises more and more employees are faced with the responsibility of sharing ideas, the necessity of team work on innovative projects. Therefore, finding answers to the question of how to build an innovative team in a small organization that was able to create valuable ideas, it is now a key challenge for the managers and owners of microenterprises.

3. Microenterprises in Polish economic reality

Microenterprises are defined as employing no more than 10 workers, including the owner and family (*Levitsky, 1988: 12*). Many argue that microenterprises, particularly in the informal sector, represent a vibrant segment of the economy that provides jobs to the poor. Others caution that microenterprises are characterized by low productivity given their overly abundant use of labor with a low marginal productivity, low education levels, small scale of operations and lack of adequate capital inputs. In many developing countries, the microenterprise sector employs from 50 to 75% of the manufacturing workforce, yet only contributes about 25% of the value added. The economic significance of microenterprises is that they substantially contribute to the overall employment level in both developing and developed countries (*de Wit, 1993: 367–397*). Other author defined microenterprises as a business with fewer than six employees or fewer than 16 in manufacturing sector (*Sanchez, 1998; Otero & Rhyne, 1994*). This economic importance – coupled with the electoral power of microenterprise owners – contributes to the increasing political power of microenterprise owners collectively in the fiscal and political process. It is also recognized that microenterprises represent the 'backbone' of the local economies in less developed countries. In particular, the economic and social role of microenterprises is more important the less developed a country is (*Liargovas, 1998*).

In Poland, microenterprises are mostly those self-employed, family businesses engaged in craft or other activities, and partnerships or associations regularly engaged in economic activities. They employ depending on the definition: to 9 employees or less than 10 employees and achieve an annual turnover or annual balance sheet total to EUR 2 million. According to the latest available data of such entities in Poland it is 1.75 million (95.6% of all enterprises). Most of them (93.7%, i.e. 1.64 million companies) are entities belonging to individuals. Microenterprises are a place of work for 3.4 million people (37.9% of employees in enterprises) living in Poland. They generate 29.7% of gross value added

of enterprises, 27.6% of the production companies. Their investments represent 16.3% of the total expenditures of enterprises (*Zadura-Lichota, 2015: 47*).

Microenterprises are often family companies which are created as security for families in difficult market conditions. Sources of success should be seen in the internal relations of such companies. Belonging to the family strengthens the cohesion of the organization, especially in a crisis environment. Thus, the greater the force destructive impact on the company (reduced demand, liquidity problems), the greater mobilization of internal forces the company to maintain the stability of the company. The competitive advantage of the surveyed companies lies in the commitment and competence of management, or family members. Person charismatic manager, owner or successor is a key figure for the company's competitiveness. In the research of Sulkowski is estimated that 90% of family businesses is based on the knowledge and experience of its founders (*Sulkowski, 2004: 108*).

About the importance of microenterprises for the economy decide the number quoted above, which in turn depends on the human factor, primarily from the founder-owner and his staff. According to Heunksa (*1998: 263–272*), a man who decides to start his or her own business is inherently entrepreneur and innovator. In the initial phase of development of the company's innovation is the same company as such and the combination of its products/services and the market, which creates for them. At this stage the most important thing is to stay on the market. The company's development is a challenge to the next phase of growth, it is also the founder of the necessity of creating new ideas. In a study conducted in 2010, four out of five owners of micro-enterprises (83.4%) said that the current business model of the company is the target model of action (*Raźniewski et al., 2010: 6*). Businesses seemed then not be willing to accept the need for major changes in your business.

Even at the time of the crisis were preferred activities falling within the scope of passive strategy, and the largest group of respondents (25.4%) said they take no action. With this approach positively reflects the fact that, however, more than half (54.4%) of owners of microenterprises in 2007–2009 declared the introduction of company's innovative solutions (*Raźniewski et al., 2010: 6*). On the other hand, in her research Bojewska draws attention to the investment programs in microenterprises and states in the applications (*2006: 61*): „It is difficult to talk about innovative projects [...]. Lack of innovation makes the microenterprises have less chance of survival, because of the more competitive advantage.”

4. Research methodology

This qualitative research was conducted by method of In – Depth Interview (IDI) on the group of N = 87 microenterprises, which employed up to 10 employees. The survey was conducted during August–September 2016. Realized qualitative study on a group of microenterprises constitute the continuation of a broader study on general activities of microenterprises in Poland conducted by the author. On this basis there was identified 87 entities that have met the criteria of the microenterprise. As the main goals of the research, the attention was put on how to build innovative team in microenterprise and analyze the factors determining creation of innovative teams in such small organization.

Qualitative studies are usually used as a basis establish guidelines for the implementation of quantitative research. Its scope, however, cover a small number of subjects tested, so their results are not representative of the entire population and can not be carried out on the basis of statistical inference. By using non-standardized tools of qualitative research results can not be compared with others. Collected in the course of research information is exploratory and descriptive, and can be expressed in the form of thoughts, attitudes or feelings.

In qualitative research main emphasis is put on it to identify analyzed phenomenon. In this art of research does not use a quantitative measurement, but the techniques are used, which are designed to extract knowledge from the subjects. In-depth individual interviews

(IDI) is one of the basic techniques of qualitative research. They rely on a conversation in the 'four eyes' a researcher with the informant. Their goal is to get detailed information and opinions from individuals that meet criteria specified by the investigator sampling. This technique is also used to explain the nature of the examined phenomenon, getting to the essence of things, receipt of the information which it would be difficult to obtain by other methods, e.g. survey. An important advantage of this method is no negative influence on the part of the group which may take place in group interviews – conformism dominance among some people and so on.

The aim of the choice of research method IDI was to recognize the phenomenon in the area of creating innovative teams in microenterprises. This problem has not been the subject of ongoing research. After initial recognition, the phenomenon of creating innovative teams in microenterprises, the next step in the future will be to conduct a detailed quantitative survey. Given the definition of a team of 3 or more people, a research group consisted of companies employing 3 or more persons. Assuming this criterion, the total study group consisted of 31 companies. In the interview finally took part 19 companies, of which 9 business owners, 7 employees involved in sales or marketing department and 3 people from other areas of the business in company.

Table 1. Characteristics of the studied enterprises (own study)

Amount of employees		Position held in the company		Years of activity on the market	
1–2 employees	56	owner	64	< 5 years	62
3–6 employees	14	sales/marketing	14	5 years – 10 years	19
7–9 employees	17	others	9	10 years <	6
Sum	87	Sum	87	Sum	87

The average duration of the interview took approximately 40 minutes. The study used semi structured interview. In interview the starting point was a list of questions but indicated and acceptable was also giving up some of the new question generated during a talk depending on its course.

4.1. Human resources as a main source of innovative ideas

Employees, especially creative people, for many organizations are one of the most valuable resources because thanks to them is the development and growth of innovation organization. If the potential of individuals is additionally connected in a team, in a significant way could be an increase in innovative ideas in microenterprises. According to Klos (2012) in innovative teams should play an important role people actively involved in the creation and development of the innovation so-called homo innovator. He distinguishes the following types of innovators oriented: product (e.g. Frederik Philips); process (e.g. Henry Ford), marketing, organizational (e.g. Lee Iacocca) and overall (e.g. Jan Wedel). Furthermore, forming the innovative climate, organizations should take into account the level of education and general knowledge of innovators, open and clear communication based on mutual trust across the enterprise. Rewarding successful innovation, the creation of incentive systems, publishing author's implemented ideas is essential operation of shaping the culture of innovation in an organization (Klos, 2012).

Introductory question of interview related to sources of innovative ideas in the organization. The received responses indicate that a key source of innovative ideas are people working in the company – from the owners through lower-level employees of the organization. Respondents' expressions are presented as follows:

“Innovative ideas are born in the minds of our people (...) they are watching the market and customer needs and then translate it into concrete solutions” (6 employees, 3 years of activity, informant – owner). *“It is mainly the boss who brings new innovative ideas, but then all staff are exploring ways to implement them”* (5 employees, 4 years of activity, informant – owner). *“The most important in our company is teamwork, we are 8 people (...) we sit down together and discuss how to improve our product, what the competition is doing, how it changes the client (...) all the decisions we make together. Each of us has a different experience and knowledge, the team created the best solution. In this way, we’ve been working for 4 years and it works”* (9 employees, 7 years of activity, informant – marketing manager). *“Every service of our company is innovative because it is tailored to the needs of the customer. The people have the greatest value (...) if someone has an idea, then we meet in the group and assess his chances of implementation. Every idea must go through the verification of the whole team, because with us everyone has contributed in the creation of the service, but all working for the common success”* (5 employees, 6 years of activity, informant – owner).

In the research there was obvious the dominance of the owner, what come out of the nature of microenterprises management. In the answers it was often emphasized especially by the owners, participation of all employees. It contradicts the hitherto conviction about the lack of bottom-up approach when it comes to innovation in smaller enterprises. It dominated belief by the owners of enterprises about sufficient causative power by themselves and therefore rarely engaging employees in innovative company projects (Andries & Czarnitzki, 2014: 21–38). The surveyed companies in their answers attributed great importance of the teamwork. A lot of them emphasized the importance of internal communication, especially during joint meetings and discussions. Informants drew attention to the use of the skills and knowledge of all employees in the creation of innovative ideas. Differentiation of people in the organization allows to release of creative potential of the team. They emphasized the advantages of teamwork as a benefit all those who are involved.

In successful and consistent division of tasks and proper organization of the teamwork, is possible optimal realization of the right task of all employees. The essence of teamwork can be distorted by a hidden agenda units, which use the band for their own purposes, and allow others to work for each other (team = great, someone else will do it!).

In the case of innovative projects team, using the ‘collective wisdom’ means that the team can find a better solution than a single employee. The team coordination of tasks and communication between members improve responsibility of each individual and mutual stimulation to enhance the creativity of thinking, moreover, decisions are taken jointly, which are best accepted and quickly implemented. Cooperation is taught at the same time on each member how to work with others and to yourself to be responsible for one area of the project. In addition, team members have the opportunity to demonstrate the appropriate degree of individuality within their part of the job. Team members motivate and inspire to each other.

4.2. Motivate or not motivate?

To achieve performance objectives, teams must also work in a way that increases members’ motivation and ability to engage in future teamwork (Hackman, 1987: 67–102; Sundstrom et al., 1990: 120–133; Denison et al., 1996: 1005–1023). It is important in the creation of innovative ideas to have a system of incentives for employees in microenterprises.

In the interview, informants were asked whether there is some kind of system that encourages employees to submit their ideas for improvements in the company, its products, and provided services. Received answers indicate that the majority of employees who report their ideas about improvements in the company can expect a cash prize.

"We motivate our employees with additional cash bonus, which are discretionary (...) most of the new ideas is the result of teamwork, then rewarded the whole team" (5 employees, 4 years of activity, informant – owner). *"Mainly a cash prize (...) have the greatest effect. In addition, if the idea will be implemented successfully, the employee or the whole team working on the idea receives a salary increase"* (6 employees, seven years of activity, informant – service manager). *"We have 5 employees, so all the decisions we make together (...) ideas are created together and the sharing of profits is equal, so our motivator is to increase the revenue that we get from the implementation of a new idea"* (7 employees, 2 years of operation, informant – sales manager).

Other incentive factors to propose new ideas in the company which were highlighted by informants there are praise. Employees can usually count on salary increases when the idea bring real financial benefits for the company.

"We do not use a special system of motivating employees, we are one team and we work together for the success of the company. If the idea will translate into concrete results of the company, all receive a salary increase" (7 employees, 4 years of activity, informant – owner).

Occasionally, among the declarations of the surveyed companies, in the motivation system are taken into account an incentive opportunity for training or any kind of prizes or additional holiday. These data confirm appreciation of employees' creativity by a large part of microenterprises and allow to give hope for better results in this group of companies in the future. The basis for such expectations give the results of a study conducted by Andries & Czarnitzki (2014), according which the use of ideas executives and lower-level employees has a positive impact on innovative business operations.

Satisfaction with working in teams leads to increased motivation for participating in future team projects. Also, collaborating with other people provides the opportunity for learning social, project management, technical, and creative skills. Such acquisition of new skills relates to team members' desire for personal and professional growth (Denison et al. 1996: 1005–1023) as well as increasing the potential of the team members for future teamwork. However, it should be payed attention to the study by other researchers of this problem. They show that employees are more creative when they take certain actions with internal reasons, because of the interest, satisfaction with the performance of the work, challenge of the work, or for the sheer pleasure of making their work (Amabile et al., 1996). When the job is done only from the external reasons, workers may feel controlled and their internal motivation in these conditions is reduced, leading to a strong reduction of creativity. Much earlier to such requests came also Glucksberg, who in 1992 conducted an experiment. He proved that the promise of monetary rewards resulted in a long time working on the solution of the problem, narrowing the box thinking by fusing fixation functional and resulted in the discovery of a custom-creative-solution turned out to be more difficult (Glucksberg, 1992).

In research conducted by Amabile (1996) was found that external reward can encourage creativity, only if they are granted as they shall be unannounced. Similar conclusions were drawn by Ariely (2005: 451–469), who conducted a survey in which was researched the completion of tasks for employees with use of creative thinking. The conclusions of the experiments were as follows: the higher the financial reward, the worse was the level of performance of duties by the participants. The inclusion of financial reward has led to a deterioration in the level of performance in all the tasks that require creative thinking.

The results of previous and this qualitative research leads to the conclusion that the external reward can work on strengthening creativity, when the person doing the job focuses on internal motivation and external reward treats as secondary. Then it is possible that the

phenomenon of synergy incentive: the presence of external reward interacts with self-motivation and have a positive effect on creative activity.

4.3. Team communication

The most important factor in the creation of innovative ideas in the microenterprises is the communication within a team. Communication provides a means for the exchange of information among team members (Pinto & Pinto, 1990: 200–212). The quality of communication within a team can be described in terms of the frequency, formalization, structure, and openness of the information exchange. While frequency refers to how extensively team members communicate (i.e., time spent communicating), the degree of formalization describes how spontaneously team members are able to converse with each other (Hoegl & Gemuenden, 2001: 435–449).

Communication that requires a large amount of preparation and planning before it can occur (e.g. scheduled meetings, written status reports) is considered more formal, whereas spontaneously initiated contacts (e.g. talks in the hallway, quick phone calls, short e-mails) constitute informal communication. It is this informal, spontaneous communication that has been shown to be crucial to the work of teams with innovative projects because ideas and contributions can be shared, discussed, and evaluated with other team members more quickly and efficiently (Katz, 1982: 81–104; Pinto & Pinto, 1990: 200–212; Brodbeck, 1994: 51–67.), Domsch & Gerpott, 1995: 369–380). It is important to the quality of collaboration in teams that team members are able to communicate directly with all other team members (communication structure) because the exchange of information through mediators (e.g. team leader) is time consuming and a possible cause of faulty transmission. Apart from frequency, formalization, and structure, it is critical to team innovation effectiveness that members share their information openly with each other (Gladstein, 1984: 499–517; Pinto & Pinto, 1990: 200–212).

Based on the research results it can be concluded that in the microenterprises dominated open communication carried out both formally and informally.

“We are sitting in one room (...) a total of 7 people. We have the possibility of direct contact and communication is fully open, we do not organize special meetings and do not have specific procedures for internal communication” (7 employees, 4 years of activity, informant – owner). *“Communication in our company is fully open, the existence of our company is based on mutual trust (...) after a visit at the customer we always discuss what is necessary and what we can offer him”* (6 employees, 3 years of activity, informant – owner). *“We communicate mainly directly in the office, we are separated only commercial department, but we all make the decision together”* (9 employees, 6 years of activity, informant – sales manager). *“In addition to the daily work in the office often we meet outside the office (...) These informal meetings tend to be more efficient in terms of new ideas, because ‘cool’ easier to come to new solutions”* (4 employees, 2 years of activity, informant – marketing manager).

A lack of openness within a team hinders the most fundamental function of teamwork, namely the integration of team members’ knowledge and experience on their common task. In microenterprises, simple organizational structures allow more effectively in comparison to larger companies lead the communication within the team. Simple communication structure can be a key factor in creation of innovative ideas.

4.4. The structure, procedures and the principle of decision-making

An important determinant of innovation team is the organizational structure. The dynamic organizational structure fosters growth of innovation and eliminates barriers between cells both in vertical and horizontal structure. An important attribute is to decentralize decisions,

greater employee participation and a low degree of formalization. A key factor in the development is to create conditions for teamwork. This form of work is conducive to the exchange of views, learning and allows to benefit of organizing collective action.

Next part of the qualitative research was devoted to the question of what role in building an innovative team plays organizational structure, procedures and rules of decision-making in the enterprise. The answers given by enterprises repeated similar observation that the organization should operate such processes in a repeatable framework for creation of ideas and their subsequent translation into practical organizational solutions, products, or new business models. Such an approach is confirmed by the answers of informants.

“In our company structure is flat, there is no formalized process (...) a great freedom to create, regularly discuss the changes in the market both domestic and global” (6 employees, 10 years of activity, informant – marketing manager). *“Every employee is heavily involved in the operation of the company (...) there is no management levels (...) it is easy to communicate”* (4 employees, 2 years of activity, informant – owner). *“We focus on the exchange of information and cooperation. In our company are regularly staff meetings devoted to discussing the prospects for the individual products. We are looking for answers to the question of what place the life cycle of our products are and how we can replace them”* (9 employees, 9 years of activity, informant – sales manager). *“We are looking for support in cooperation with the scientific community. This is not easy, because the world of Polish science is oriented processes as such, too little and – on the results of successful market. Perhaps we cannot adequately define their problems”* (7 employees, 4 years of activity, informant – owner).

Lower individual and team creativity occurs in the work environment perceived as limiting and controlling. Workers' autonomy, general climate of openness to new ideas, direct constructive to encourage the search for new solutions and the creation of a common purpose and commitment to stimulating work fosters creativity.

Encouraging creativity in the dimension of creating innovation team is manifested by encouraging risk-taking and to produce innovative ideas expressed at every organizational level, from the highest – top management – to the lowest – operational managers. An important aspect is also to encourage honest, sincere, but above all supporting the evaluation of new ideas. Employees experience of the negative attitude of managers in assessing their ideas – clearly has a negative impact on their creativity. Strong leadership of the company focused on innovation is a guarantee that the chances of emerging with innovative employees are not canceled out by the companies themselves and their processes. Management commitment and leadership role are extremely important for the development of the company in the long run. Innovation often takes time. It is very important that managers and leaders have not focused on operational management but they also had specific knowledge on how their companies have to look in a few years.

Especially microenterprises owners or managers must work to increase them competitive in the long term. Management should stimulate innovation activities of employees at every stage of human resources, both in the selection of workers (emphasis on creativity, initiative, activity of candidates), and in the process of motivation (rewarding the behavior of pro-innovation), development (care for the development of creative abilities), and evaluation/appraisal (criteria assessment taking into account the desired attitudes and behavior, e.g. the number of ideas submitted, the number of patent applications, number of patents).

4.5. Organizational culture

A very important determinant of innovation located at the system level, but which refers to all categories of conditions, is an organizational culture. Quite often it turns out to be a key factor

in the success or failure of organizational innovation (Detert, 2000; Loewe & Dominiquini, 2006). Organizational culture is a collection created or developed on the basis of assumptions values and norms patterns of action, indicating employees' ways to achieve the objectives enterprise (Gadomska, 2003: 25). These patterns reflect the community thinking and they shape the attitudes of employees' behaviors. Due to the fact that innovative activity requires appropriate organizational conditions, favorable organizational culture underlies the initiatives and their effective implementation. In situations where the basic cultural assumptions with respect to the environment, human nature, human relationships, etc. indicate that changes in the environment offer opportunities for growth, and the staff is creative, ambitious, committed, focused on the development, cooperation and mutual assistance, can be assumed that valued will be just innovation which then finds expression in the attitudes and behaviors of employees, such as creativity, initiative coming out of, knowledge sharing, etc.

Stimulating innovation activity requires a specific organizational culture. There are basic cultural patterns conducive to innovation: future orientation, openness to change, risk taking, experimentation, creativity, trust, cooperation, mutual support and tolerance for errors. Vision is necessary, ambitious challenges and targets for innovation, and belief in climate action and enjoyment from work. There is needed also autonomy in action, validation, freedom report ideas, supporting new ideas, tolerance for discussion of the reported ideas (Brilman, 2002: 172). O'Reilly believes that the key patterns of innovation culture is risk-taking, tolerance, teamwork, and speed in action (1989). In companies where there is a culture of innovation, the employees themselves are dealing with uncertainty, based on their knowledge, skills, and experiences. They create a dynamic network of cooperative relationships, e.g. by setting up teams task forces, prevailing management style conducive to becoming independent employees, improving their rights of initiative, and independent decision-making is dominated by the orientation on results, process, customer, and also dynamic and frequent communication (Sikorski, 1999: 260). Culture of innovation also means an atmosphere of freedom, which applies both to specific behaviors (e.g. the right to make mistakes), and the time and place of work, and even the appearance (free clothing).

More and more often among internal conditions can be found psychological and sociological factors of people involved in the innovative action. Among the sociological factors distinguished the diverse needs employees, especially prestige, recognition, prestige and career advancement. Going down to psychological needs, determining the attitude of the members of the company to occurring in the innovation processes, include the need to: create new products, learning, achieve success, and self-realization (Janasz & Koziol, 2011).

The statements given during the interviews indicate the importance of organizational culture in creating innovative team.

„It's the principle of cooperation based on the interaction (...) as we do not impose our customers and partners' ready ideas, as well as employees looking for the best solutions (...) These values lie at the inception of the company, every employee is instilled from the beginning to join the team, it they make up our culture of innovation“ (9 employees, 9 years of activity, informant – sales manager). *“At the principle of cooperation and courage, I care for my employees they came out with new ideas, they were enterprising and when the need arises, did not hesitate to take a chance...”* (4 employees, 2 years of activity, informant – owner).

The studied entrepreneurs emphasized in the interviews importance of communicating the value of company and achievement. Values are required for this, to give freedom and create an environment to take on challenges. The interviews highlighted the importance of training and development and continuous improvement. Analyzing the results, there can be unequivocally stated that the studied microenterprises are aware of building a culture based on teamwork. Most managers see the need for instilling employees' deep commitment

to innovation. Fostering of creativity by employees and show them how the company is able to utilize them, means that other employees want to match the best. It is very important that the processes in company were flexible enough to be able to use the intellectual work of employees.

Companies need to develop a corporate culture desired from one side to motivate and encourage employees to innovation and, secondly, to implement and commercial use them. There is nothing more destructive than to encourage employees to innovation for which the company is not going ability to use them in action. Appropriate organizational culture can lead to the fact that the 'virus of innovation' spontaneously spreads the organization.

5. Conclusion

Innovations are a key source of competitive advantage and one of the key challenges facing today's enterprises, especially the smallest. One of the opportunities to create the right conditions for the creation and implementation of innovation is teamwork. Key stimulants, as well as operating restrictions of innovation, rooted in both the business environment, which is beyond its control, as well as inside, covers different spheres. A lot of internal determinants to the creation of innovative teams is in the same organization, among which an important role plays organizational culture. It determines the rank which the company attributed to innovative activities and is responsible for creating an innovation-friendly environment. The studied microenterprises, which unfortunately do not belong to the group of the most innovative and competitive in the country, seem to be increasingly aware of the need to build innovation friendly culture.

Management of microenterprises in the vast majority is convinced that innovation is the task of every employee of the organization. The companies highlighted the importance of creating a team to carry out an innovative project and the acquisition of creative people who can not only impress other members of the innovative spirit but also to create the right structure and implement the ideas generated so that the product/service has finally launched. A significant impact on the innovation activities of individual employees is also to enable them to take risks in the pursuit of new solutions.

In the performed research informants underlined importance of efficient system of communication, flexibility, motivation system, organizational culture, creativity and responsibility in the process of building innovative teams. This means that the direction taken is consistent with the manner in which aim businesses and organizations with an established market position, considered to be innovative and competitive. For the majority of microenterprises is needed greater flexibility, openness to experimentation and new experiences focus on improvement, which is associated with encouragement to take risks, tolerating mistakes and treating them as a basis for learning. It is therefore expedient development of innovation culture based on effective teamwork.

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