ABSTRACT
Organizations especially those that are large and mature need to undertake strategic innovation as a result of competitive dynamism. Business leaders have to craft the direction and magnitude of the change. Strategic Innovation offers a flexible, customizable template that managers, executives, and business leaders can use to introduce an effective innovation strategy throughout their organization. Strategic Innovation offers the tools, ideas, and approaches needed for transforming an organization to a company where anyone and everyone can contribute to the organization's prosperity—through innovation.

KEY WORDS
Innovation, strategy, competitiveness.

INTRODUCTION
Innovation creates value and thus an underlying reason for customers’ decision to buy products and services. However, not all innovations are equal. The overwhelming majority (more than 80%) of new products result in losses. Out of 20 percent leading to profits, very few innovations delight the customers creating advantage and growth. They are termed Strategic Innovations. [1]

When the company wants to see their future, it must first, systematically deconstruct their old notions and ideas. When partners sit down to think about their firm's strategy, too often they take 90 percent of the way things have been done in the past as a given and allow the past to become a major constraint. Instead, managers of the company must reject the past, reject precedent, and determine that the company not going to be bound by it anymore. In effect, in looking for new directions the company doesn’t start at the same old starting point. [3]

IMPLEMENTATION OF THE BUSINESS STRATEGY AS THE FIRST STEP TO STRATEGIC INNOVATION
When it comes to executing a strategy, the end target may be clearly visible. However, much of the route may be invisible from the starting point. The only way you are going to see the path ahead is to start moving. Thus while your strategy starts with foresight, it evolves through experimentation. [6]
or more efficient use of Manpower Company potential. They also include significant changes in business practices, organization of jobs or external relationships, to improve the innovative capacity of the features or performance, such as, quality or efficiency of the material flow. They are less dependent on technology than process innovation.

4. Marketing innovation is the introduction of new or significantly improved product design (packaging) and sales methods in order to increase the attractiveness of products and services or to enter the new markets. These innovations include a significant change in the marketing of products and services, including changes in design and packaging.

These four types of innovations represent the traditional approach to innovation, but in the 21st Century many companies think and speak about the strategic innovation as the fifth type of strategy. Figure 1 represents the basic types of innovation enhanced with strategic innovation.

![Diagram of Types of Innovation](image)

Figure 1 Basic types of innovation enhanced with strategic innovation

Strategic innovation is about rethinking the basis of competition. Strategic innovation does not depend on past success or established ways of practicing, or deep pockets, or having certain types of practices. The strategy steeped in innovation should make every decision a consequence of imagination, not precedent. [7]

Strategic innovation has some characteristics, which we can summarize [9]:

- Seeks breakthrough, disruptive innovation,
- Assumes a rule-breaker posture,
- Marries process discipline with creative inspiration,
- Seeks inspiration from unconventional sources,
- Is consumer-inspired,
- Identifies long-term opportunities,
- Seeks to create new competitive space,
- Seeks unarticulated consumer needs,
- May experiment with entrepreneurial “new venture” or other organizational structures.

Strategic innovation requires a creative process, not an analytical one. Strategic innovation requires people to listen to customers in new ways, design new types of products, and envision strategies for markets that do not currently exist. It is a process that is as disciplined and structured as strategic planning but uses creativity, rather than analysis, as the primary tool. The raw materials for strategic innovation are insights, which are new perceptions and new understandings of value. Insights can come from listening to or observing customers— their words, actions, emotions, and wishes. Insights can come from listening to industry experts or thought leaders as they explain their understanding of the present and future dynamics of a marketplace. Insights can also come from listening to people who are not entrenched in your industry, company, or culture, as they are in the best position of offering a fresh perspective. [8]

The quality of the insights necessary for strategic innovation can not come from statistics. People with a strong analytical orientation can participate in the strategic innovation process (everyone has the potential for creativity), but they must check their quantitative tools and mind-sets at the door. They can have them back when it comes time to evaluate and quantify the business opportunities developed by the strategic innovation process. [5]
Until recently innovation has been seen principally as the means to turn research results into commercially successful products, but not all research leads to innovation and not all innovation is research-based. Certainly research is a major contributor to innovation, generating a flow of technical ideas and continually renewing the pool of technical skills. It should be a vital ingredient in your enterprise strategy, particularly over long term, if you are to maintain a stream of competitive products on the market.

Important though research is as the source of invention, innovation encompasses more than the successful application of research results. Innovation can also stem from adopting new technologies or processes from other fields, or from new ways of doing business, or from new ways of marketing products and services. The evolution of the innovation concept – from the linear model having R&D as the starting point to the systemic model in which innovation arises from complex interactions between individuals, organizations and their operating environments – demonstrates that your innovation policies and practices must extend their focus beyond the link with research. [10]

CONCLUSION

The corporate world is exponentially dynamic and the challenges of competition are increasing in the light of the growing rate of technology driven business processes. More and more companies are gradually operating in countries more than one and are dependent on technology driven business processes in one form or the other. The companies are competing in various areas of operations, products and services. [4]

The areas of focus in innovation may vary in product-based, service-based, or manufacturing concern. But the underlying variables and dimensions would remain constant in all the organizations. The Institutions who have delivered world class products and services and have remained globally competitive for various years and have sustained global competitiveness have always had a special focus on having a dedicated team on Research and Development with a very high degree of commitment. The practice of strategic innovation management shall ensure the global competitiveness, overall productivity and value maximization of the firm. The well structured deliverables from a well structured team.

LITERATURE


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