

Introduction

In the period that has elapsed since the second edition, the world has moved on. Technology continues to offer possibilities that most of us can only barely grasp; in many applications the shortfall is not in technological capability but in the human imagination to exploit it. The potential for imminent and irreversible environmental damage is now recognized by *almost* everybody, but the political will to act on this understanding still lags behind. With the accelerating emergence of such economies as India and China, globalization is no longer an academic discipline or a fringe movement, but a business imperative. In the aftermath of Enron and WorldCom, business ethics is no longer regarded as an oxymoron, but, according to some, a growing crisis of capitalism.

So what are we to make of all this? As with all such scenarios, the response is crucial. If we throw up our hands in horror and bemoan the ways of the world, we will become complicit in our own downfall. If we accept the challenge, we can yet exert influence for the good; the seeds are visible.

If the twentieth century was an era of the large corporation, with Fordist organization required to achieve economies of scale and output of any colour 'as long as it's black', there is evidence from the closing decade at least that enterprise is now more manageable in scope, even as it grows in scale.

With the prospect of many lower-skilled jobs being increasingly 'off-shored' by the so-called developed nations to the emerging economies of Asia, it is not too outrageous to suggest that the jobs that then remain will, of necessity, be rather more knowledge-based than previously. And knowledge-based work is different; it is intrinsically much less amenable to supervision and involves hearts and minds, rather than just brains and brawn. The relationship between employer and employee is becoming slightly more equal than has previously been the norm. The employer wants access to the talents, as before, but the nature of the relationship is increasingly different, the employee is growing accustomed to having rather more say in things than hitherto.

A major thread in the second edition, to a much larger extent than its predecessor, was the growth of empowerment. Many years ago, the irrepressible Robert Townsend argued¹ that decisions concerning how work was best conducted should be devolved to the person with most to lose if it was wrong, usually the person actually doing the job. The empowerment movement has flourished in the intervening period, and the notion of giving people a say in the organization of their work is now pretty non-controversial. The consequences of this are indeed significant, once let out of the

Managing Innovation and Change

bottle, the genie is in no mood to re-enter. Key workers are now likely to demand not just local control over the day-to-day operations, but increasingly an input into the wider business strategy. Should an organization not measure up to their expectations, not only in terms of conditions of employment and the organization of their work but also in terms of the sphere of activity and policy towards the wider environment, then they will be increasingly inclined to look for something more congenial. In any form of enterprise, people matter.

When discussing the need for new and/or improved products/processes/systems, I get frequent exhortations from both students and clients to help them and their organizations to 'think outside the box'. My long answer is usually to emphasize that having the novel idea is only one part of the problem; once you think you have found the solution, its realization into practice is inevitably a less-than-trivial exercise. Refinement, improvement, implementation and re-iteration may be less glamorous brethren to 'innovation' but they are no less crucial to successful enterprise (and may require different but complementary skills). Nevertheless, I do usually end up spending time helping them to come up with more innovative, original or sometimes unconventional ideas than they previously thought possible. So clearly, Innovation matters too.

Ultimately, you may argue, it is people that come up with new/imaginative ideas. Well, yes, and different folk do indeed have different strengths and weaknesses when it comes to solving 'problems', but the circumstances in which people find themselves have a major bearing on their capacity (and indeed inclination) to contribute to the process of innovation.

The structure of this Reader is partly an attempt to produce a coherent and helpful progression of ideas and concepts, and partly an attempt to showcase articles that I felt had something particularly important to say in the context of the management of innovation and change. On that basis, the articles are groped into five themes as follows.

Part 1, **Environments**, is an attempt to portray the increasing diversity of pressures to which modern enterprise is subjected. As well as the now predictable imperative that business conducts itself with respect for the physical environment, the social and cultural environment, and for individual and organizational stakeholders, we further have to recognize that globalization implies more than just outsourcing the routine aspects of an operation to somewhere with a lower cost-base.

In the second Part, entitled **Approaches**, we essay a brief review of some of the more persistent TLAs (Three Letter Acronyms) to which the art of management is increasingly prone, and try to recognize some of the more fundamental issues that underpin the effective improvement of an organization and the processes that it comprises.

Part 3 is explicitly about **Innovation** *per se*. The nature of innovation, types of innovation, models of innovation management, and the successful exploitation of innovation.

The next Part is labelled **Change**, but in truth it probably offers a wider range of perspectives than might be inferred by the title alone, encompassing empowerment, change-management, entrepreneurship, cross-cultural management and capability development.

The final Part is about **Leadership**. The intention here is not to make some mystical appeal for great leaders (who sadly are often only observable in retrospect), but to begin to understand what attributes of leadership are consistent with the successful management of Innovation and change.

Collectively the chapters encompass a world-view that those of us in the Creative Management Group at the Open University Business School regard as consistent with the effective management of creativity, innovation and change. Some of them may be cover familiar territory, others will hopefully be new to many readers in terms of topic or of treatment. Although many of the chapters are relatively recent, some date back to the early part of the decade; one or two even hark back to the previous millennium! For this I offer no apology, referring instead to an old adage that *There are two kinds of fool. One says, 'This is old, and therefore good.' And one says, 'This is new, and therefore better'*². One of the joys of innovation and change, is that ideas are entertained on their merits rather than their provenance. On that basis, the articles that form this reader have been quite deliberately drawn from a diversity of sources. Academic journals, practitioner publications and the business press, European as much as American. Some of the offerings are relatively straightforward, some are more radical, some are even deliberately provocative. All are offered, together with their own references, with a view to demonstrating the art of the possible and thereby encouraging people to contribute to the situations in which they find themselves.

Managing Innovation and Change forms part of the Open University Business School's MBA course in Creativity, Innovation and Change, as does the associated reader *Creative Management and Development* (third edition, 2006) by Jane Henry.

The author would take this opportunity to thank his colleagues and his students, without whose awkward questions he may not have discovered much of what is included here.

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Notes

- 1 Townsend, R. (1970). *Up the Organization*. London: Michael Joseph.
- 2 Brunner, J. (1975) *The Shockwave Rider*. London: HarperCollins.

