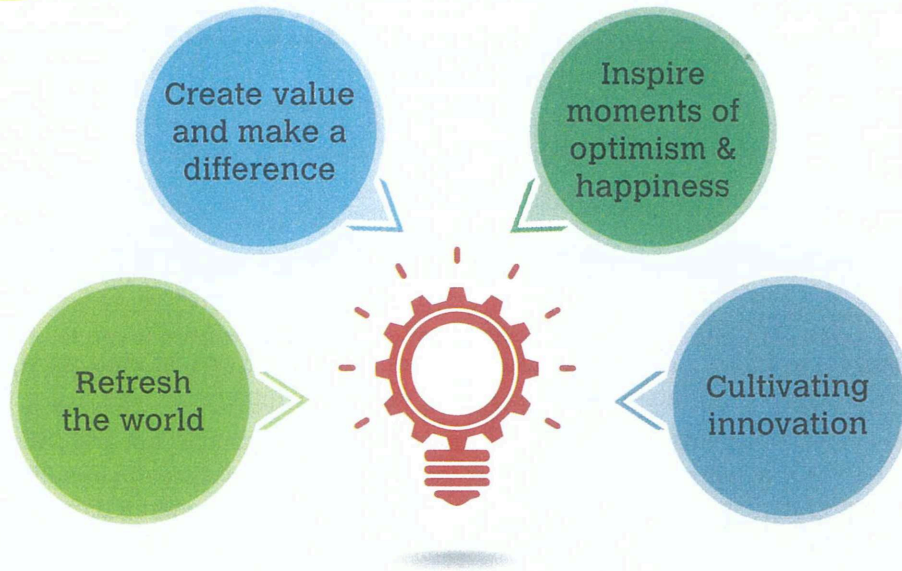




tasks



Product innovation	Sustainability innovation	Marketing innovation	System innovation
<p>Where a product is changed (for example adding a feature to a smartphone) or new to the market, such as the HP Sprout.</p> <p>Innovations could be as simple as reducing size or as major as adoption of new technology as in the growth of 'wearable' technology such as Fitbit.</p>	<p>Consumers are increasingly wanting to see firms care for the environment through sustainable use of resources such as through recycling products at the end of their lives. See HP Planet Partners Program for the collection, disassembly and recycling of HP products.</p>	<p>The communication of a product or service has changed dramatically over the past 10 years. No longer does television advertising dominate — now social media, viral marketing, YouTube, etc. all play a part. From a business telling consumers what they want, the movement has shifted to consumers telling businesses what they want.</p>	<p>What culture of innovation exists within the business? Do management and staff have a process to encourage new ideas and the adoption of new techniques to maintain or improve the business's competitiveness? Doing the same thing year after year usually results in stagnation and ultimately the decline of the business.</p>

- You have been asked by your Chief Executive Officer (CEO) to outline to staff the need for innovation. Identify the four key points you would make to encourage staff involvement.

- 2 For each of your four points in 1, provide examples of innovation from a real business you have studied and its importance to the sustainability of that business.

- 3 Research the value of 'research and development' expenditure of Sweden, New Zealand, Greece and the United States as a percentage of GDP. The Data section at www.worldbank.org might help you. Suggest reasons for the expenditure of Sweden compared with the other countries. What could you infer from the data as a lesson for New Zealand?

- 4 Explain briefly, with a real-life example, what product innovation is.

- 5 Explain briefly, with a real-life example, what process innovation is.

- 6 Outline the relationship between an organisational culture and an innovation culture. Use examples where possible. After completing your answer, discuss with other class members and develop a number of real-life examples that you could quote in an exam.



7 NCEA-style question.

Child's sores cured by doctor 360 km away

Eight-year-old David Tautari has finally got treatment for nasty sores on his leg, thanks to a photo emailed to a doctor 360 km away.

David, a Year 4 pupil at Pukekohe North School, first got sores on his leg when he visited Whangarei at Christmas time, and new sores flared up again recently.

They were finally picked up last week when the decile 1 school joined an experimental 'tele-medicine' scheme run by Kaitaia's Dr Lance O'Sullivan, which already serves 17 remote schools in the Far North.

Trained volunteers use an iPad app to send a photo of children with skin infections to Dr O'Sullivan's clinic in Kaitaia. Dr O'Sullivan or a colleague assesses the infection and sends a prescription if required to the nearest pharmacy.

Pukekohe North principal Robyn Withers-Lauer said the scheme found 41 of the school's 190 students had untreated skin infections in its first week.

- a Use an example from the resource above to explain the term 'product innovation' in regard to the services offered by the clinic.

- b Fully explain ONE reason why being innovative is important for Dr O'Sullivan's clinic's long-term growth. Include reference to the benefits to society of this innovation by the clinic.

8 NCEA-style question.

The CEO of a local health board recently attended a conference on innovation in health care. The speaker at the conference suggested that three strategies are essential if a culture of innovation is to be developed and sustained in an organisation:

- 1 Rewarding risk-taking
- 2 Tolerating mistakes
- 3 Insisting on open communication.

The CEO was not convinced, as risk-taking and making mistakes could lead to serious harm to people needing care.

Select ONE strategy from the blue box on page 10, or any other strategy suitable for a New Zealand business operating in global markets. Evaluate whether the implementation of the selected strategy is likely to result in a health board or health provider achieving a culture that supports innovation. In your answer:

- a Fully explain ONE positive and ONE negative impact that the implementation of the selected strategy may have on the culture of the health board or provider.

- b Provide a justified conclusion as to whether the implementation of the selected strategy is likely to result in the health board or provider achieving a culture that supports innovation.

Selected strategy: _____

example 

3M NZ

3M is a diversified technology company serving customers and communities with innovative products and services. In 2010, sales were in excess of \$26 billion worldwide. Each of its five businesses has earned leading global market positions; it is this breadth of experience and product lines that provides them with the ability to serve customers locally here in New Zealand, providing solutions in response to their specific customer needs.



In New Zealand, 3M employs approximately 140 staff in technical, accounting, sales, marketing and many other specialist roles. 3M has a tradition of innovation, which has become part of their ethos and their everyday business-life. The 3M focus on efficiency through continuous improvement, strong presence in the industrial, commercial, healthcare and consumer markets, combined with an ongoing flow of new products, and collaboration with its customers has the company well positioned for sustainable growth in the future.