

Innovation in Organizational Growth and Sustainability

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Abstract: Change has been the key in every organization as every organization strives to remain nominally competitive and design a better product, service or process. New technologies and non-standard approaches provide an opportunity to save time and means and meet the customer's requirements. Organizations are always innovating and hence are flexible when the market is unpredictable and hence sustainable.

Key words: Innovation, three types of the innovation, Innovations from Google and Netflix

Introduction

What is Innovation? Innovation is the act of creating new ideas, and products, and or services and methods that will drastically alter and enhance the current standards. Issue smarter solutions for problems lies on introducing new ideas or to improve existing technologies, practices, or methods. The innovation could be incremental, with gradual enhancements over time, and radical, with disruptive solutions that transform industries or sectors. It's fueled by imagination, research, and a quest for better solutions to address future needs—and in the process, we're helping catalyze evolution in business and within society.

Importance of Innovation. Innovation is important because it creates change that is positive in terms of growth, production and sustainability. In an organization context, it sustains a competitive advantage by introducing products or services that compel consumers, and increases organizational productivity. It provides the possibility to offer a product differentiation at the time when markets are extremely competitive and shapes long-term outcomes, taking into account the shifts in technology and consumers' needs. Also, innovation fulfills customers' needs and responds to different social needs, and in this way enhance economic growth, human well-being, resource effectiveness across various companies and towns.

Goal of Innovation. Thus, the primary rationale of innovation initiatives and activities is to develop new and benefits by responding to needs and so on. It aims to enhance current solutions, activities, or artifacts based on the accomplishment of users and organizations. Innovation acts at the process level, the cost level, and the market level by seeking to produce more value. In addition, it creates the culture of constant learning and change since it questions the existing practices and introduces new opportunities. Finally, innovation is a primary means by which growth, development and adapting to change is achieved.

The importance of this topic in the present day's business management is easily justified by the presence of several macroeconomic factors. First, through such technological trends as a fast

pace of AI development, the growth of renewable energy, and the trends in digitalization, new industries are emerging, and existing ones are transforming rapidly. It's suggested that organizations which do not incorporate change are susceptible to becoming irrelevant, on the other hand organizations which adapt to change stand to benefit from enhanced competitive positions, productivity, and customer satisfaction. Second, sustainability is gradually evolving as the core organizational imperative as people and regulators demand more environmentally friendly practices. It has become possible for firms to reduce their overall environmental impacts, improve societal welfare, and depict strong governance structures and standards at the same time in combination with corporate revenue and growth objectives.

Literature reviews

The remaining model is based on "Business Model Generation" by Alexander Osterwalder and Yves Pigneur [2010].

An indispensable guide to business model innovation and containing the Business Model Canvas, this book presents tools in structuring, designing, and experimenting with business models. The book is applied in the corporate and start-up sectors to challenge the current operational business models of creating and delivering value, alongside the methods of capturing it.

"The Innovation Book: Specifically, this paper will focus on the following recommendation contained in "How to Manage Ideas and Execution for Outstanding Results" by Max Mckeown [2014].

In this book, the author defines innovation at the individual level and categorizes innovations as product, process, and business model innovations. A crucial value is that it offers real conceptual tools to grasp how to create, orchestrate, and implement innovation within these areas. They all agree with each other with regard to stressing the need to harmonize all types of innovations for business performance.

Open Business Models: the current paper introduces seven new chapters designed to give readers a more comprehensive understanding of "Open Business Models". "Birth of the New Innovation Champions: How to Thrive in the New Innovation Landscape" by Henry Chesbrough [2006]

Chesbrough looks at open innovation as novelty in product, processes, and business models, a definition I expound on as such. He found that to external sources of knowledge, companies unlock the innovation process, which shift the conventional model to all three types of innovation.

Clayton M. Christensen, Thomas Bartman & Derek van Bever's Strategy & Business magazine article titled "Reinventing Your Business Model". [2016].

It may be very helpful for anyone who wants to gain more information on business model innovation and know how to approach it as a distinct management discipline and not an act of luck.

Research of methods

For this article, a qualitative methodology was used to explain the literature review and successfully implemented strategies in innovation. Information was collected from various sources, including popular books, articles on innovative product development, process development and business modules. And also an investigation was conducted to accurately analyze the effectiveness of innovation strategies observed in different organizations that adopted these methods.

The main role of innovation in business

Product innovation

Product innovation is the creation of a new product and or enhancement of an existing one. This might be as basic as a development of a new aspect to an already existing good or service, or as complex as development of an entirely unique good or service. In any case, the goal of this type of innovation is to improve the customer's existence by developing a solution that can be easily implemented by them. There are such forces as technology push, changes in the customer needs requirement, product design obsolescence, etc. The product innovation starts with a vast research that analyses opportunities of changes in all these three areas, and how these changes may help a company to enhance the product line for better catering to the customer. Competition also takes place in developing new products which in many respects bring a win-win situation for both the business and consumer. Consequently, an innovative product or service will be useful to the market and people generates more sales and revenues for the firm if successful. Such success is not always expected in the product innovation process and there is always the possibility of failure meriting a topic in this blog. The expenses that accrue from the development of new or enhanced products can get out of hand, and an organization stands to lose if the market does not accept the changes that have been made to the product. Because such a risk is high, some firms will be unable to innovate and will have to go through periods of no development. [Staff, 2019]

Process innovation

Whereas product innovation is about enhancing the tangible good or service, process innovation is about enhancing the creation, provision and maintenance of the good or service.

This type of innovation often falls outside of awareness because it does not immediately or directly create demand or re-velocity. When successful, however, this type of innovation can reduce production costs and translate into increased profits.

Some examples of process innovation include:

- Upgrading equipment and technology to become more efficient.
- Making the supply chain more predictable and systematic.
- Modifying business processes and workflows to reduce redundancies.

Of all types of process innovation, the one with the lowest risk is usually the least heralded because the advantage of such changes might only ever be recognized or appreciated internally.

Business model innovation

Business model innovation is a more extensive concept than product or process innovation, for that matter. This idea of innovation is not new or superior product or service but rather it is how the particular product or service gets to the consumers. At its core, business model innovation refers to the transformation of the value offering that is expecting to be delivered in future and the manner in which the value offering will be delivered to generate revenues. An example of a retail business model might be to deliver customer value by offering products that are available for sale within a physical store. In this case, innovation might be something along the line of moving the store to work online with some forms of retail sales. While there might be significant positive outcomes associated with business model innovation, numerous efforts likewise fail. “For business model innovation, it is too significant an initiative that cannot hold its fate in gambles and conjectures,” say Clayton Christensen and his co-authors in one of the issues of MIT Sloan Management Review. “Business leaders must learn about how forms of business models progress in a strategic, structural way over time, especially when it comes to important strategic choices related to new business models.” In fact, when successful, business model innovation could be a major force and leave its mark on an organization, and the national or global economy. According to the analysis made in the article by Christensen, Bartman and van Bever published in 2016.

Real comparing of the popular companies with innovations

Innovations from Google AI:

Google is among the leading global Technology companies that has invested significantly in artificial intelligence innovation that is revolutionizing information interaction and possession. The latest breakthroughs of Google include Google Gemini AI, the new generation of the language model family that will directly confront OpenAI’s GPT. Gemini can comprehend as well as create natural language; these are productisations such as Google Search and Google Assistant. That is why Gemini makes users receive more relevant and accurate answers, so the client satisfaction rate increases. These include: search operations made smarter and easier by AI in Google Search.

There instead of getting a set of clickable links, the search engine displays rich answers, brief explanations, and summaries that make it much easier to find what's needed. me another major advancement is google bard a conversational AI that has changed substantially by the end of 2024. Bard can now process more multiple input types meaning it can recognize both text and images, making it more proactive in handling users. Finally, Google's DeepMind is still working in the healthcare field; it is seeking to apply AI in the prevention, diagnosis, treatment of diseases including neurodegenerative diseases such as Alzheimer's disease and cancer to mention but a few. These developments show that Google continues steadily to provide more solutions to life challenges by boosting artificial intelligence. [Google, 2024]

Innovations from Netflix:

Netflix has been stretching entertainment in some interesting ways with a couple of features that enhance the show time and even make it more interactive. Something that has recently really taken off is show within a show where the audience gets to make some choices, much like in the recently released films. Netflix is already planning to apply this feature wider, allowing users to have more control over the narration of some shows. The second important innovations are the recommendations based on AI. Currently, the recommendation system of the platform has become wiser the recommendation is provided in relation to the specific client, the program of the client's habits, and even seasonal preferences. Choosing our path of watching episodic content, for example, one of the recent Black Mirror episodes called Bandersnatch. Netflix is increasing this feature to provide the user with even more of a choice as to the plot in some programs. Another key innovation is Netflix's AI-driven recommendations. The platform's recommendation algorithm has become smarter, suggesting shows and movies based on client's individual preferences, viewing patterns, and even seasonal trends. This makes the work of looking for something new to watch as easy as can be. They have also shown their interest in using artificial intelligence to personalize your viewing party with custom thumbnail treatments that are representative of your preferences. This means that the content appears to be more relevant than otherwise would be if it was filtered out thoroughly at each level. Finally, Netflix has entered the mobile gaming space with a choice of games in its streaming service, Stranger Things and The Queen's Gambit among them. It helps make a distinction with placing fresh gaming consoles into home video streaming services since this move unifies them.

Recommendation

In today's fast-paced business environment, the survival and growth of organizations require organizations to have robust innovation frameworks that involve product and process innovations as well as business model innovations. Hence, balancing all three areas of innovation is long term sustainable and only strategy for business growth. First, the need for constantly adapting the product to meet customers' new requirements and internal technological progress should be the primary goal for any business to stay marginal and provide customers with a solution. Secondly, process innovation can improve profitability since it can increase internal efficiency by eliminating

or reducing costs. Third, the business model innovation is important to implement new strategies by changing the old system of business model. It is now required that businesses must look for new avenues to create value, whether through e-business, freemium, or other value-upon relationships. Also, the companies should go for training on professional development of the image, and innovation to arrest the growing trends in emergence of newer challenges. Hence, through developing competency on these areas of innovations they can gain strategic competitive advantage for customer satisfaction and long term business growth in the global competitive business environment.

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