Innovation Management and SMEs Development in Romania

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The lack of innovation affects the capacity of companies to survive and grow in the current process of liberalization and openness toward international markets. The ability of an enterprise to create innovation will be improved by the introduction of information technology in the support of fair competitiveness, by the training of qualified personnel and the adoption of an innovation culture within. Although in the specialty literature there are many works that address the management of SMEs from the perspective of their impact on the economy and employment, there are very few that address SMEs in terms of innovation, and those that do this are oriented more on SMEs with activity field in the high-tech area. The main objective of our research was represented by the identification of the way in which the patterns of innovation could lead to further changes in the performance of SMEs.

Key words: innovation, invention, innovation management, SMEs competitiveness

JEL Classification: M00, M15

1. Introduction

The intensity of globalization process and the new technological advances have led to changes of vision and behavior, therefore the competitiveness and survival of European companies is more and more connected to the efficiency of IT processes and knowledge. In general, we consider that innovation is a factor of stimulating the progress even in the period of economic and political crisis in which we find ourselves.

In recent years, the structural changes in the economic environment have increased. The competition at global level has emphasized. We assist to a transfer of work places from the North in the South of America and from Western Europe in the former socialist countries. In Asia and in the countries in transition in Africa and the Arab World appear new markets. The corporations and organizations in the industrialized world will be able to win this race only in the extent in which they will know to improve their ability to innovate. Unlike other managerial models in the world euro-management, as management of diversity, is characterized by the emphasis on elements of informal nature, the establishment of some informal work relationships (Petrescu, Stegăroiu et al, 2010, p.50). The SMEs by their nature adapt easily to change and therefore they may adopt such a management to track progress.

The building and sustainable maintaining of the competitive advantages represent an essential condition for obtaining, by the firms, of some superior performance, on long term (Duică, 2005, pp. 261-268).

Recent decades have marked important advances in the field of scientific, technological, social innovation and of other nature, these progress exerting a major influence on the changes in society, for example fixed telephony, in developed countries has entered in the stage of decline, while mobile telephony is growing. Also it strongly manifests the tendency of passing toward broadband telecommunications, which offer enhanced transfer speeds and allow the introduction of some new services and applications (Văduva, 2006, p.3). Innovation is no longer regarded as a specific result of individual actions but rather as: a process (through which are identified solutions associated

to certain problems); a process that usually takes place in innovative enterprises, where the role of authorities or RDUs (Research Development Unit) is to some extent secondary; an interactive process that involves relationships between enterprises, both formal and informal relationships; a diversified and interactive learning process; a process which involves the tacit and coded knowledge exchange.

From a macroeconomic perspective, there is no doubt that innovations have a positive impact on the development of the organization and on employees (OECD, 2004). Innovations are key factors in the success of a business and are the most important factor in raising the profitability of the enterprise (Christensen and Raynor, 2003, pp.109-110). The new technologies, processes and products are essential for the survival on the market of the enterprises. The management of innovation is a real solution for the development of the SMEs. It can provide solutions, but this thing does not solve by itself, it is necessary a deep scientific research of the field, of finding realistic criteria for identifying problems, of evaluating them and on this basis, of elaboration and implementation of new managerial systems that will provide real solutions and will contribute to the development of SMEs.

2. Materials and methods

At the beginning of the scientific approach we conducted an extensive documenting activity on the specificity of innovation management activities, innovation, invention and the link between them and the competitiveness of the enterprise. Based on the documentation activity we established a database with a sufficient amount of information that allowed us to highlight the phenomena and processes approached, in a personal, concrete manner, and retaining the logic of the ideas mentioned. Also, we were able to notice the existence of difficulties arising from the analysis of the level of knowledge of the field, these difficulties being related more to the pragmatic side than to the theoretical one. Recent research, in the strategic management, considers the company as a set of tangible and intangible resources or as a portfolio of new distinctive skills that contribute in an essential manner to the achievement of strategic objectives. These approaches suggest that the performance of the company depends on the valorization of resources and available skills, which are internal sources of the competitiveness of the company.

3. Results and discussions

Dubuison and Kable (1999, pp. 213-226), show that, although it does not yet represent another distinct field of the management science „it is concerned with the way of innovation management in the enterprise." Hatchuel and Weil (2002, pp.78-83) confirm this observation: „we have to turn innovation into a subject in itself." They classify the reference works of innovation management in five categories, which address different issues: management of innovative projects; management of technological and marketing resources; management of knowledge in the organization; accountancy of innovation; sociology of management tools.

Gradually, there have appeared transversal preoccupations regarding innovation management. Thus, Le Duff and Maisseu (1991, pp.18-50) state that: „Technical invention is the result of a whole culture that surrounds and precedes it; technical inventions don't come suddenly. They are developed through a prolonged and collective effort. They are, therefore, a scarce and expensive resource. Therefore, it is necessary to optimize their acquisition, use and drop. The technique appeared both in the field of management and in the one of strategy. The manager of the organization had to establish an evaluation of the technical heritage, to focus on technological development, to make certain predictions related to technique".

Midler et al. (1996, pp.24-30) consider the technological resource management as a necessity to counteract the generalization of innovation management through projects, stating: „Rationalization of concept and the instrumentation of project management has progressed, which granted a more broadening autonomy of project management. Today, we have tried to create some organizations within organizations, a thing that calls into question the technological capitalization of the organization." Any innovation process is marked more or less by technology. Cohendet (2003, pp.383-404) underlines the fact that technology can also be seen as a product of the innovation process: „Technology is not a good offered prior, but the result of the innovation process. Technology is the result of the experience gained by the organization, which relies in its turn on the learning processes used. "

Morin and Seurat (1989, pp.39-46) consider that the technological resources of the company have to be seen as the most important heritage; hence the requirement for it to be protected, enriched

and valorized. The problem of technological resources is also addressed in the specialty literature related to its operational and informational aspects, namely:

- the care to assess the technological resources of the company in relation to the ones of its potential competitors (Desvals and Dou, 1992 and Rouach, 1996).
- the affirmation of knowledge management to support knowledge and savoir-fair of the organization (Tisseyre, 1999, Prax, 2000 and Ermine et al., 2002, pp.293-298).

In his reference study, on the project Twigo Renault, Midler (1993) emphasizes both the need to mobilize resources related to the project, to increase performance on short term, and the preservation of the aspects related to trades, to generate and manage successfully new projects in the future. Addressing innovation through projects led to certain questions about the organization of the enterprise in itself: how to implement the management of launching new products through the projects and the production activity management on operations?. The matrix approach of the company's organization has been established gradually until it reached a sophisticated formalization, as well as the model of „channeled development" belonging to Wheelwright and Clark (1992, pp.18-30), authors who propose the combination of ideas in a development platform, including a major project and certain derived projects, of a lower importance, resulting into a family of products. Apart from these few studies focused on taking decisions in projects, a series of various publications emphasize the projects management, the works comprising studies regarding mainly the operational dimension of the project and less the strategic dimension. Ramon (2003, p.67) was stating that: „Project management is a first achievement in the innovation management. From the moment we decided to launch a new product, it was possible to define the result to be achieved, a gradual development, a division of tasks, an allocation of resources, therefore the time allotted to the launch on the market was reduced, the development costs were controlled, a higher level of product quality was achieved."

The size of a company it is not an impediment to an innovation. There is the tendency to allocate resources to existing businesses, to the current crisis, which means to „feed" the past and „starve" the future. It is good for the problem of innovation to be put when the organization is „flourishing and healthy". The obstacles can be overcome, so that the present and the new, the maturity and the beginning to benefit and to prosper together. The innovative system and the innovation can be learned, but this requires time and work. If they are seen as a duty for which people are trained, for which they work and which they practice, they generate achievements.

Many SMEs are obliged to take on the innovation from the multinationals and to execute a predetermined product which then returns to the mother company, for the final product assembly. Under such circumstances the innovative matrix comes from the multinational mother company. The SMEs can bring their innovative contribution, but they cannot develop it on this product without the acceptance of the multinational. If the flows between SMEs and multinationals do not work perfectly, the innovation of type 5 loses much from its value.

Conclusions

After studying specialty literature we noticed that, the implementation of an innovation management is a long-term process that requires an extensive, qualified and converging effort at the level of enterprise management and, even more, at the level of SMEs, an effort conducted with the help of specialists and based on a strategy of modernization and remodeling of the enterprise.

The managers of the SMEs have to demonstrate that they have innovative spirit, which may be innate but can also be formed. Innovative leadership requires a certain policy and a particular practice: the SMEs must be receptive to innovations and embrace the change as a gift, and not as a threat.

The SMEs needs to be organized to do the innovator's work enjoyable. For the creation of the creative climate it is needed a well oriented effort; it is compulsory both the systematic evaluation or at least the appreciation of performance obtained as innovators and the skill to improve innovative activity; innovative leadership imposes toward the organizational structure, the staff and the management, toward the system of payment, toward stimulation and rewarding some specific practices; innovative leadership has a set of prohibitions, of things that should not be done.

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