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Siu Loon HOE
Singapore Management University, slhoe@smu.edu.sg

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Measuring an organization's innovation climate: a case study from Singapore

Siu Loon Hoe

Siu Loon Hoe is based at UWA Business School, The University of Western Australia, Singapore.

Introduction

Innovation is widely accepted as a key driver to sustain business growth (Christensen and Raynor, 2003). Riding on the innovation agenda, a Singapore-based real estate group launched an organization development initiative to harness new ideas and develop innovations. A series of activities to engage the 600 staff at the corporate, divisional and individual levels was planned. To kick-start the initiative, an innovation climate survey was launched in early January 2011. The purpose of this article is to discuss the six key factors that were proposed and included in the design of the customized innovation climate questionnaire.

Questionnaire design

The reason for conducting an innovation climate survey was to gauge staff opinion on innovation-related issues. The innovation working committee needed a quick and easy way to find out staff attitudes and perceptions towards innovation. Thus, the aims of the survey were to ascertain the current state of innovation of the group, identify gaps hindering innovative practices and determine potential areas for improvements. The survey would also serve to establish a benchmark to measure against future improvements. For the purpose of the initiative, ''innovation'' is defined as both the creating and bringing into profitable use of new products, services, processes or business models.

A customized questionnaire was created based on various existing instruments to measure innovation climate. The main reason for customization was to ensure that questions raised were relevant to the group's business activities which respondents could relate to. A six-factor questionnaire consisting of 32 items, and demographic variables such as division name and job category viz. executive and non-executive were developed. The items were measured using a five-point Likert scale.

Key factors measured

Six key areas were covered and measured in the questionnaire. Broadly, these factors include: where the organization intends to go (shared vision), interactions at each of the three levels of the organization (management support, community and individual creativity), execution (implementation) and support variables (motivators).

Shared vision

Shared vision refers to a clear and common picture of a desired future state with which members of an organization identify. This factor addresses the strategic issue of where the organization is heading in terms of innovation. To measure an organization's innovation climate, items were developed to ascertain whether the members believe that innovation is a key driver of growth and it is not just another management fad.

> **"The aims of the survey were to ascertain the current state of innovation of the group, identify gaps hindering innovative practices and determine potential areas for improvements."**

Management support

Items on management support were developed to measure how key managers facilitate and encourage innovation at the workplace. Examples of such items are: management is supportive of innovation both with words and actions, management is keen to experiment with new ideas and failures are tolerated when trying out new ideas.

Community

The community covers the various groups of people engaged in innovative practices. These groups must be actively participating and contributing to the innovation process. Therefore, items were developed to find out how the community is: always searching for new ways of looking at challenges, voluntarily contributing to new ideas and using cross-functional/divisional project teams well.

Individual creativity

In addition to management and the community-at-large, the individual plays a pivotal role in ensuring success in the innovation process. Thus, a factor relating to individual creativity was included in the questionnaire. This factor addresses a fundamental mindset issue on whether the individual believes that he/she has the ''creative element''. Thus, items were developed to measure whether the individual: considers himself or herself a creative person and is prepared to do things differently if given the chance to do so.

Implementation

The probability of an idea being implemented is crucial to creating innovations (Leonard-Barton, 1998). Unfortunately, many ideas do not unusually survive the gestation process. Thus, implementation is a crucial area that was covered. To determine perceptions for the implementation practices, items such as: the quick turnaround of ideas into marketable products/services and the ability to modify internal processes to support competitive thrusts were developed.

Motivators

Finally, there are many variables that support the innovation process. These support variables may either promote or inhibit innovation. Some of the items used in the questionnaire include recognition versus monetary as the way to promote innovations, setting of formal targets to measure innovation and availability of innovation funds.

Reflection on choice of factors

The rationale behind the choice of these six factors to measure innovation climate is fairly intuitive and straightforward. Shared vision would provide an understanding on whether members of the organization agree on a ''common end point'' for innovation within the organization. Measurement of this factor would enable the innovation working group to ascertain if the organization is heading toward an agreed direction. To address innovation issues arising from the different levels of the organization, the factors such as management support, community and individual creativity were selected. Essentially, each level of the organization, i.e. senior managers, working colleagues and the individual would face different types of challenges in developing innovations. Thus, these factors provide an indication on the current perceived state of innovation practices among the members.

Furthermore, individual creativity provides a form of ''self-assessment'' on a person's perceived creativity. As mentioned earlier, implementation or execution is a crucial factor in determining the eventual success of new ideas. Therefore, to measure innovation climate, the implementation aspect was included in the questionnaire. Finally, to encourage innovation, motivators as a factor was considered. The main consideration for selecting this factor is to better understand the positive influencers of innovation. Subsequently, the organization can then put in place more incentives to encourage innovation.

Survey implementation, results and plans

The survey was conducted online with Lotus Notes using e-forms over a one-week period. The link to the e-form was sent out in a New Year email message on innovation from the group CEO to all staff. For those without intranet access, hardcopies of the survey form were made available. To encourage participation, a lucky draw with iPad and iPod prizes for eligible respondents was conducted at the end of the survey. Respondents could choose to remain anonymous if they did not wish to participate in the draw.

The overall response rate for the survey was 72 percent. The results provided some clues to the organization's innovation climate. Briefly, the respondents believed that

- innovation is important to the future sustainable growth of the organization;
- strong leaders with clear mandate to champion innovation are needed;
- risk-taking and willingness to experiment are essential conditions leading to innovation;
- a higher level of empowerment is needed; and
- more staff exposure and training on innovation is required.

Moving ahead, the organization plans to incorporate the feedback in the development of new policies and procedures to promote innovation. In addition, other modes of engagement such as innovation competitions and suggestion schemes will be organized to ensure that innovation practices permeate the entire organization.

Keywords:
Organization development, Innovation climate, Organizational learning, Singapore, Learning organizations, Innovation

Conclusion

The intention of the article is to discuss, broadly, the areas that were covered and measured in an innovation climate questionnaire. Whilst not a ''rigorous'' instrument in the academic sense, the article serves to guide managers and organization development professionals to consider how they might better gauge an organization's innovation climate and deepen our understanding of innovation culture.

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About the author

Sui Loon Hoe is an Adjunct Research Fellow at UWA Business School, The University of Western Australia. His research interests are in organizational learning, leadership development and market orientation. Sui Loon Hoe can be contacted at: hoesl@graduate.uwa.edu.au

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