Factors that help and hinder innovation in a financial services – insurance organisation in South Africa

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ABSTRACT

The strategic importance of innovation in today's business environment cannot be ignored as a driver of long term organisational success, and is being recognised as such across the globe. Companies must focus on the implementation of successful innovations from inception to operationalisation in order to garner crucial competitive advantage. To achieve ongoing innovation on a sustainable basis, the spotlight must be on those factors which have the ability to influence innovation both positively and negatively to allow companies to proactively manage this process.

This research report aimed to identify some of those factors which help and hinder innovation within a financial services – insurance organisation in South Africa.

A thematic content analysis was conducted on the insights and information gathered from 16 semi-structured interviews with employees across different levels of Discovery Vitality. The themes and common considerations identified across all respondents allowed the researcher to interpret the results and develop a meaningful understanding of those factors which influence innovation within that organisation.

The research findings indicated that there are six core factors influencing innovation, either positively or negatively depending on the specific innovation initiative and environment concerned, with a culture of innovation and leadership support being determined as critical elements to effectively implement innovation.

The key message of this study is that those organisations wishing to successfully drive innovation initiatives to completion must understand and drive these primary factors identified in accordance with their specific organisational culture and operational environment.

DECLARATION

I, Charlene Gribble, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Charlene Gribble

Signed at Johannesburg

On the 30th day of April 2017

DEDICATION

This research report is dedicated to Marlene Gribble.

My hard working, endlessly supportive mother who has always stood by my side and believed in me even when I doubted myself.

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To my parents, Marlene and Ian Gribble, my aunt Loret, thank you for the endless support, encouragement and understanding you have offered along the way, it's been a difficult time to say the least and I thank you for all you have done.

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CHAPTER 1. INTRODUCTION

1.1 Purpose of the study

The purpose of this research is to identify the factors that help and hinder innovation in a financial services – insurance organisation in South Africa.

1.2 Context of the study

According to Oddane (2015), innovation is a key driver of long term business success, particularly in the current economic environment, which is characterised by fluid customer preferences, a competitive global setting as well as continuous advances in technology (Oddane 2015).

Thus, within this increasingly volatile economic and political climate, businesses wishing to remain competitive have no choice but to develop strategies to implement effective and ongoing innovation (Direction, 2011; Schneckenberg, 2015). In order to facilitate such innovation in a sustainable manner, organisations must promote creative thinking and new ways of working through supportive systems and collaborative practice (Direction, 2011; Urbaniec & Gerstlberger, 2011). However, larger, mature organisations and those within the health insurance sector, specifically Discovery Vitality (Pty) Ltd., a wholly owned subsidiary of Discovery Ltd. (referred to hereafter as Discovery Vitality) under consideration in this study, are often characterised by bureaucratic challenges, thus making the implementation and sustainability of innovation processes a complex and challenging undertaking (Johnson, 2001).

As with the global insurance industry, the African market demonstrates a high degree of instability, with a series of far-reaching disruptive changes occurring at the same time. South Africa is certainly not exempt from these factors, and, being the number one insurance market on the African continent, the requirement for competitive innovation may be considered amplified (PWC, 2014).

In this regard, the following factors have been identified as drivers of disruptive change within the industry, with only those considered pertinent to this study being listed below (PWC, 2014):

- Social networks transferring power towards the customer;
- South African economic turmoil preventing the country from taking advantage of its position in emerging markets; and
- Political and regulatory change influencing potential for growth.

Despite such challenges, there also exists the underlying opportunity for companies to leverage innovation within this environment to boost their competitive advantage (PWC, 2014). This aspect is emphasised within South African health insurance in particular as this market segment has been identified as one facing high levels of competition as well as substantial organisational and strategic change, though, significantly, peer review rankings placed Discovery at the top of the innovation category across all categories (PWC, 2014). Significant to this research is the determination by PWC (2014, p. 30) that "an increased focus on lifestyle will continue to encourage innovative marketing opportunities". This statement becomes particularly relevant when considering the subject of this study, Discovery Vitality, and how innovation is influenced within this specific context.

1.3 Problem statement

1.3.1 *Main problem*

The main problem of the research is to understand how a large organisation such as a financial services provider, specifically one which operates in the healthcare insurance market in South Africa, promotes innovation in the field of customer wellness. More precisely, this study will identify those factors which help and hinder the process of innovation within this environment.

1.4 Significance of the study

Drivers of innovation and the overall reduction of innovation cycle times have become increasingly valuable to companies (Inauen & Schenker-Wicki, 2012). However, according to Direction (2011), more than half of innovation projects are unsuccessful. The implementation of successful innovation initiatives requires the gap between the initial idea and actual execution to be effectively bridged (Giesen, Berman, Bell & Blitz, 2007), which appears to be a stumbling block for many organisations.

While the literature about innovation is abundant, there is a lack of focus on holistic mechanisms for the successful implementation of innovation, with little work explicitly addressing this field (Güngör & Gözlü, 2012). Therefore, this research addresses the need for a better understanding of factors that influence innovation. The study may also provide guidance and insight to Discovery Vitality when planning future innovation programmes, with the results potentially being extrapolated to South African organisations operating in the same or similar industries.

1.5 Delimitations of the study

The research will be delimited in the following ways:

- The study will take place in Johannesburg, Gauteng at the single corporate head office of a financial services provider operating in the healthcare insurance market within South Africa;
- The research will not employ random sampling. The sample will be a convenience sample; and
- The research will be restricted to investigating the question from the perspective of the interviewees within the chosen organisation.

1.6 Definition of terms

- **Creativity** in the organisational context is the generation of unique concepts and philosophies that drive organisational growth and development (Oddane, 2015). Creativity, essentially, constitutes the raw material that is used to construct innovations (Foss, Woll & Moilanen, 2013).
- **External collaboration** refers to interactions, engagements and obtaining buy in from stakeholders outside of the organisation, including, but not limited to, customers, partner companies, suppliers, communities and governments and associated regulators (Ayuso, Rodríguez, García-Castro & Ariño, 2011)
- **Innovation** is a complex model which firms adopt to steadily improve their performance (Dobni, 2008; Güngör & Gözlü 2012; Inauen & Schenker-Wicki, 2012). In simple terms, “innovation is frequently defined as the successful implementation of new ideas” (Foss et al., 2013, p. 300), with innovation being distinguished from creativity as it develops an idea beyond its initial creative state (Foss, et al., 2013) with the purpose of creating meaningful value to the business concerned (Vos & Achterkamp, 2006).
- **Internal Collaboration** refers to the key interactions with and engagement of employees as critical internal stakeholders to encourage and support knowledge sharing and proactive management of initiatives through early involvement of relevant employees across different functions to facilitate organisational alignment (Ayuso et al., 2011).
- **Organisational Culture** refers to subconscious values, assumptions, beliefs and principles shared amongst employees of an organisation and which is seen to manifest in the attributes of the organisation as a whole (Dobni, 2008).
- **Operational Requirements** concerns day to day business as usual operational activities which need to take place to ensure the company remains a going concern (Direction, 2012).
- **Stakeholders** are any interested parties with influence or interest in a company, including employees, shareholders, end users, partner businesses and customers (Bjørkquist, Ramsdal & Ramsdal, 2015).

1.7 Assumptions

The following assumptions are made:

- Research respondents will be assumed to have an interest and a commitment to invest in the research process by answering questions honestly and without prejudice. Should this assumption not be met this may affect the data and consistency of answers. Furthermore, should a subject lie and/or exaggerate the significance of the answers will be tarnished;
- Interviewees will be assumed to have an understanding of the definition of the term innovation, as well as an opinion regarding factors that support or inhibit innovation. Should this assumption not be met, said data would have no value;
- Interview candidates are assumed to have a reasonable knowledge of the application of innovation across the organisation; and
- The researcher will undertake the interview process in a consistent manner to avoid data being compromised.

CHAPTER 2. LITERATURE REVIEW

2.1 Introduction

The purpose of the literature review is to outline the source works used to develop the question against which the research will be conducted.

The section begins with an examination of the concept of innovation through the consideration of definitions and discussions in existing literature. This is followed by the identification of factors which help and hinder innovation and a more detailed analysis of each of these. Thereafter, the section is concluded with a summarised view of factors driving innovation, which will be further investigated in this study.

2.2 Innovation

> With today's breathless enthusiasm for innovation, it's hard to remember when, as far as the management literature was concerned, innovation was something that guys in white coats who worked for companies like DuPont did in the R&D lab (McGrath, 2012, p.1).

The statement above identifies innovation as a concept that has evolved from the purely technological to a much broader management philosophy (McGrath, 2012). A key example of this is 3Ms (considered one of the most innovative organisations worldwide), customer-led innovation strategy, which clearly highlights the role of technology as an input into a broader approach to innovation, as it is only one part of a three-pronged approach, the other two being customer-inspired innovation through collaboration and making something and then finding the market for it (Bell, 2013). Furthermore, the continuing sustainability programme of 3M, where the importance of innovation is emphasised in achieving both environmental and financial goals simultaneously, shows a shift in the application of innovation within the business environment (Bell, 2013). In this context, it must be noted

that the role technology plays in driving innovation will be treated as an element within the factors identified rather than an innovation factor on its own.

As globalisation has increased, so too has the rate of innovation, highlighting innovation as a key business differentiating competitive advantage across the globe (Inauen & Schenker-Wicki, 2012; Dobni, 2008, Schneckenberg, 2015). In this regard, 3M have noted that declining markets pose a challenge to business on a global scale, and customer value creation through innovation and associated cost reduction is a key driver of the competitive advantage which allows market share to be won away from rivals (Bell, 2013).

2.2.1 *Defining innovation*

Innovation undeniably requires some level of creativity, and promoting such creativity is something organisations have increasingly been advocating (Yström, Aspenberg & Kumlin, 2015). “Innovations in business typically originate as creative ideas that must be developed and successfully implemented within organisations to create output” (Foss, et al., 2013, p. 298). Innovation, therefore, may be viewed as the outcome of the creative process, the product of creative ideas leading to creative actions and, ultimately, the realisation of organisational innovation (Yström et al., 2015). Understanding this distinction is key to this research as the focus is on innovation and not creativity except as this relates to innovation.

Innovation has been used as a generic term across many organisations to describe many different things, and, as such, the meaning of this term is very dependent on the context in which it is used. In simple terms, and for the purpose of this research, innovation will be defined as a complex model which firms adopt to steadily improve their performance (Dobni, 2008; Güngör & Gözlü, 2012; Inauen & Schenker-Wicki, 2012), more specifically “the intentional introduction and application within a role, group or organisation of ideas, processes, products or procedures, new to the relevant unit of adoption, designed to significantly benefit the individual, the group, organisation or wider society” (Vos & Achterkamp, 2006, p. 162), with the success of innovation often expressed through activities or actions that are ultimately linked to a tangible outcome (Dobni, 2008).

2.2.2 *Factors influencing innovation*

Research has typically focused on the implementation and impact of innovation, though common themes as far as those factors which influence innovation both positively and negatively have emerged throughout. In an effort to distil factors affecting innovation, Güngör and Gözlü (2012) argue that internal as opposed to external factors have a greater bearing on an organisation's ability to innovate successfully, a view which this paper will adopt, with the acknowledgement that this is a single perspective amongst many.

Within this framework this paper seeks to determine broad themes which have an impact on innovation within an organisation. The factors are not mutually exclusive and some overlap will be observed.

Thus the summary of factors typically identified across literature and therefore to be discussed in the following section are:

External Collaboration

Creativity

Culture of Innovation

Leadership Support

Internal Collaboration

Operational Requirements

External Collaboration

Successful innovation requires stakeholder expectations to be understood and incorporated into organisational planning (Johnson, 2001). Neglecting to collaborate with critical stakeholders is likely to reduce the success of any attempted innovation initiatives (Johnson, 2001). As innovation cascades through the levels of an organisation, it has been observed that a different language may emerge, one underlining the requirement for stakeholder involvement to support alignment within and across organisational functions (Johnson, 2001).

Thus, partnerships with external stakeholders will increasingly play a part in driving innovation (Direction, 2012; Russo-Spena & Mele 2012). Management response to stakeholder positions regarding innovation will influence the ability of a company to develop future initiatives, with validation of these positions and proactive inclusion of relevant feedback into the process increasing stakeholder buy-in and trust going forward (Johnson, 2001).

Clearly, the appropriate engagement of, and resultant buy in from, all key external organisational stakeholders cannot be underestimated, as their support in driving the implementation of innovation initiatives within situations which are not fully supportive of the project may be well placed to assist in overcoming the resistance to change (Johnson, 2001).

Knowledge and ideas that stimulate innovation are increasingly found outside of the corporate organisation, and this sees companies unlocking information flows and exposing these to external stakeholders to allow access to such knowledge bases (Schneckenberg, 2015). This sees innovative companies relying on interactions with and feedback from customers as a knowledge source, which provides insight into expectations which proactively drives innovation (Güngör & Gözlü, 2012; Inauen & Schenker-Wicki, 2012; Schneckenberg, 2015).

Those who are likely to gain the most from solutions are most likely to be innovative (Bjørkquist et al., 2015). Hence, the participation of end users to support with the development of new products or services aims to leverage off the experience and

perception of users to anticipate needs which may be met through innovative solutions (Bjørkquist et al., 2015).

Creativity

An organisation delivering fresh original outputs is often seen to be more tangibly successful than others, and typically count innovation amongst the reasons for their success (Oddane, 2015). Yström et al (2015) argue that those who view their employment climate as creative are more motivated and driven to deliver innovation.

Further to this, the innovative organisational culture is often underpinned by a creative climate, where this climate constitutes a measurement of culture in terms of more specific actions and attributes (Yström et al., 2015). Creativity and innovation are often, simplistically, substituted for one another, thus merging the two crucial concepts of idea generation and idea implementation into one (Oddane, 2015). In addition to this, creativity is viewed as an individual activity, while innovation is considered more of a collaborative pursuit (Oddane, 2015; Russo-Spena & Mele 2012). Therefore, to foster collective innovation on an organisational level, a shift in perception from individual to collective creativity must take place to facilitate the successful implementation of resultant innovation initiatives (Oddane, 2015).

Successful innovation is certainly dependent on a degree of creativity, with organisations increasingly attempting to develop strategies to tap into creative ideas to enable the creative actions which support innovation (Yström et al., 2015). Thus creativity, and by association innovation, is driven by an environment where new ideas are met with open encouragement and a platform for discussion (Yström et al., 2015).

Creativity associated with innovation should not be viewed as a linear process with a clearly defined methodology, but rather as a more organic model, whereby the one drives the other in turn on an ongoing basis (Oddane, 2015). From a practical perspective, creative ideas within an organisation must be both novel and applicable to result in the development of constructive innovations (Yström et al., 2015).

Traditionally, innovation creativity focuses on internally generated ideas, but this may be expanded and external ideas as well as technologies can be leveraged to stimulate innovation (Inauen & Schenker-Wicki, 2012). However, knowledge sharing and access to information within and across a fluid environment fosters creativity linked to the initiation of innovations (Oddane, 2015), and more organic organisations with some level of independence allow a more unrestricted flow of information and the support of new idea generation (Yström et al., 2015).

Aspects such as cross sector cooperation, imitation and adaptation of existing solutions all drive creative innovation (Inauen & Schenker-Wicki, 2012), and the impact on an organisation can be considered to be two-fold in that an organisation may use and adapt existing innovations while also being driven to new innovations as competitors adapt their own innovations.

Culture of Innovation

The culture of an organisation is an intangible concept relating to deeply seated, sometimes intuitive, belief system present within the company. The culture is observed through the organisational attributes and is communicated and continuously reinforced through imagery, language, actions, objects and interpersonal associations (Dobni, 2008).

“For innovation to flourish, the organisations’ climate must be supportive of it, and conducive to a willingness to change” (Johnson, 2001, p. 345), where an organisation’s unique belief system and inherent characteristics play a role in competitive differentiation when such a culture is understood and accepted by all relevant stakeholders in a way that supports the adoption of innovation (Direction, 2012; Güngör & Gözlü, 2012). This shows that a critical component of innovation is the cultural empowerment allowing it to take place (Dobni, 2008), a lack of which results in constant innovation not being integrated into a business (Direction, 2008). A culture of innovation is therefore characterised by collaborative problem solving supported by efficient internal communication systems as well as a high degree of employee independence. Such a culture is underpinned by swift

decision making, continuous feedback and has a low level of predictability (Dobni, 2008). This demonstrates how successful innovators are willing to swiftly reject ideas and practices that are outdated or unsuitable, while simultaneously being willing to experiment through the introduction of new models (Direction, 2012), and the degree on innovation in an organisation is thus linked to a culture that strives for collaborative decision making reinforced by continuous learning and development (Dobni, 2008).

In this context, established organisational learning and knowledge sharing practices are the foundation of this culture of innovation, as any internal boundaries limiting these will likely reduce the chances of successful implementation of innovation initiatives (Schneckenberg, 2015).

An environment where innovation is encouraged sees an increase in the enthusiasm of high profile, influential stakeholders towards innovation initiatives, resulting in the ready allocation of appropriate resources to these initiatives, which, in turn, increases the rate of success (Johnson, 2001). Innovation is thus realised through the manifestation of behaviours or activities that are seen to be linked to a material action or result (Dobni, 2008).

The effective implementation of innovation involves embedding the process within the day to day activities of an organisation in a seamless way, and the presence of an environment which is supportive to this may be considered a key driver (Johnson, 2001). Further to this, the relative age and size of an organisation may have an impact on its ability to innovate in response to rapidly shifting environments, with older, more established companies losing their adaptability to change and flexibility decreasing as size increases (Schneckenberg, 2015). The latter point speaks to the research and must be taken into account in terms of the organisational history as well as its rapid growth since inception.

The evolution of a culture of innovation is demonstrated in a study undertaken exploring the development of such a culture within FNB in 2010 (Gaylard & Viedge, 2011). In 2001 a competition called Golden-I was launched in FNBs Corporate division, where employees could submit ideas they believed promoted innovation that year (Gaylard & Viedge, 2011). The FNB leadership style continued to support employee engagement by upholding a values driven as opposed to rules driven philosophy, where the hierarchy of rational persuasion supersedes any hierarchy to protect anyone (Gaylard & Viedge, 2011).

FNB evolved in its approach to innovation, launching an innovators' campaign in 2005 to demonstrate that the company was serious about innovation as well as the ideas of its people, with the unprecedented decision made to offer a R1 million prize (Gaylard & Viedge, 2011). The senior leadership emphasised its commitment to collaborative innovation with employees by dedicating a week each year to reviewing and judging entries, with a shift from rewarding retrospective innovation to the proactive engagement of employees in identifying new potential innovation opportunities (Gaylard & Viedge, 2011). FNBs approach to innovation through internal collaboration across all levels of the organisation allowed FNB to "become known in the industry as a leader in banking innovation" (Gaylard & Viedge, 2011, p.1).

Leadership Support

To build an environment conducive to innovation, leadership must provide employees with the opportunities for this, as well as the tools necessary to enable and support innovation (Johannessen, 1994). The leadership and associated authority within innovative organisations is a crucial component to ensure the successful implementation of innovation and the management of innovation (Johnson, 2001; Oddane, 2015). Direction (2008) goes so far as to identify the lack of leadership skills as a significant barrier to successful innovation.

Organisational focus on efficiency and related innovation initiatives is likely to result in a decreased initial productivity as a result of the change process. However, key leaders and top management have the opportunity to play a significant part in overcoming this issue by identifying and assisting in addressing bottlenecks while driving innovation forward (Johnson, 2001). It then becomes clear that appropriate guidance, both formal and informal, as well as buy-in from key leadership not only unlocks the critical resources necessary to drive innovation, but also ensures that management sends the necessary signals through their actions to validate and encourage employees acting in accordance with innovation principles (Dobni, 2008; Johnson, 2001).

The leaders of small, agile corporations are in a better position to drive innovation than the complex organisations developed through growth and age, and, consequently, managing and executing innovation in the latter environment is increasingly challenging (Schneckenberg, 2015). Simultaneously, larger organisations have more leadership control over innovation as they have the capacity to provide leadership the opportunity to test innovation models within portions of the company as management driven pilot programmes, which may then be rolled out to the larger company if successful (Schneckenberg, 2015).

In short, innovation will come to nothing, even when the fundamental concept is exceptional, if the correct level of leadership support is not gained (Johnson, 2001), and leaders who “learn how to switch between stepping back as managers to allow creative innovation and taking rigorous management style to make fast decisions and transform inventions into tangible outcomes” (Schneckenberg, 2015, p.18) are the foundation of the successful implementation of innovations.

Internal Collaboration

Different levels of management will view innovation initiatives differently, and, as a result, may not necessarily understand or value the perspective of others. Therefore, alignment in thinking amongst these parties is important as this could mean the difference between simply complying with innovation efforts and internalising these, thus impacting the sustainability of the change (Johnson, 2001). In this context, projects and initiatives across the organisation must be regularly reviewed and aligned, not only to allow an understanding of the operating environment and interdependencies, but also to ensure convergence of such activities to meet overall strategic requirements across the organisation (Johnson, 2001).

It can further be argued that engaging employees within an organisation when developing solutions can also result in increased innovation. Furthermore, by actively encouraging innovation amongst its employees, an organisation may be in a position to not only anticipate, but also solve, internal and external concerns before these arise (Direction, 2012).

Therefore, as enterprises evolve, human capital and employee knowledge increase in importance and value, with the field of knowledge sharing being highlighted as the new competitive advantage, and first-rate talent management increasing in importance in the development and implementation of organisational strategies (Direction, 2012). The consequent personal development opportunities afforded to employees can not only differentiate the company from competitors, but also nurtures the talent attracted in such a way that ongoing innovation becomes an accepted work practice (Direction, 2012).

Diversity within an organisation, encompassing variety and complexity, may be a key driver of innovation should the external environment be adequately mirrored, as this will facilitate proactive mechanisms to deal with the unique challenges this environment poses (Oddane, 2015). Furthermore, diversity within jobs and functions, as well as the utilisation of teams with a variety of skills, experience and approaches, helps counteract the propensity to perpetuate existing processes and systems by encouraging sharing of

knowledge and the collaborative development of new ideas (Oddane, 2015), which ultimately results in sustainable innovation.

Furthermore, innovation is encouraged by the presence of open channels of communication within and across the entire organisation, and the strategic rotation of staff to allow problem solving to take place with input from multiple perspectives (Oddane, 2015; Yström et al., 2015). The resultant collaboration not only facilitates cross functional alignment, but also contributes to the establishment of networks and sharing of progress, information, ideas, benefits and insights when seeking an innovation solution (Johnson, 2001; Oddane, 2015; Yström et al., 2015).

Operational Requirements

In order to drive innovation, employees require the independence to develop and nurture new ideas, while simultaneously faced with time constraints linked to ensuring business as usual is not compromised (Schneckenberg, 2015).

While operational infrastructure constraints may limit the ability of an innovation initiative to succeed. (Johnson, 2001), opportunity costs remain a real risk to innovation, with issues such as fruitless expenditure on unsuccessful initiatives unnecessary and misdirected utilisation of resources which could have been deployed elsewhere, with employee capacity constraints thus deterring investment in innovation (Johnson, 2001). Therefore, embracing creativity and associated innovation within an organisation may be challenged by the demand of day to day operation activities, which may in turn limit the time and effort employees can devote to innovative solutions (Direction, 2012).

The benefits of innovation initiatives must be evaluated operationally and strategically (Johnson, 2001), with perceived threats to day to day operational activities mitigated by employing a functional hierarchy model, where innovation interventions are created within networks. The strategic value of these initiatives is then assessed by management resources may be allocated appropriately with cross functional agreement (Schneckenberg, 2015).

However, ultimately organisations which are successful innovators develop and inherent ability to absorb innovation into their day to day management and operational processes (Dobni, 2008).

2.3 Conclusion of Literature Review

With the reality of increasing customer and economic pressure, innovation is no longer optional, but an operational requirement.

Table 1: References identifying factors that influence innovation

Factors that Influence Innovation	Bjørkquist et al, 2015	Direction, 2008	Direction, 2012	Dobni, 2008	Gaylard & Viedge, 2011	Güngör. & Gözlü, 2012	Inauen. & Schenker-Wicki, 2012	Johnson, 2001	McGrath, 2012	Oddane, 2015	Russo-Spena & Mele, 2012	Schneckenberg, 2015	Ystrőm et al, 2015
External Collaboration	x		x			x	x	x			x	x	
Creativity							x			x	x		x
Culture of Innovation			x	x	x	x		x				x	
Leadership Support		x		x				x		x		x	
Internal Collaboration			x					x		x			x
Operational Requirements			x	x				x				x	

The majority of the literature available focuses on factors that facilitate innovation rather than those which impede it. However, it may be argued that the absence of these

supporting factors will logically lead to those which hinder the process. Given this, the above table focuses on those factors which influence innovation, with the distinction between positive and negative influence being teased out through the interview process of actual research and commented on accordingly.

2.3.1 *Hypothesis / Proposition / Research Question 1:*

What are factors that help and hinder innovation in a large organisation?

Proposition:

The factors which influence innovation in large organisations are:

- External Collaboration
- Creativity
- Culture of Innovation
- Leadership Support
- Internal Collaboration
- Operational Requirements

CHAPTER 3. RESEARCH METHODOLOGY

This chapter explains the research methodology that will be employed to identify the factors that help and hinder innovation in a South African financial services insurance organisation operating within the healthcare cover market.

The section will outline the overall research paradigm that will be employed as well as aspects related to the research methodology, before moving on to consider the population and related sampling as these will be applied to the specific study.

The research instrument and method to be employed for data collection will be discussed, leading into the approach to data analysis and interpretation pertaining to the study being assessed. Finally, the limitations of the research are examined and reliability as well as validity will be reviewed.

3.1 Research methodology / paradigm

The qualitative research methodology differs from the quantitative as it does not separate the data collection and analysis from the experience of the researcher (Guercini, 2014). Data which is collected using a qualitative methodology is richer and facilitates a better understanding of the topic under investigation through the identification and analysis of detail and complexity that would potentially have been missed by a quantitative study (Guercini, 2014; Suri, 2011).

The qualitative methodology has a long history of providing valuable insights into the field of management research by applying a more open and philosophical approach (Cassell & Symon, 2006).

While qualitative research allows for the introduction of new insights, perspectives, and evaluations of research within a more holistic framework, it is not without limitations, among these a focus on subjective historical views, existing settings and prevailing practices (Parker, 2014). Qualitative research may also be impacted by unexpected

factors, with researcher instinct and personal assessment certainly playing a role in the process (Humphrey, 2014). This method also typically fails to focus on individual elements within a single complex environment rather than across various contexts (Suri, 2011).

Therefore, the qualitative methodology can be said to trade generality for truth in search of a deeper and more detailed understanding of multifaceted ideas, making it ideographic in nature (Humphrey, 2014), and thus more suited to the research being undertaken in this instance.

Furthermore, the proposed research lends itself to a qualitative study due to the objective nature of factors that influence innovation being considered. The rationale for this approach is that qualitative research, specifically data rigorously collected through an interview, allows for a greater level of flexibility and potential for creativity while facilitating the possibility of accessing a depth of information and contextual perspective which may be lost when applying a quantitative methodology (Guercini, 2014; Humphrey, 2014).

3.2 Research Design

The chosen methodology for this study is that of thematic content analysis, using a semi-structured interview approach to gather data. This section of the paper will focus on the semi-structured interview approach, and include a review of thematic content analysis, though the latter will be highlighted again in section 3.6 below.

The research interview is considered one of the most important qualitative data collection methods, though its usefulness may, at times, be overestimated (Dumay & Qu, 2011). A shortfall of the research interview method is the assumption that subjects are both competent and willing to honestly share their experiences, meaning that data may not always be factual in nature (Dumay & Qu, 2011).

Additional challenges when using the interview method include assumptions made based on the meaning of words, where the researcher and the interviewee may be using the same words but not share a clear understanding of what these words mean (Dumay & Qu,

2011). In this study this will be mitigated by clarifying specific terms as well as sharing the factors identified and their associated definitions with interviewees during the process.

Despite the above, the interview method remains popular as a form of qualitative data collection (Parker, 2014), and the semi-structured interview is recognised as the most common of all qualitative research methods (Dumay & Qu, 2011).

Furthermore, in the context of this study, where key individuals with a detailed understanding of the topic under investigation can be identified, individual interviews are the preferred approach, as the richer, more insightful data provided by an individual interview can be considered more valuable (Rowley, 2012). As the purpose of this research is to seek and appreciate opinions, as well as various viewpoints, specific practices and perceived understanding, a semi-structured interview based methodology is an appropriate approach (Rowley, 2012).

Dumay and Qu (2011, p. 246) noted that the “semi-structured interview involves prepared questioning guided by identified themes in a consistent and systematic manner interposed with probes designed to elicit more elaborate responses.” The choice of the semi-structured interview for this study allows the discussion of the broad theme of innovation in order to probe specific requirements identified from a research perspective, in this case those factors which influence innovation (Dumay & Qu, 2011).

The semi-structured interview is adaptable and may be shaped during the interview process to further explore the research requirements in order to obtain rich information (Dumay & Qu, 2011). In addition to this, probing may be employed deliberately or in response to a particular discussion with an interviewee, and will allow flexibility in this study to explore any additional facets of innovation the interviewee may identify which were not highlighted during initial research (Dumay & Qu, 2011).

In order to conduct a semi-structured interview in a manner that yields the most comprehensive data, the process must be carefully planned, both pre and post interaction, so that questions are asked and interpreted in a consistent manner (Dumay & Qu, 2011).

3.3 Population and sample

3.3.1 *Population*

The population considered for the study is limited to those involved in innovation work within the target organisation, and is thus not random. Furthermore, the interviews are voluntary in nature, which means that everyone does not stand an equal chance of being selected due to the opt-in nature of the process.

No attempt will be made to recruit a probability sample. The interviews will not be conducted with a representative sample of the population as interviewees are to be identified based on their involvement in innovation activities within the company. This participant pool will be a convenience sample, which may result in bias in the results of the study (Baily, 2012). Furthermore, the extent to which such results are representative of the general population is not known (Baily, 2012).

In addition to this, individual interviews are subject to time constraints, resulting in a limited sample size which further reduces generalisability of the findings of this study (Rowley, 2012).

3.3.2 *Sample and sampling method*

It is important to select candidates for one on one interviews based on their ability to provide input relevant to the research questions, with Rowley (2012) referring to such selection as purposive sampling. This study has an element of purposive sampling as the potential candidates are selected based on their involvement in innovation work.

Though random sampling boosts the perceived integrity of any study (Suri, 2011), this study has had to resort to convenience sampling as a result of the nature of the research to be undertaken.

Convenience sampling is likely the most common sampling strategy employed as it relies on ease of access for a sample population (Suri, 2011).

Considering the time constraints in terms of conducting interviews, as well as analysis of findings, a researcher should typically target 12 interviews of approximately 30 minutes each, though this may be adjusted to ensure that adequate findings are generated (Rowley, 2012). This study has an initial target of 14 interviews with employees at different levels of the organisation, which will last 45 minutes each. The proposed profile of interview candidates is tabulated below:

Table 2: Target profile of respondents

Respondent Type	Respondent Level	Proposed Sampled
Senior Management	• General Manager • Deputy General Manager	3
Middle Management	• Divisional Manager	2
Management	• Manager	3
Operations	• Team Leader • Customer Relationship Manager • Specialist Agent • Core Agent	6
	Total	**14**

3.4 The research instrument

The research instrument is a semi-structured interview, which typically has six to 12 carefully planned and articulated questions to be delivered in a specific order, but with some flexibility within the questions asked as well as level of probing depending on the context of the interview (Rowley, 2012). Probes or sub-questions may be included in the interview schedule to allow an interviewer to explore all aspects of a question while simultaneously ensuring that interviewees are allowed the opportunity to fully contemplate each question (Rowley, 2012).

The interview schedule to be used is included in Appendix B, and consists of 14 questions, with potential probes, or sub-questions, included where necessary, and will be used to conduct individual interviews. Appendix B also includes the protocol in terms of how the interview will be introduced to respondents, the manner in which the respondents will be guided through the interview and the closing

The 14 interview questions are intended to answer the research question, while simultaneously encouraging open dialogue about the topic under investigation during the course of the interview (Rowley, 2012).

Basic demographic information about the interviewees is the norm as this enhances the context of the study and substantiates the participant selection (Rowley, 2012). In this respect, the demographic information requested for this study is limited to the respondent's role within the organisation and their tenure. Given the qualitative nature of the research, and the subsequent lack of generalizability, additional demographic information would not add enough value to the research to justify collection.

When conducting an interview, it is important to eliminate any potential jargon that could confuse the interviewee, thus ensuring that the research questions are appropriately addressed while maintaining a natural flow (Rowley, 2012). The instrument is therefore deliberately colloquial in nature to mitigate any potential miscommunication.

3.5 Procedure for data collection

For this study, initial contact will be made with the Discovery Vitality CFO at the executive level, where approval of the research purpose and process is to be obtained. The interview requests will be sent out to a targeted audience across different levels of Discovery Vitality with the support of the executive sponsor, and contact will be initiated via an email, either from the researcher or the relevant professional assistants, as outlined in Appendix A. This request letter will specify the purpose of the research, the structure of the research and the expected time the interview will take. Where relevant, this will be followed up by a telephone call or email to confirm receipt of the request, and more detail regarding the purpose of the study will be provided upon request, with any questions from candidates

being addressed. Thereafter, the interview will be scheduled at a time convenient to the interviewee (Rowley, 2012).

The data collection process will be undertaken using semi-structured interviews with a targeted audience of volunteers from Discovery Vitality as outlined above. The accessibility to identified interview candidates, and the initial contact with the candidates may play a large part in their readiness to cooperate and avail themselves for the interview (Rowley, 2012), a factor which the researcher will manage through the rigorous approach as discussed above. With the importance of an ethical approach to research highlighting considerations such as the protection of personal information and individual privacy, the assurance of confidentiality and voluntary participation is vital (Dumay & Qu, 2011). Thus, participation in the study being voluntary is important, and all information provided will remain confidential, with these facts being stressed to all potential participants throughout the process.

All the interviews will take place at respondents' offices in Johannesburg, with both convenience and a level of comfort in terms of familiar surroundings possibly facilitating a higher level of ease during the interaction. A sample of the actual research instrument is included in Appendix B. Prior to conducting the interview, respondents will again confirm their willingness to participate in the interview as well as their understanding regarding anonymity.

Should scheduling challenges arise, alternate electronic means of conducting the interview may be considered (Rowley, 2012), including Skype or telephonic discussions, while interviews may be split into two parts if time constraints cannot be managed.

A researcher must also be open to amending the research process to accommodate unexpected eventualities such as late or cancelled interviews, disruptions or any other extraneous variables (Rowley, 2012). Such factors will be considered and mitigated as far as possible through the identification of additional participants to buffer cancellations, as well as scheduling the interviews for 45 to 60 minutes while being able to conduct these within 30 minutes if necessary.

3.6 Data analysis and interpretation

Using the qualitative research methodology, the complex problem of identifying the factors which influence within the selected organisation will be explored holistically, with relevant information teased out through the process of analysis (Suri, 2011). Specifically, a thematic content analysis will be applied to identify and link key themes emerging from the interviews, which will be followed by a process of interpretation (Rowley, 2012).

The number and variety of interviewees as well as the time they have available are important factors to consider when gathering data using this methodology and will play a role in determining the quality of findings produced (Rowley, 2012).

Content analysis raises concerns regarding not only the reliability of a study, but also the extent to which the research can be replicated (Milne & Adler, 1999), with Rowley (2012) cautioning against the inherent subjectivity of the method not being explicitly recognised. However, content analysis remains a popular qualitative research methodology (Dumay & Cai, 2015), and these concerns will be mitigated to an extent in this study as the interviews will be conducted by a single researcher. In addition to this, the factors identified will be shared with respondents, who will be asked to rank these in perceived order of importance, and results will be presented based on these scores.

3.7 Limitations of the study

The research to be conducted faces a number of potential limitations, including:

- The research is undertaken in a single organisation and a limited number of respondents will be interviewed within this context.
- Limited opportunity for extrapolation as the geographic location is limited to one location in Johannesburg, Gauteng (South Africa).
- Single researcher bias.
- Social desirability, where answers may be positioned in a positive light or in such a way that interviewees attempt to provide answers that they perceive to be correct or desirable.

3.8 Validity and reliability

In general, validity refers to the degree to which an instrument, in the case of this study the semi-structured interview, measures what it is supposed to (or claims to) measure, while reliability concerns the consistency of the results yielded by the instrument (Breakwell, Hammond & Fife-Shaw,1995; Rosnow & Rosenthal, 1996).

Humphrey (2014, p.61) notes that “emphases on validity, verifiability and reliability can be something of a slippery slope on which it is difficult to control or halt determined patterns of development”. However, research is required to address these elements, with the inability of most qualitative studies to replicate results highlighting a core challenge this research faces (Kapoulas & Mitic, 2012).

Lincoln and Guba, (1985, in Kapoulas & Mitic, 2012) address the challenge of defending the value of qualitative research by suggesting the implementation of the following evaluation criteria customised to the qualitative research methodology:

- Credibility;
- Transferability;
- Dependability; and
- Conformability

3.8.1 *External validity*

The extent to which a study is generalisable beyond the immediate circumstances of the study being undertaken (Breakwell et al., 1995; Rosenthal & Rosnow, 1991). The results of this study cannot be generalised, as a convenient sample was used, however, the findings of this study may well be useful to similar organisations in South Africa.

3.8.2 *Internal validity*

Internal validity refers to the degree of accuracy of conclusions related to cause and effect relationships (Breakwell et al., 1995; Rosenthal & Rosnow, 1991).

The data from the research will only be valid if the interviews are conducted in a controlled way (Breakwell et al., 1995). This will be achieved by following an objective approach to the interview itself, with the interviewees not being steered towards any specific topic of discussion outside of the specified interview questions. However, the interview schedule shall not deter the respondents from providing any information they deem relevant and will not hinder the natural flow of the dialogue.

3.8.3 *Reliability*

The degree to which measurements or observations remain constant is referred to as reliability. Reliability thus considers the capability of the instrument to reach the same conclusion when research is repeated (Rosenthal & Rosnow, 1991).

In the case of this study the reliability will be boosted by having all interviews conducted in person by the same researcher. The approach to the interviews is defined and will be maintained by the use of the pre-defined structure and interview schedule.

CHAPTER 4. PRESENTATION AND ANALYSIS OF RESULTS

4.1 Introduction

The presentation of results chapter and the discussion of results chapter have been combined into this single chapter in order to avoid repetition.

Thus, this chapter pinpoints and presents the main themes distilled from the semi-structured interview activity. The research question identified in the literature review was used to benchmark the discussions and resultant themes arising from this process. The aim of the researcher is to determine those factors that influence innovation, both positively and negatively, within Discovery Vitality in South Africa, and respondents were requested to rank the 6 factors identified in the literature review with the use of the Factor Categorisation Diagram (Appendix C). The outcomes of this study will be presented along the lines of generally perceived importance of such factors as these are believed to influence innovation in accordance with the input form the sample pool of respondents.

Disclaimer: Notwithstanding the factor rankings provided by respondents, the substance of the material garnered from the interviews was deemed to be of higher value as this provided a more significant source and quality of information.

4.2 Demographic profile of respondents

The proposed demographic profile of the research focused on the organisational structure and relative level of respondents within such structure, with the aim of obtaining broad feedback from across the organisational hierarchy for a balanced view of those factors that influence innovation. The initial research plan had a target of 14 interviews in total, with a fair and representative spread of interviewees across the different levels of the organisation. Of the 17 respondents initially approached, 16 indicated their willingness and availability to participate and therefore the researcher was able to undertake 16 interviews.

However, the final profile of interviews included a slightly lower than intended number of operational level participants, driven predominantly by the severe operational pressures being prioritised during the period the study was being undertaken. The researcher spent a longer period of time on the operational interviews that were undertaken in an endeavour to generate richer content, thus allowing the research to be considered representative of Discovery Vitality from a holistic point of view.

The proposed participant profile compared to the final profile of the 16 interviews conducted is summarised in table 3 below:

Table 3: Actual profile of respondents

Respondent Type	Respondent Level	Proposed Sampled	Actual Sample
Senior Management	• General Manager • Deputy General Manager	3	3
Middle Management	• Divisional Manager	2	4
Management	• Manager	3	5
Operations	• Team Leader • Customer Relationship Manager • Specialist Agent • Core Agent	6	4
	Total	**14**	**16**

All the interviews were scheduled and took place at Discovery Vitality's offices in Johannesburg, South Arica and were conducted in accordance with the research instrument previously discussed (Appendix A).

Prior to commencing the interview, the purpose of the research was outlined and confidentiality and anonymity of responses confirmed with the participants. Certain direct

comments and statements made by interviewees have been quoted and included in the research paper, however, the identity of all respondents is protected through the random assignment of numbers to respondents, which shall be used for referencing purposes during the analysis but not published or shared.

4.3 Results pertaining to the factors which influence innovation at Discovery Vitality

Findings from the investigation of relevant literature identified six factors which are believed to have an influence on innovation. Table 4 below provides a summarised view of the respondent's subjective rankings of these factors as they influence innovation, from highest to lowest, with 1 being most influential and 6 being least influential.

While the following discussion of the factors influencing innovation will be focused on specific key themes recognised across the interviews as these pertain to the factors identified, important differing understandings from the interviewees will also be highlighted. Furthermore, the factors cannot be discussed strictly according to the identified categories and overlap may be observed.

Table 4: Respondent ranking of factors perceived to influence innovation

Factor	Individual Respondent Rankings															
Culture of Innovation	3	1	1	1	2	3	1	2	1	1	2	1	5	1	5	3
Leadership Support	1	2	2	2	1	1	2	3	2	3	3	2	4	2	6	1
Creativity	2	3	3	5	6	5	3	1	3	4	1	6	6	5	2	2
Internal Collaboration	4	4	4	3	3	2	4	4	4	2	4	3	2	3	4	4
External Collaboration	6	5	6	4	4	6	5	5	6	5	5	4	1	6	1	5
Operational Requirements	5	6	5	6	5	4	6	6	5	6	6	5	3	4	3	6
Respondent Type	**Senior Management**			**Middle Management**				**Management**					**Operations**			

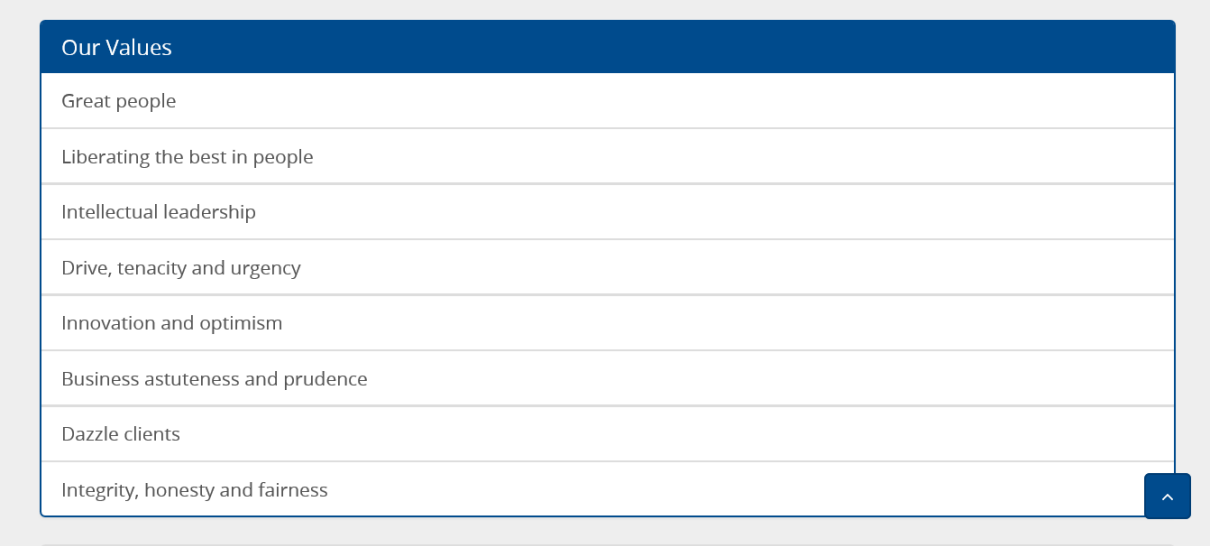
It has been found that there is often a drive towards developing more rigorous qualitative research, where quantitative methods are employed alongside the qualitative in an attempt to increase the perceived rigour of a study (Humphrey, 2014). In this regard, it must be noted that the discussion of the factors and their perceived importance as influencers of innovation is limited to the context of the organisation being studied and that the table above (table 4) is a reflection of individual perceptions within this context and not a numeric, or measureable, raking as such. However, the subsequent analysis of results will be presented in the general order of importance as extrapolated from the respondent rankings presented herein. As noted by Kapoulas & Mitic (2012), where research methodologies are concerned, it is important to fully understand what knowledge the researcher is electing to build through the employment of such methodology before undertaking the study. In this case, it must therefore be emphasised that the qualitative methodology is adhered to throughout the study, and the presentation of results according to opinions above should not be construed as quantitative in nature, and thus mixed method research is not being employed.

4.4 Analysis of results pertaining to the factors which influence innovation at Discovery Vitality

Innovation is part of the core values of Discovery Ltd., as illustrated in figure 1 below, and is a concept cascaded down and throughout organisation. Without exception, interviewees drew attention to the core values and that “innovation is part of the fabric of the company” (respondent 1). An overarching theme which emerged is that of a culture of innovation being a crucial element of the success of innovation within Discovery Vitality, with 7 respondents (44%) ranking it as most important, and a further 4 (25%) ranking this factor as the second most important influencer of innovation. Leadership support was also well stressed as a factor which strongly influences innovation, with 4 (25%) respondents ranking it as most important and 7 (44%) ranking it as second. In light of this, the discussion of these two factors will be used as the foundation of a more detailed analysis of all six factors believed to influence innovation within Discovery Vitality.

4.4.1 *Understanding Innovation at Discovery Vitality*

Figure 1: Discovery Ltd. Values



Discovery Ltd., (2016)

In accordance with the Values above, innovation and optimism are highlighted as explicit focus areas within the Discovery Group holistically, and Discovery Vitality is no different. The general understanding of innovation was clearly articulated across the spectrum of interview respondents as an iterative, fluid process whereby the inherently creative climate of Discovery Vitality is leveraged to facilitate the practical design and implementation of novel products and associated business practices within a sustainable model (Yström et al., 2015). The distinction between creativity and innovation was also explicitly acknowledged by all respondents and there was a general view that there exists a progressive relationship, where creativity is the foundation of successful innovation implementation (Yström et al., 2015), with a very specific focus on creativity associated with product innovations within Discovery Vitality coming to the fore across the study.

Product innovations may be “defined as recombinations of firm knowledge that result in new products or services for the market. This distinguishes them from process innovations, which are recombinations that result in new ways of delivering existing products to the market” (Troilo, 2014, p. 38-39). This distinction is an important one and will also be touched on in other sections of this paper. Within Discovery Vitality, product, or radical, innovation is undoubtedly preferred over more incremental operational or process innovations, and it was noted by respondent 4 that Discovery Vitality is “all about the big ticket, big bang innovations, the game changers are what matter, making this company an innovator that is up there with global standards”, a view supported by respondents 2, 3, 5, 6, 7, 12 and 16. On the other hand, the internally focused incremental innovations, or process innovations as defined above, are viewed as “basic operational efficiencies” (respondent 16), while a number of other respondents, including 2, 3, 4, 5 and 12, acknowledge that although this is the case, they are not in agreement with this approach (Güngör & Gözlü 2012).

There is thus a discrepancy in how the various interviewees interpreted innovation holistically, with the majority believing that though the external product innovations mentioned above are the most crucial elements of the brand’s success, and all interviewees displaying an incredible sense of pride to be associated with these, “there is more to innovation than the client facing wow factor” (respondent 2). However, client expectation is one of the most important external drivers of innovation (Güngör & Gözlü, 2012) and in line with this, respondents 1, 2, 3, 4, 6 and 12 pointed to potential untapped

value in operational efficiencies which should be classified as innovative in and of themselves even though they are not recognised as such by the overarching business. These “operational innovations” (respondent 1) are seen to be a vital component of the long term success of the larger product focused initiatives and the organisation as a whole from a day to day operational and servicing perspective, which ultimately aligns to the customer experience and customer centric nature of the company.

Product and operational innovations may be distinguished based on various elements, including their source, outcome and external visibility (Güngör & Gözlü, 2012). There is clearly a duality expressed about what constitutes innovation within Discovery Vitality, where innovation is solely defined as new product initiatives which completely change the marketplace by some, while others take the stance that not only has Discovery Vitality demonstrated great appetite and aptitude to develop and implement novel, game changing innovations on a product level, but that the organisation has the proficiency to change the face of its internal operations in a way that supports these innovations to ensure sustainability and, in turn, drive its “world class customer service to new heights” (respondent 5).

The above is embodied in the statement by Westerlund and Rajala, (2010, p. 436) that it is vital to explicitly “distinguish explorative innovations from those that exploit current knowledge”, where the product innovations favoured by Discovery Vitality fall into the category of explorative innovations, while the incremental improvements classified as operational efficiencies would fall into the category of exploitation innovations. Explorative innovation is a forward thinking process characterised by investigation, testing, flexibility, learning, which ultimately results in ground breaking innovations such as those favoured by Discovery Vitality, while exploitation innovation is that which focuses on stabilisation and enhancement of existing mechanisms to drive operational excellence (Westerlund & Rajala, 2010).

The argument in favour of teasing out the two distinct types on innovation identified during the study and recognising each as a valuable contributor to a business was supported by a number of respondents, including some senior management, but there does not appear to be a widespread understanding of such a distinction and how to manage it as there is “no consideration of what the impact may be if internal innovation is not looked after - a

better customer experience can be provided and we must be careful not to neglect these as we are simply passive where innovation in our internal operations are concerned" (respondent 7). Thus, 'operational efficiency type' innovations are viewed as a contributing factor to the organisation's high level of responsiveness to client and market requirements and changes if and when these are fed into the overall innovation process.

The above interpretation of innovation and resultant debate points to a high level of sophistication within Discovery Vitality when it comes to innovation, as the requirement for, and support of, innovation within the business is taken for granted. Innovation is clearly ingrained in the way Discovery Vitality operates, with all interviewees clearly articulating that "innovating is just the way we work, it's what we do" (respondent 5), linking to Johnson's (2001) supposition that a supportive environment with a high tolerance for change underpins successful innovation as this is demonstrative of an underlying culture of innovation.

4.4.2 *Culture of Innovation*

A culture of innovation provides an institutional framework where innovation is accepted in the midst of continuous change (Martins & Terblanche, 2003) and this is the factor that was most pervasive during the interview process, with all participants highlighting the value as part of their "experience with Discovery from day one, we all knew about innovation right at the beginning of induction and we still talk about it all the time, everywhere" (respondent 4). The interviewees all used very similar language when describing the core value of innovation, highlighting common meaning and collective understanding of the construct (Martins & Terblanche, 2003), thus demonstrating that innovation is firmly embedded within the company culture.

Organisational culture, in this case the culture of innovation, plays a role in the mission, goal and value statements of a company as it highlights gaps between what is formally communicated and what is actually taking place on the ground (Martins & Terblanche, 2003). This illustrates that the view within Discovery Vitality that "innovation is organic"

(respondent 7), is at the core of the company's ability to successfully innovate in a consistent manner.

This all feeds into the dominant theme emerging from the research process, that of living the Discovery values and being proud to be part of the company's achievements in the field of innovation. Katzenbach, (2003) takes the view that companies with a core focus on product or service excellence or, in the case of Discovery Vitality, both, are known for the sense of pride their employees display, identifying an "almost indefinable spirit that drives excellent companies to work harder and smarter, to overcome obstacles, and to push themselves to higher levels" (Katzenbach, 2003, p. 34). This enthusiasm and drive for continuous improvement was displayed by all interviewees, and is seen to energise the entire organisation, with the majority of participants enthusiastically speaking about recent product launches with a strong sense of pride and accomplishment. This concept will be explored in more detail later in this paper.

Companies should identify innovations which are appropriate within their own context and market as the development of these ideas are what result in the desired value being added and impact made, and it is therefore important for organisations to be able to distinguish the good ideas from the bad, and to have the foresight to walk away from those which will not deliver in accordance with desired strategic imperatives (Direction, 2008). At the core of innovation initiatives lies the acknowledgement of the possibility of failure, which should be viewed as an everyday reality (Bowers & Khorakian, 2014). Pitman (2014) touches on the philosophy of Discovery when it comes to failure, where, in a discussion with Adrian Gore, Mr Gore states that he doesn't "buy into the idea that you need to fail first in order to be successful" (paragraph 22) and that he believes "the less you fail the better. But if you do fail, which sometimes happens, I think you should be able to start over again without a stigma. Failure is not desirable but it should be acceptable" (paragraph 22).

Thus, innovation is not stifled by a fear of failure within Discovery Vitality and there is implicit and explicit acceptance from senior management within the division and down the organisational structure that failure is sometimes part of the creative process, and that the flow of ideas may be supressed if those who generate these are not afforded the opportunity to "take a chance and try it out" (respondent 12). Notably, all respondent supported this concept by stating that any failures, though not common and not desirable,

are viewed as opportunities to learn and that this philosophy has allowed ongoing creativity, and subsequent successful innovation.

“Learning is one of the key mechanisms to generate new knowledge” (Westerlund & Rajala, 2010, p. 436), and in support of this, respondents placed a great amount of emphasis on the fact that failure is not admonished but rather embraced as a learning opportunity. Furthermore, this learning orientation, gaining knowledge from mistakes, can be considered a driver of both innovation and performance advances, which result in increased competitive advantage (Fortuin & Omta, 2009; Westerlund & Rajala, 2010). This view was shared across all levels of the business and an underlying learning culture in support of the culture of innovation was revealed.

Taking a step back, a key focus point when attempting to understand factors that influence innovation within Discovery Vitality, is to return to its establishment, to the entrepreneurial, agile roots of the company, roots which still play a large part in the approach to innovation.

An organisation inclined towards an entrepreneurial way of working is typically more successful in the creation of an environment conducive to innovation activities (Dobni, 2008). The entrepreneurial spirit of Discovery Vitality is credited with the “can do will do” nature of the organisation, and is acknowledged as an influencer of the approach to innovation across the board.

The overwhelming belief shared between respondents is that Discovery Vitality, distinguishes itself by “making things happen, by looking for ways we can do something, how we can achieve our goal and not focusing on reasons not to try” (respondent 3), with the company distinguishing itself through the rate and size of growth when compared with others in the industries in which the company operates. Employing original business models and leveraging technology in novel ways are seen as characteristic of entrepreneurial innovations (Giesen et al., 2007). This mind-set proves to be a critical distinction between Discovery Vitality and competitors, who may have great ideas, but lack the skills to drive these to fruition and are further limited by red tape. In the context of Discovery Vitality, the only potential limit to the process of innovation is the fixed deadline determined by the launch date in September.

The especially disruptive changes that Discovery Vitality is known for certainly speak to a smaller, entrepreneurial way of working. However, Giesen et al. (2007, p. 31) argue that even though “breakthrough, headline-grabbing innovations are often initiated by new entrants … opportunities for revolutionary change exist for firms at virtually any stage”, and Discovery Vitality is undoubtedly an example of this as they continue to conceptualise and deliver fresh ideas to the market even as the organisation matures and increases in size, which contradicts the argument made by Güngör and Gözlü (2012) that the capacity to innovate successfully decrease as an organisation ages.

This entrepreneurial legacy was, however, not only perceived as a factor promoting innovation, but also viewed as a hindrance to innovation by some interviewees who noted that innovation initiatives often lack fundamental structure. A correlation between those companies who are highly disciplined when it comes to innovation and those that are very successful has been observed (Direction, 2008). Discovery Vitality’s approach to innovation is not always practical and may limit the time and resources allocated to those successful initiatives at the outset. There is a “need to decide what we are going to do and who is going to do it in a structured way, we all need to agree and understand this process and the logic behind it” (respondent 4).

In line with the above, project management elements and the appropriate allocation of resources, including adequate staffing, to execute innovation initiatives is an important factor to ensure successful implementation (Schneckenberg, 2015). Furthermore, a successful innovation process requires a structured approach, using mechanisms such as stage gates, defined as go/no go decision points at the end of each phase, and associated performance measures (Fortuin & Omta, 2009) to guide the process to drive successful implementation. Respondents noted that as there is currently no such formal project lifecycle approach to the implementation of innovation initiatives within Discovery Vitality, a long term risk may exist, with potential consequences should alignment across the business and group not be achieved. Some of the participants did raise this matter in the context of a solution currently being developed, but the timeline for achievement of the ideal in terms of the introduction of the formalised project structure is unclear as there is a cultural change element linked to this.

Again, respondents tied this back to the prevailing entrepreneurial focus across the business as well as the approach of making things happen no matter what, where structure is likely to be perceived as restrictive, and some interviewees did raise this as a concern. Though it is often asserted that the utilisation of a formal project management system is a key factor for successful innovation initiative implementation (Killen, Hunt & Kleinschmidt, 2008), the views were split in terms of how to implement such structure around innovation. Some respondents believe such structure would stifle innovation through the introduction of red tape, while others reason that project structure and an associated cultural shift is core to the ongoing success of innovation, while others still identify the only structural requirement as the consultation of a broader scope of resources during the innovation initiative development up to implementation. In terms of the last point, this will be expanded and explored in more detail in the section dealing with internal collaboration.

Knowledge management is another factor that influences innovation. It must be noted that it is possible for companies to innovate by leveraging existing knowledge and is not always contingent on new information or inventions as such (Güngör & Gözlü. 2012). It is considered important for organisations to both create and manage knowledge as a resource base, with knowledge and information sharing becoming central to the development, design and implementation of innovation initiatives (Schneckenberg 2015). A number of the participants pinpointed poor knowledge management as a product of the entrepreneurial way of doing things within Discovery Vitality, with a predominant belief that “we move so fast that we don’t have time to stop, time to look back or time to record anything – we just have to keep moving forward or we’ll be totally lost” (respondent 12).

Knowledge itself can be broadly classified into two broad areas, tacit knowledge which is the subjective knowledge held by an individual, which is challenging to store or distribute in a formal way. Conversely, explicit knowledge is that which is collected, stored and made broadly available across an organisation (Greiner, Böhmann & Krcmar, 2007). It was observed that Discovery Vitality approached knowledge management from a more tacit perspective, whereby networks and individual experience are drawn on to a large extent to inform innovation interventions. Interviewees, particularly those who have been with the company for less than five years, raised concerns that they could not find a central repository of ideas, plans or general information about innovation and, when asking questions, they were referred to individuals rather than material being stored and

managed. It is important to realise that knowledge management is not a one size fits all concept, and must be strategically aligned to the organisational in order to ensure the right level of value is added (Greiner et al., 2007). Thus knowledge management may be perceived by some as a shortfall within the company, but an important point in support of the success of the utilisation of tacit knowledge in the business was made in that “we know where to go and who to ask, we just need to be sure we all understand the outcome and we can find the information we need” (respondent 14).

Another key theme which emerged from the research is that of the hero culture, where participants all spoke anecdotally about the power of innovation within the company and how those who have been involved in past big initiatives are held in high regard. Within the Discovery Vitality culture of innovation, there are heroes, who are admired because of their success stories, and who embody an ideal that everyone strives towards. Generally speaking, the entrepreneur is identified as a cultural hero and role model (Malach-Pines, Levy, Utasi, & Hill, 2005), a concept which resonates in Discovery Vitality, which is a relatively unique perspective in an organisation of its size. Culture can be considered “learned and is manifested through heroes, symbols, rituals and values” (Malach-Pines et al., 2005, p. 543). The heroes referenced by participants included those who “come up with great ideas, who win the awards, meet the top guys and make a difference” (participant 3), as well as the organisational leaders, who are viewed as inspirational and who the majority of interviewees model their behaviour on. This ideology can be clearly linked to the next topic under discussion – leadership as a factor which influences innovation.

4.4.3 *Leadership Support*

“Leaders have fascinated us from the beginning of history it seems, and their stories form the bedrock of human culture” (Allio, 2012, p6) Discovery Vitality is no different, characterised by charismatic, inspirational leaders, and research participants all showed great regard and admiration for their leadership of Discovery Ltd. as a group. In fact, Discovery Ltd. founder and Chief Executive Officer of the Discovery Group, Adrian Gore, is one of the most respected leaders on an international level, and a large majority of

interviewees mentioned him as a hero and inspiration for them individually, with the sense of pride previously discussed coming to the fore in these conversations. At this point, the study shall digress to consider Adrian Gore as one of the core motivators of innovation

Entrepreneurs, such as Adrian Gore, have been observed to exhibit unique personality characteristics, and are typically associated with a higher appetite for risk taking (Malach-Pines et al., 2005). Pitman (2014) notes that Adrian Gore is no typical entrepreneur and does not view himself as such despite being widely regarded as an expert in the field, as, instead of building numerous start-up companies characteristic of entrepreneurs, he has created a business empire rooted in solid economic principles, with an aim to provide practical sustainable solutions to ongoing challenges faced across the marketplace. Despite widespread criticism, Discovery Vitality was launched, quickly proving detractors wrong as the ideology of incentivising healthy behaviour was not only recognised as a powerful motivator for healthy living within South Africa, but became a globally accepted practice (Pitman, 2014). This drive for success and belief in driving a philosophy behind ground breaking ideas is seen as the foundation of Adrian Gore's reputation as an incredible leader not only in the external environment, but also within Discovery Vitality, as testified by numerous respondents, with respondent 12 stating that "Adrian is an amazing leader, everyone wants to be like him, and we are so lucky to work in the company he still leads and influences" (respondent 5).

An often overlooked, yet crucial, element of leadership is the intricate interaction between leaders and followers within a specific context (Allio, 2012), which relates to a point made by participants regarding the way different types of leaders across the organisational business units drive the culture of innovation in distinct ways. Effective leaders balance moral obligations with pragmatic decision making, while maintaining their humility and integrity from an internal and external perspective in order to earn and keep the trust of stakeholders (Allio, 2012). The interviewees noted that creativity and resultant innovation is dependent upon the specific leaders in place, with different leadership styles being observed facilitating the right type of creativity for each area in accordance with the environment, while simultaneously highlighting the elements identified above as common across the business leadership.

Allio, (2012) argues that:

> The primary role of the leader then must be to develop a culture that enables individuals to coalesce around the shared purpose of the enterprise. Listening to the needs of the followers and responding accordingly is essential, for the collective intelligence of the followers can be a crucial asset. And since leaders must try to influence the direction of the enterprise, the art of communication is equally important. Leaders inspire and motivate, often by virtue of the stories they tell about the past, present and future of the organization. They enable followers to find meaning in their work (p. 10).

The Discovery Vitality leadership is well regarded by participants, and can thus be seen to have strong buy in and support from their followers, who view these leaders as "phenomenal and supportive, they help us achieve greatness because they are great" (respondent 2). The respondents indicated that their leadership is engaging and inspirational and, importantly in accordance with the citation above, believe that the work they undertake on a day to day basis is meaningful and adds value to the organisation as a whole.

The themes of heroes and inspirational leadership unpacked above with regards to Adrian Gore at the Discovery Ltd. level are echoed within Discovery Vitality and the regard interviewees have for their leadership.This is illustrated in an anecdote about the Discovery Vitality CEO, Dr Shrey Viranna, which was shared by a number of participants. The Discovery Vitality contact centre operation is situated on the same floor as the rest of the business unit and the offices are open plan. When walking through these operations, a large teddy bear is observed, it is dressed up, decorated and displayed with pride. This is "Shrey Bear", a floating trophy of sorts which is awarded to top performing teams. Respondents referred to Shrey Bear as a "symbol of achievement, he's named after Dr Shrey Viranna and it's a huge honour to win him" (respondent 11). This simple teddy bear is the symbolic embodiment of inspirational leadership and a strong motivating factor for teams to innovate in order to achieve the top honour of being awarded this symbol of excellence, and is indicative of the respect and regard they have for their leader.

Loyalty is cultivated by leaders showing public support for their followers, which in turn results these followers trusting their leaders and consequently supporting the realisation of their leader's goals (Lee, 2008). Leadership within Discovery Vitality is perceived to

visibly support innovation, with it being a concept that is always top of mind and continuously highlighted in internal communication and day to day interactions with all levels of leadership. Employees are thus very aware of leadership's focus on innovation and want to emulate this behaviour, thus driving innovation throughout the organisation.

Having appropriate reward mechanisms in place, incorporating a combination of intrinsic and extrinsic rewards to celebrate innovation, and which is supported by leadership has been associated with an increase in creative idea generation as well as fruitful innovation efforts (Direction, 2008; de Jong & Den Hartog, 2007). In line with this, Discovery actively rewards innovation through various programmes, which aim to drive the desired behaviour by encouraging idea generation and collaboration by way of offering substantial rewards for those ideas which are selected, with winners of these competitions also being incorporated into the esteemed hero culture. Interestingly, some participants pointed to these reward programmes as potential inhibitors to innovation. Furthermore, there were participants who raised the existing reward and remuneration structure as an inhibitor to innovation, with the targeted innovations potentially demotivating those employees who know that they will never win as "the same core group of individuals win year after year, the do this for a living and the others can't compete". The latter will be explored in more detail in the section dealing with Operational Requirements below.

Companies that set development goals and associated timelines typically achieve ongoing innovation. (Direction, 2008). Those organisations that set time dependent goals usually achieve ongoing innovation, while those who take a more passive approach are not successful (Direction, 2008). Accordingly, a critical point made by all respondents is that innovation is driven by a fixed timeline – the launch which takes place in September each year. This fixed schedule sets the pace for innovation upfront and is clearly understood by everyone across the company, being identified as a key driver of innovation by the majority of participants. Within an encouraging environment, creativity and innovation are received with enthusiasm by colleagues as well as leaders (Yström et al., 2015). The Discovery Vitality leaders are viewed as highly engaged in this time driven innovation process, while simultaneously not being restrictive, and are adept at driving the selected initiatives and swiftly removing any obstructions to ensure the project moves forward.

This can once again be linked to the earlier discussion about failure of initiatives early in the process being treated as learning and growth opportunities. As innovation projects are often characterised by a high rate of failure (Bowers & Khorakian, 2014), the teams, particularly the hubs dedicated to innovation (which will be further discussed as part of internal collaboration), which able to act without the fear of leadership punishment, “have more scope to explore different concepts and identify critical success factors out of projects that do not make the cut” (respondent 12). This non-punitive approach to leadership is encouraging and supports the underlying culture of innovation as conversations about innovation are more open and honest, which, in turn, allows potential failures to be identified and stopped earlier.

Strong leaders are those who inspire followers to take a novel approach to problem solving and support them as they develop and grow to meet their full potential, which will naturally progress to the generation of more creative ideas and initiates (de Jong & Den Hartog, 2007). This point was discussed by a number of participants and from it emerges the understanding that while creativity and innovation are two distinct concepts, one cannot exist without the other.

4.4.4 *Creativity*

If leadership constantly drives the ideal of being a world class performer, as is the case with Discovery Vitality, the employees are likely to be inspired to generate creative ideas, resulting in innovations which will support the generation of constant improvements in both products and services. (Direction, 2008). This is certainly the case within Discovery Vitality, with it being stated that “creativity is always around, there are always ideas” (respondent 4).

The link between creativity and innovation has an impact on the capacity of organisations to ultimately succeed in the field of implementing innovation, with individual creativity being generally considered the catalysts for collective innovation (Oddane, 2015). There was consensus among the interviewees that Discovery Vitality has a climate in which creativity is encouraged, but were also clear that there has to be a balance between the creativity

of new ideas and the practicality of being able to develop and implement these new ideas as innovations – the “thinking needs to go beyond blue sky theory” (respondent 5) as “creativity on its own is irrelevant” (respondent 1).

Innovation is thus a multi-dimensional concept, with the origin of the creative thinking leading to innovation not least of these, while it must also be understood that authentic companywide innovation will differ in outcomes and level of external visibility (Güngör & Gözlü, 2012). Respondents were quick to draw attention to their experience that creativity is only fully appreciated when it results in externally focused innovation on large scale, with “the big bang, big impact” being a priority. In conjunction with this perception, interviewees believed that operational ideas, no matter how creative, are relegated to operational efficiencies without much thought for further development towards an innovative outcome, as “ides to improve operations are not innovations in the way that Discovery wants innovation, and aren’t seen as being creative at all” (respondent 9). The concern was raised that, as a result, the creative ideas that are being generated across the board are not properly unpacked nor captured, a practice which may eventually impact the ability of the business to support the overall creativity and innovation initiatives within the organisation, and may have the unintended consequence of those who are thinking creatively about operational aspects of the business becoming demotivated. But, no tangible level of demotivation was observed during the interviews, with respondents cautioning against others potentially becoming demoralised while reinforcing their own commitment to Discovery Vitality as an organisation and innovation as a core value. This observation may be linked to another factor all respondents included as a discussion point, the value of high calibre people employed in the appropriate roles, which was highlighted from a leadership support perspective during the interview with Discovery Vitality CEO Dr Shrey Viranna.

It is clear that business is no longer driven by capital resources, as human resources gain prominence and increase in value in light of the emergence of a dominant knowledge economy (Direction, 2012). Thus, having people with the inherent ability and intelligence to drive creativity is a crucial enabler of productive innovation. Respondent 16 noted that “Ideation is better than creativity”, meaning that there has to be the transition from relevant, practical, evolution of ideas into sustainable innovations, and thus creativity has to be dynamic enough to result in innovation. Another integral component of the success of

innovation within Discovery Vitality is that creativity is supported by allowing it to grow and evolve, with such creativity resulting in original, valuable contributions to the business (Yström et al., 2015). Without this support, creativity, and by association innovation, may be stifled and those generating the ideas may become demotivated. However, as discussed above, within Discovery Vitality the support for innovation is driven from the top, with participants noting that they are all one team and are all part of the innovations being implemented on a collective basis.

It has, however, been found to be challenging to capture and develop creative ideas outside of a relatively well defined project structure, which results in many creative ideas being lost (Yström et al., 2015). This concept of a more structured creative process to facilitate innovation was also observed by participants, with “balance between the creativity of generating ideas and having structure and planned implementation of these” (respondent 5) being difficult to achieve in the absence of such structure. As the business environment evolves, creative ideas progressing to successful innovations is becoming increasing complex, with less predictable outcomes (Bowers & Khorakian, 2014). In this context, participants were of the opinion that in order for creativity to be successfully converted into practical innovation, an iterative process driven from the top needs to be in place. In other words, there is a requirement for innovation projects to be more formalised and structured to achieve even greater success. “Creativity is important, and it is important that we can use this creativity, and to do this, to use the creativity that exists, we need to bring it out with the right structure and processes” (respondent 12).

Yström et al (2015) note that having partners in innovation collaboration may encourage creativity This was an area for improvement identified by the interviewees, who believe that there should be a greater focus on working across the larger organisation, leveraging off the creativity within the different business units more constructively and thus increasing alignment. Discovery Vitality is in the fortunate position of operating across the business units, but there are definite gaps in other areas where collaboration may be used to harness creativity for the benefit of the whole company.

4.4.5 *Internal Collaboration*

Knowledge based organisations such as Discovery Vitality are typified by an independent, self-directed workforce who play an important role in the initiation and execution of new ideas from a bottom up perspective, where both the idea and action stem from lower levels of the company (Foss et al., 2013). This notion of internal collaboration arose as one of the more interesting and detailed discussion points during the research process. Discovery Vitality has recognised the importance of focused innovation and thus the R&D / innovation hub was established as an independent unit to ensure that innovation, one of the core values of the company, has the dedicated time and resources allocated to serve as “the heart of innovation” (respondent 12).

Yström et al (2015) validate the approach of establishing this hub as they identify a trend where organisations are formalising their methods of internal collaboration, with traditional R&D design advancing to become a more inclusive exploratory learning methodology. There is value to be derived from positioning knowledge-sharing tools and practices in a critical centralised position that the hub offers (Schneckenberg, 2015). The Discovery hub derives this collaborative value as there exists the freedom to create and develop innovation within a dedicated team, with strong leadership support, including “a lot of face time with the top guys, the ones who can make things happen” (respondent 6). The hub is where the “big external innovations are typically cultivated” (respondent 12) and developed to fruition, and those working with or within the hub are in agreement that they are empowered to innovate as a collective through the open plan physical infrastructure set up as well as freedom allowed to them to identify and explore solutions to market challenges.

Even though leaders may propose new ideas, employees at all levels of the organisation should be encouraged to foster their own creative concepts as such employee-driven innovation rolls up to sustainable and successful innovation that benefits the company holistically. (Foss et al., 2013), and within Discovery Vitality it is clear that the innovation hub is the vehicle which enables this. The value of collaboration within a company may be limited by how broad consultation, the level of creativity of such interactions and what lessons are incorporated into an innovation (Troilo, 2014).Though the interviews yielded extensive positive feedback in reference to the hub and the value of the work they

undertake, there were also cautionary views aired. Some respondents raised concerns about the potential lack of involvement from other business areas and levels in the organisation during the innovation process, with the overall view being that internal collaboration broader than that driven exclusively by the hub is an element where there is room for improvement.

It must be said that innovation project stakeholders encompass all parties that have a potential interest or role to play in the eventual outcomes of the particular initiative, those who can affect or are affected by the achievement of innovation objectives, and must then be inclusive of relevant internal stakeholders across the organisation (Vos & Achterkamp, 2006). A sense of unease underpinned conversations about such broader internal collaboration, with interviewees across the spectrum expressing concerns that wide-ranging internal collaboration, though a known critical success factor, was not open enough at the outset of an innovation initiative, with a number arguing that engaging those working in the operational, system and other environments earlier in the process may assist to identify issues experienced along the path of innovation design and development, thus allowing more robust evaluation and correction of potential risk factors in a more proactive manner.

Direction (2012) concurs with this view, noting that encouraging internal collaboration throughout the innovation process may certainly assist the organisation to anticipate, and thus mitigate, potential issues before they arise, thereby minimising lost time and resource allocation. In line with this, it must be remembered that product and process innovations activate each other (Güngör & Gözlü, 2012), which supports the general belief amongst respondents that those employees “on the ground, especially those who are client facing” (respondent 2), can provide valuable input and insight into the innovation process if engaged at the right time and in the correct manner.

In support of the above, for the implementation of innovation initiatives to be successful, the operationalisation should be driven through organised, proactive feedback mechanisms to not only enhance employees’ motivation, but also their ability to reach sustainable implementation and post implementation support targets (de Jong & Den Hartog, 2007). This highlights the necessity to identify and empower those employees who will implement, own and be held accountable for the delivery of the innovations in the long

term. In light of this, relevant internal stakeholders can be determined on the basis of the role(s) they are playing within an innovation project, or will be playing post implementation (Ayuso et al., 2011; Vos & Achterkamp, 2006). This can be tied to warnings from respondents regarding the reluctance of business stakeholders to assume ownership of the initiatives once they have been launched, and a many listed this as a limiting factor in progressive innovation as the resultant bottle neck ties resources up in handover efforts rather than moving on to drive further innovations. This hesitation was perceived as a result of the absence of the early, proactive role based engagement identified above, and subsequent lack of business and support team understanding of and buy in to the innovation being implemented. One respondent summed this up by stating that "the key teams who have to operationalise the innovation, who have to own it and drive it when the clients are on board, are not involved until very late in the process. These innovations are all fantastic, but we tell the people who have to service it too late and they have to deal with issues which isn't fair" (respondent 6).

"Competitive advantage will lie with the companies who attract the right people and reward them" (Direction, 2010, p. 26), and access to high quality human capital resources is increasingly recognised as an enabler of innovation within any organisation, more significantly so if this is accompanied by a culture of learning (Troilo, 2014). This leads into another theme emerging from the interviews, that of attracting and retaining the right calibre of people. Discovery Vitality is very focused on the calibre of its people and is acutely aware of the important role their human resources play in the success not only of innovation but the organisation as a whole, and clearly articulate the philosophy that people have great potential to enhance the organisation they work for as they themselves are afforded the opportunity to grow and develop to their full potential (Direction, 2012).

The participants all hailed the high calibre workforce Discovery Vitality was able to attract and retain as a contributing factor to the success of innovation. However, a different element emerged from the study when the concept of the human capital was delved into, with current employees being praised for their positivity and support of innovation, while at the same time the point was being made that the company is in need of "new blood, people from outside who have not only ever worked for Discovery, experience from the outside will help us move forward" (respondent 5).

“Organizations do not always provide the right environment to develop talents. But the writers believe that people can change and in doing so enable organizations to evolve and create better working practices. In other words, people can make a real difference through their personal development.” (Direction, 2012, p. 27). There was an acute awareness on the part of interviewees that the quality of people as well as their ability to learn and evolve within the company is part of the foundation underpinning Discovery Vitality’s ability to innovate successfully in a sustainable manner. The “people make the difference, the calibre is so important, we have the best of the best and keep getting better”. The Discovery brand is viewed as one which appeals to dynamic people and this is a key grounding for innovation, with interviewees stating that role based recruitment must not be a limitation and that the skill and fit should be most important factor considered as “there is always space for the right person to add value”. Participants were also clear that there is a need for “new blood to be brought in”, with a view to shift the long term culture in line with the increasing size of the organisation. New recruits who have a different perspective and are experienced outside of Discovery are valuable to ongoing innovation as “there are unknown unknowns and a need new eyes to pick these up” (respondent 4).

The themes above come together when considering the participant’s points regarding a requirement to formally structure innovation initiatives, a key theme which has also been dealt with in the discussions above, and includes the identification and engagement of key internal stakeholders upfront.

As innovations are typically project based, phases of the innovation process must be clearly articulated upfront, with steps such as kick off, design, development and close out (or implementation) visibly defined, communicated and understood, with the different types of stakeholder engagement required at any given stage identified at project initiation and managed accordingly (Vos and Achterkamp, 2006). The current approach to innovation within Discovery Vitality was viewed as somewhat unstructured by a number of interviewees, with the ideas considered “amazing, but the structure and planning is poor, and it’s not sustainable to have such a big impact on the ground every time”. Therefore, the implementation of a structured way of working, with elements such as pilots, was identified as an opportunity for enhancement as this will provide definitive junctures where identified stakeholders from across the organisation should be engaged, with Schneckenberg (2015) arguing that larger firms have inherent ability to identify areas

where novel ideas may be tested. The majority of interviewees agreed that the current innovations are progressive and game changing, but that there are “flaws that need to be dealt with going forward, before these eventually trip us up”. As Discovery Vitality moves towards appropriately identifying a complete set of activities within any given innovation project upfront and managing these according to the dynamic circumstances of innovation, so too the project structure is likely to become more robust (Vos & Achterkamp, 2006).

For companies with an entrepreneurial origin, like Discovery Vitality, making the transition from informal to formal innovation requires attention to a shared vision as well as the ratification of roles and structures (Vyakarnam, Jacobs & Handelberg, 1999). However, the prevailing entrepreneurial culture and leadership style previously examined results in some push back against the more structured approach to innovation to a certain extent, as they are “not really used to it and do not want too much structure as we do not want it to stop innovation” (respondent 4), while at the same time it is recognised that “we need to cater to the size of the company, we are getting big and we need a way to keep our momentum going” (respondent 6).

Finally, as product and process innovations have been seen to be interlinked, with both contributing valuable outputs that may be leveraged on to facilitate continuous improvement (Güngör & Gözlü, 2012). This means ongoing consultation with, and feedback from, the broader organisation would likely identify flaws in an initiative, which may either result in earlier failure of those endeavours which are not feasible, or earlier identification of problems that may arise at go-live, therefore allowing for mitigation and possibly more effective implementation. This, coupled with the employment of a structured project management process, might allow for more iterative innovation practices, thus permitting the more seamless adoption of innovations at the implementation stage.

On a broader level, the involvement of all stakeholder categories in innovation projects is increasingly being recognised as an important element to the success of innovation initiatives (Vos & Achterkamp, 2006), bringing us to the next factor influencing innovation, that of external collaboration.

4.4.6 *External Collaboration*

In order to be successful, businesses must understand the environment in which they operate and continuously adapt to evolving conditions (Güngör & Gözlü. 2012). Companies are often complacent when it comes to collaboration with external stakeholders such as other companies and customers (Russo-Spena & Mele 2012; von Stamm, 2004), with the ability to identify partners with the potential for collaboration a critical part of successful innovation (Direction, 2012; Vos & Achterkamp, 2006). One of the areas participants' view Discovery Vitality excelling at is the engagement of external stakeholders in the form of strategic partnerships with third parties. The focus in this area appears to be more structured than any other element of the innovation process, as partners are carefully selected, with a clear strategic imperative underpinning such engagements and an emphasis on the value of the brand being associated with as well as an alignment in terms of core purpose and values. The value of these collaborative partnerships aligns with the learning culture previously discussed, with value to be gained from active efforts to understand what the partner has to teach within the relationship, and how this knowledge can be employed to enable mutual benefit (Troilo, 2014).

Properly executed strategic partnerships can lead to a sustainable competitive advantage for both organisations involved, and, through an integrated approach, reputational enhancement (Ayuso et al., 2011). Interviewees did note that the ever evolving partnerships Discovery Vitality is engaged in are targeted to make sense from a brand and reputational when "viewed from the outside by our members and the market" (respondent 7). These partnerships are not entered into lightly and are viewed as long term strategic growth imperatives with a vision to enhance the reputation of the company. As such, these partnerships are often identified internally, though it was stated that Discovery Vitality are approached by many potential partners on an ongoing basis, and a lot of work is undertaken to find the right fit to benefit both Discovery and the partner, and, most importantly, the clients.

Discovery Vitality's approach can be seen as innovating the industry value chain, which is comparable to Virgin's mode of making horizontal moves into new industries to increase diversification and thereby leveraging its superior skills in an area of expertise to grow the business, in the case of Discovery Vitality, this would be customer service (Giesen et al.,

2007).Interestingly, the broad spectrum of industries that Discovery has become involved in as a result of their strategic partnerships has made the company relatively fluid in nature, with participants saying that Discovery Vitality does not strictly have a single industry focus as there is such deep involvement in their partnerships in areas such as retail, fitness, technology, et al, a fundamental enabler of a sustainable competitive advantage (Ayuso et al., 2011). When Discovery Vitality works with innovation partners they typically become drivers of the process, “we know what we want to do, what we want to achieve and we get it done” (respondent 12). This is a mutually beneficial relationship directed by the drive to add value to and have a positive impact on members and eventually provide the best customer experience.

With the emergence of risk-sharing collaborations resulting in the generation of practical knowledge from stakeholder partners allowing the ongoing assimilation of insights gained through this engagement process (Ayuso et al., 2011; Inauen & Schenker-Wicki, 2012). This speaks to the benefit of working with strong partners, particularly those who have the implementation support capabilities, with these external partners often in a position to provide mechanisms for the delivery of the more tangible elements of the innovation initiatives being launched, including the recent launch of the Apple Watch reward where the hardware and transaction takes place via the Apple infrastructure in the form of the iStore, as well as the Vitality Rewards vouchers redeemable at partner store networks nationwide.

Most successful innovations are those which add value through identifying and solving a customer need, with the challenge being that these customer needs must be identified, and in this regard an organisations’ customer base is a rich source of feedback, and a valuable contribution to new ideas (Inauen & Schenker-Wicki, 2012; von Stamm, 2004).Herein lies the opportunity for closer customer involvement in the development of new products and services and, while there is undoubtedly a strong customer focus at Discovery Vitality, and the company as well as those interviewed, prides itself on superior customer service and experience, this co-creation of customer value is yet to mature (von Stamm, 2004).

Figure 2: About Discovery Ltd.

Discovery Ltd., (2016)

As noted above, the Discovery Vitality leadership is clear that the intention of the company is to enhance the lives of members (figure 2 above), and that any and all changes must align to this overarching vision to serve the client above all else. This philosophy, which is also illustrated in the Discovery Value to Dazzle Clients is identified by participants as the underlying driver of all innovation within Discovery Vitality, with serving the client being the benchmark against which ideas and subsequent innovations are measured to determine if they make sense from an implementation perspective.

However, interviewees noted that Discovery Vitality does not undertake a significant amount of traditional market research within its customer base, with it being stated that "doing proper market research is hard, we do try, and we are even trying to use our own people now but it's not the same" (respondent 12). Interviewees further recognised and acknowledged that there is a potential gap in knowledge where detailed customer perceptions are concerned and that more work in this area may be beneficial. This thinking was highlighted as a lesson learnt after a larger than expected uptake of a recent product launched resulted in severe operational constraints, and "this is where external market

research could have helped a lot, it could have predicted the higher demand and allowed better contingency planning to minimise post implementation issues" (respondent 2).

Respondent 16 emphasised that even though "the external consultation that does occur is not explicit", there is information gathered from other platforms, including social media, branch partner feedback, international academic research and, third party client feedback captured via the contact centre, with "extensive data captured and available" (respondent 6). The rationale for the absence of typical market research processes such as focus groups within Discovery Vitality is that innovation and associated initiatives move too fast, and by the time feedback is obtained the initiative would have moved into a different stage of its evolution, rendering results relatively useless.

In line with the observations above, Patino, Pitta and Quinones, (2012) make the point that:

> The market research profession has been affected by developments in social media. First, some of the traditional research methods suffer from changes in consumer communication patterns. As social media supplant communication methods such as telephony and even email, researchers have diminished capacity to reach consumer subjects (p. 233).

This points to Discovery Vitality's approach to understanding customer requirements as potentially ahead of the curve as their customer base increasingly migrates to an online presence. Historically, individual communication is one-to-one, but with the advent of social media platforms such as Facebook and Twitter, the possibility for one-to many communication has been opened up and is becoming more and more mainstream, which will change the face of market research, where traditional methodologies are experiencing declining response rates (Patino et al., 2012).

Discovery Vitality's research efforts on this basis have, however, resulted in the collection and collation of extensive data as the research platforms they are tapping into are a rich source of data, allowing a more in depth understanding of potential trends and thoughts from a customer perspective (Patino et al., 2012). What makes Discovery unique is how this data is used. The existing skill set in the company is leveraged and the data are used

for very successful research by employing the strong actuarial skills available within the organisation in a different, more innovative way.

Across industries, organisations are recognising the connection between the effective use of big data and analytics and the success of innovations, with an understanding of the potential to leverage technology and consequent ability to not only extract, but also interpret, data through deep analysis identified as a key differentiator when it comes to innovation as the insights gained can determine customer needs going forward (Direction. 2016; Marshall, Mueck & Shockley, 2015). Thus “big data analytics is more than a buzzword in Discovery, the use of data is very important, data is not just collected, it is understood” (respondent 4), and this understanding has provided incredibly useful and insightful outputs, allowing advanced decision making based on data analytics balanced with strong risk analysis (respondent 7).

“Across industries, organisations are realising the power of big data and analytics to solve business challenges and product innovation. In fact, big data and analytics have become crucial for organisations seeking to innovate…” (Direction, 2016, p. 1). Discovery Vitality has certainly bought into this ideology, with the participants being very enthusiastic about the current use of data and “how much more can still be done with data” (respondent 6). There is a defined focus on the generation of useful MI as well as encouraging visibility across the organisation, where data is used to “clarify meaning and translate data meaningfully” (respondent 7) in accordance with strategic imperatives to drive the required innovations.

“According to a recent study, such organizations are reckoned to be 36 per cent more likely to beat their competitors in terms of revenue growth and operating efficiency” (Direction, 2016, p. 1). And it is at this key transition point, where innovation becomes operationalization, that Discovery Vitality faces some core challenges.

4.4.7 *Operational Requirements*

Innovation is not as simple as sporadic creative ideas being generated and innovation simply happening off the back of these, it involves a deliberate focus on what is required

to push the organisation forward (Direction, 2008). Research has revealed that there is a negative correlation between severe workload pressure and the creativity that generates innovation (Foss et al., 2013). Day to day operational requirements were highlighted by the majority of respondents as an inhibitor to ongoing innovation. The constraints can be summarised under two emerging themes, that of day to day operational tasks taking up too much time to allow focused innovation, and that necessary operational support structures and resources are not in place timeously enough to appropriately sustain the initiative post implementation.

A tension can be observed between resources spending their time supporting innovation and the undertaking their business as usual tasks that must be completed, with a balance between these being critical from an innovation implementation and operational perspective as matters such as opportunity costs have to be considered (Johnson, 2001). Therefore, the time and capacity restrictions as a result of everyday operational expectations of resources, both those dedicated to innovation within the hubs and those who are engaged as support at go live, sometimes detract from innovation outputs as time allocation becomes a real challenge. These operational requirements are a huge inhibitor, with “meetings and email communications taking up a lot of time” (respondent 1), resulting in interviewees feeling that they are left with less time to focus on innovation.

Innovation initiatives should not be viewed in isolation from the organisation’s core business, and these must be undertaken in the context of the entire range of processes and activities required to add value to clients (Ahmed, 1998). Taking this into account, post implementation support was raised as a key inhibitor by a number of interviewees, with the concern that the company innovates at such a fast pace that “the day to day practicality of a solution is often an afterthought” (respondent 3), with the operational resources being heavily impacted when any product is launched, and “even more so when the planning of implementation is not spot on” (respondent 6). This speaks to the perceived lack of internal collaboration with operational and support teams at the beginning of innovation initiatives, with the idea that including these stakeholders will allow the identification and therefore proactive management of capacity and other constraints to reduce the impact of initiatives at go live.

The majority of interviewees identified factors related to beurocracy and size as creeping in to the company unnoticed, with respondents saying that they are often asked to do additional work, while “bringing people, the ones who don’t know about the project but have to work on it, up to speed after the fact takes time away from new innovations” (respondent 10). It is also clear that resources are highly leveraged and have a lot to do, and there is a view that there is not always leadership alignment in terms of “understanding the reality of how much work there really is”.

A certain level of work pressure has been observed to drive innovation if this is understood to be a result of a thought-provoking problem that needed to be solved through creative thinking (Foss et al., 2013). In this regard, a very interesting slant on the concept of operational requirements coming out of the hubs is the existence of an opportunity to use the experience gained by those who are the most restricted by operational requirements, the contact centre employees, to inform innovation initiatives from a practical perspectives given their day to day interactions with members. This view is closely aligned to the previous discussion regarding internal collaboration, with a view to optimise the time of both operational and innovation teams by introducing information sessions where the practical information obtained on the ground can be shared and used from a strategic perspective. This idea also touches on integrating the support teams into the innovation process at an earlier stage as this is often neglected and results in increased operational requirements as post go live fixes are very disruptive.

Research has pointed out that companies who actively pursue technological innovations typically implement corresponding organizational practices (Mothe & Thi, 2010) and this is certainly the case with Discovery Vitality, however, there appeared to be a level of misalignment in this regard, with another clear, and very concerning, inhibitor to innovation is that of system dependencies. There is a perception that the system components required for successful innovation implementation are often an afterthought, leading to delays due to development requirements not being understood as the system teams are engaged very late in the innovation process. In addition to this, those initiatives which involve partners have an added layer of complexity as there is a requirement to integrate third party systems for successful delivery.

From a system perspective there was another prevailing concern as far as the implementation of innovation projects is concerned, that of post implementation fixes, which may also be linked to the post implementation support challenges discussed above. Due to the speed of implementation the system is often not appropriately configured and ongoing fixes are required as and when defects are identified. These fixes typically take the form of patching, with the intention to return at a later stage to correct these, however, with the fast pace of innovation and change within the organisation this is not prioritised as other, newer initiatives are tabled and given precedence.

4.5 Conclusion to the results and discussion

The research question was:

What are factors that influence innovation in a large organisation?

The proposition outlined at the beginning of the research was validated through interviews with participants across the organisation, with factors that influence innovation being confirmed as:

- Culture of Innovation
- Leadership Support
- Creativity
- Internal Collaboration
- External Collaboration
- Operational Requirements

CHAPTER 5. CONCLUSIONS & RECOMMENDATIONS

5.1 Introduction

The research undertaken within Discovery Vitality aimed to determine factors which influence innovation.

Sixteen respondents were interviewed using a semi structured interview approach and asked to provide their perceptions of innovation as well as the elements which influence this within their context and in accordance with their experience. Content from the interviews provided a final view of the factors influencing innovation, as listed in section 4.5 above.

5.2 Conclusions of the study

Some of the critical, interlinked, themes emerging from the interviews include the culture of innovation that underpins the way Discovery Vitality operates, thinks and drives strategy, while the support of leadership at all levels was singled out as being crucial to the success of innovation initiatives through ongoing support and willingness to assist where necessary.

Elements which were found to detract from Discovery Vitality's ability to implement effective innovation include the requirement for broader, well timed internal collaboration, particularly from an operational and system team perspective, with the current development of a more structured and better defined approach to the eventual implementation of innovation being cited as the mitigation for these existing concerns through the management of certain aspects of operational requirements.

In line with the outputs of this research, the initial model of factors which influence innovation (Appendix C) was reviewed and revised during the research process, evolving

into an innovation factor process model as presented in Appendix D. This revised model will be discussed by way of some of the conclusions derived from the research.

The study validated the factors which help and hinder innovation as identified during the literature review, with these factors being recognised as influencers of innovation, meaning they may either help or hinder depending on the context.

The revised model depicted in Appendix D illustrates innovation as a process within Discovery Vitality, with the six factors as central to such. The overall organisational strategy, as touched on during the study, underpins this innovation process and is the principal component of the kick-off of any innovation initiative within Discovery Vitality, with this strategy being informed by the underlying culture of innovation and the leadership. Moving into the design phase, which is guided by the same culture of innovation and leadership support, and further bolstered by strategic alignment, the factors of creativity, internal collaboration, external collaboration and operational requirements come into play and shape the innovation initiative.

An important point highlighted in this model which pulls the key themes from the study together is that of innovation being an iterative process, with a fluidity allowing creativity to continuously inform the development of the initiative, relating back to the learning culture encouraged within Discovery Vitality. Innovations in this context thus continuously evolve, and the move from creative thinking to the final implementation of the innovation cannot be seen as linear. Another aspect that was prominent within the research is that of operational requirements from a post implementation support perspective, an area highlighted as one where Discovery Vitality may have room for improvement. The initiative must have a clear conclusion in mind and this includes the appropriate support required being in place, relating to internal collaboration, where key stakeholders across the initiative must be identified and leveraged appropriately to facilitate this outcome.

5.3 Recommendations

The study has identified the primary factors perceived to influence innovation, and the findings from this research are thus considered important as per the determination in the literature review that more than half of innovation initiatives undertaken end in failure despite innovation being a necessity for the survival of business in our global economy.

The study investigated factors which influence innovation both positively and negatively, with a number of interesting findings emerging. The researcher consequently recommends a more in depth understanding of the changing landscape of market research as this applies to Discovery Vitality, specifically with the advent of a more technologically empowered customer base, as well as how this may be leveraged from a competitive advantage perspective. This is particularly pertinent as Discovery already has what can be a significant presence from a digitalisation standpoint and should easily leverage off existing innovations in this space in support of this evolving customer base. Furthermore, the definition and understanding of innovation versus operational efficiencies should be clarified and possibly revisited within Discovery Vitality's future innovation programmes.

5.4 Suggestions for further research

There is extensive research being focused on innovation, and this study was undertaken to develop a better understanding of those factors which have an influence on innovation. The following areas are suggested for future research:

- Extending the population to include other companies within the Discovery group of companies

The current study was limited to respondents within Discovery Vitality, and therefore there exists an opportunity to extend this research to include further input from internal role players within other Discovery Ltd. companies, with the objective to review and correlate findings from this study with those across the organisation. Recommendations in terms of the design, development and implementation of innovation initiatives across the Discovery group of companies could then be extrapolated from these findings.

- Understanding the role of culture and leadership in promoting innovation

The current research identified culture and leadership as the two most significant factors to influence innovation. New studies may be undertaken to develop a more comprehensive understanding of the relevance of these two elements to innovation, with the aim of determining the rationale behind their perceived importance to successful innovation.

Potential research questions include:

What are the factors that support a culture of innovation?

What are the leadership styles which increase innovation?

- Repeat the study in other sectors

This research was narrowly focused on a single division within a larger holding company in the financial services and insurance industries. A new study may be undertaken in a different industry to investigate whether the identified factors influencing innovation are generally perceived to be the same and to highlight and significant differences.

- Research factors influencing innovation in entrepreneurial companies

This research identified elements of an entrepreneurial culture and mindset within the leadership and overall organisation, and it may be of value to repeat the study in a smaller entrepreneurial organisation.

5.5 Concluding Remarks

In conclusion, innovation is, and will remain, a complicated concept to unpack to the fullest extent. However, it remains clear that innovation has become a critical driver of success within the current and future business environment on a global scale. This study aimed to identify factors which help and hinder innovation in an organisation which is highly regarded as a leader in this field, and though this objective was achieved, the field of innovation cannot be fully understood through these alone. Rather, the six factors discussed in this study should be viewed as the building blocks for successful innovation

and used as a foundation for organisations to build on in order to mould their own unique approach to the successful implementation of innovation.

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Appendix A: Request Letter to Respondents

Dear *(Respondent Name)*,

I am an MBA student at Wits Business School and am currently completing my research report in order to fulfil all requirements for the Masters degree. I was referred to you by *(Referral Name)* and kindly request your assistance in completing my research by affording me an opportunity to meet with you.

My research topic is entitled: “Factors that help and hinder innovation in a financial services – insurance organisation in South Africa”, and is motivated by your company’s reputation. A review of current literature has been undertaken and it is my intention to identify those factors playing a role in innovation within the context of Discovery Vitality.

I expect requiring approximately forty five minutes of your time to conduct the interview, which will be in the form of a semi-structured interview. I will ask you to share some of your experiences and thoughts regarding innovation and how these apply to your working environment.

I will gladly provide you with a copy of my findings upon completion of my research and will ensure that your name will be kept confidential in the research report.

Thank you in advance, I look forward to meeting with you.

Yours faithfully

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Appendix B: Interview Outline for Respondents

Factors that influence innovation in the wellness division of a financial services – insurance organisation in South Africa

Details of the interview:

Date: _____

Time: _____

Respondent Name: _____

Role: _____

Tenure: _____

Interview Protocol:

Thank the respondent for taking the time to meet and be part of to the research. Note that the research is purely academic in nature and note that the researcher is a management consultant, emphasising that no innovation projects have been or are being undertaken.

Refer to both the e-mail and follow up telephone conversation requesting the interview and provide general background to and information about the research:

- Innovation is an important area of research with a number of global and local studies having been conducted.
- The research aims to identify the factors that influence innovation in the wellness company of a financial services – insurance organisation in the South African context.

- Discovery Vitality is branded as an innovative organisation and was thus selected as an appropriate environment to conduct the investigation.

Clearly state that the interview is being solely conducted for purposes of the current research report and reiterate that respondents will remain anonymous.

Provide a brief explanation as to semi-structured format of the interview.

Ask the respondent for permission to record the interview and state that the recording will be not be transcribed and that no transcription will not be attached to the research report as an appendix.

The interview notes and recording will only be used as input into the overall findings of the study.

State that the recordings and interview notes will be stored in a safe location and that they will be deleted six months after the research report has been submitted.

Background information:

Provide the respondent with the interview factor categorisation blueprint as a reference document.

Ask the respondent some factual information about themselves and the company:

- How long have you been with Discovery?
- What role are you currently in?
- What part do you view innovation playing within the organisation?
- What part do you think innovation plays within your current role?

Question one:

How do you see innovation within Discovery? How would you describe it?

(Probe: Ask about the role of innovation in competitive advantage i.e. keeping Discovery ahead of the pack)

Question two:

How successful do you think innovation is across Discovery? Please give some examples.

Question three:

What sorts of things does Discovery do to keep the pressure on for more innovation?

(Probe: What is the process of generating new ideas, and how are these are used to drive innovation?)

Question four:

From your perspective, what do you think makes innovation work within Discovery?

(Probe: Show respondent blueprint matrix outlined in Appendix C and ask about innovation as related to these areas)

Question five:

What would help you personally to be more innovative?

Question six:

We've spoken about what promotes innovation, can you think of anything that works against innovation?

(Probe: How can these challenges be removed)

Question seven:

Do you think there is any way that Discovery can improve on the delivery of innovation across the organisation?

Question eight:

Please will you take a look at this list of factors believed to help innovation and rank them in order of importance?

(Probe: Use Appendix C as reference)

Question nine:

Would you like to add anything else about innovation within Discovery?

Question ten:

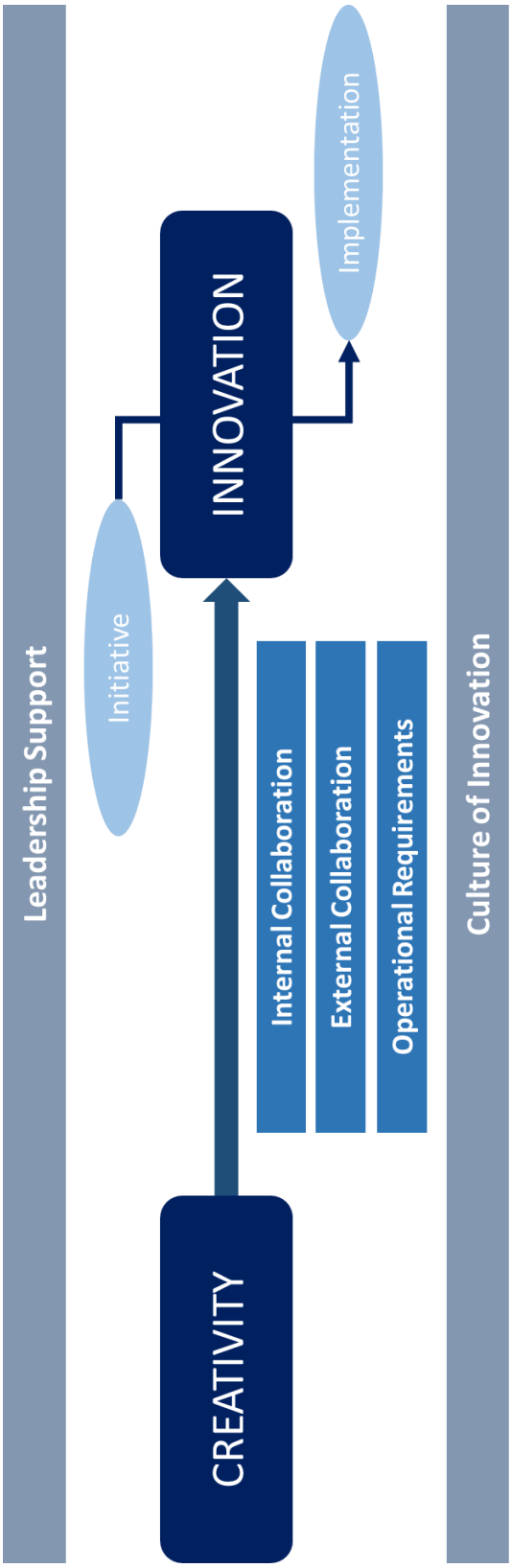
How would you rate Discovery compared to other organisations when it comes to innovation?

(Probe: look at tenure and ask about other organisation they have worked with)

Closing remarks:

Thank the respondent for taking the time to meet with you and offer a copy of the report once it is completed.

Appendix C: Innovation Factor Categorisation Blueprint



Appendix D: Innovation Factor Process Model