

Introducing Entrepreneurial Innovation & its Importance in Organizations

How does entrepreneurship contribute to organizational success?

Entrepreneurship is defined as the act of taking risks or starting a new venture, often through innovation. In today's competitive environment, organizations often seek out entrepreneurs who possess innovative ideas, skills and capabilities. While some believe that entrepreneurial innovation is only applicable within a startup context, others claim that it should be applied across all levels of an organization.

Entrepreneurship has become increasingly important to businesses around the world. The ability to innovate and create value is essential to survive and thrive over time. This means that everyone from executives to line workers need to embrace entrepreneurial thinking.

Innovation is important across all industries. Innovative entrepreneurs are individuals who have the capability of creating and bringing innovative products to the market. Innovative [entrepreneurship](#) can help professionals develop ideas to run businesses successfully. Understanding this concept can help you become a successful innovation entrepreneur.

Here's an overview of entrepreneurial innovation and the importance of innovation in an organization

Innovation: what does it mean?

Innovation starts with a new idea or planning which is unique in its way. It could be a plan for an improved product or service or an updated method for running your new business model. Innovation must also be useful. Creative ideas don't always lead to innovations because they don't necessarily produce viable solutions to your problems.

Innovations don't have to be the main idea in technology or new [business models](#); they can be as simple as upgrades to a company's customer service or features and even a unique product.

There are 2 types of Innovation

- Sustaining innovation: Sustaining innovation enhances an organization's processes and technologies to improve its product line. Basically it is pursued by businesses that want to stay atop their market.
- Disruptive innovation: Disruptive innovation occurs when [small-scale](#) companies challenge bigger businesses. It can be classified into groups depending on the markets those businesses compete in.

The most successful companies incorporate both types of innovation into their business planning. While maintaining an existing position in the market is important, pursuing growth, also helps protect a business against other companies affecting its standing.

The importance of innovation in business

- Innovation is often necessary for companies to adapt and overcome the challenges of change in society.
- You can achieve organizational and economic growth

through innovation is key to staying afloat in today's highly competitive world.

- It separates businesses from their competition in the market.
- To effectively solve business problems, it is imperative to use innovative ideas and internal sources. At first, it might seem like a difficult task, but it is considered to steer your business in the right direction.
- Innovations in business are the increase in productivity, processes, business models, novelty, creativity, and uniqueness. That is also helping in making the business stand out from the rest of the market contributing to increased revenue and market share.
- Thinking innovatively or creatively can help develop unique [marketing campaigns](#) which will help in increasing market share and revenue, giving the company a competitive advantage.

What is entrepreneurial innovation?

Entrepreneurial innovation is the ability to create or develop a new idea or invention, take it through the development phase (prototype), into production, marketing and distribution, and finally, to measure the outcome of those activities. An organization that incorporates entrepreneurial innovations into existing processes is able to generate a sustainable competitive advantage.

For example, companies such as Google, Amazon, Facebook, Microsoft, Apple have innovated to stay ahead of their competition. By leveraging these types of innovative solutions, these businesses have remained successful over time.

Entrepreneurs upgrade their products by creating new ideas and

values. Innovative entrepreneurs incorporate various business strategies to overcome the challenges in their businesses.

Innovation plays a crucial role for entrepreneurs

1. Innovation Helps Meet Customer Expectations.
2. Innovation provides solutions to solve certain problems in your business. It helps entrepreneurs to think outside the box this way they can deal with solving stubborn issues and come up with effective entrepreneurial solutions.
3. To become more productive you need to start finding new innovations and processes for that you have to work smarter. When you think innovatively, it becomes very easy to bet competitively. If you put in your creativity, you will easily come up with revolutionary ways to design products and connect with customers.
4. Innovation helps you to implement the best marketing techniques that will help your business grow.

Types of innovative entrepreneurs

1. Social entrepreneurs

A social entrepreneur is a person who can solve social problems and develop effective strategic plans to resolve them. Social entrepreneurs have visionary thinking that helps them to motivate others to work together to develop and implement new and creative ideas.

2. Startup entrepreneurs

Have innovative ideas and provide employment opportunities to them. A startup can provide opportunities to gain new skills

that can help professionals to excel in their careers. They often use innovative marketing strategies to promote their businesses.

3. Enterprise entrepreneurs

Find innovative ideas and strategies that can help the company maintain, manage or gain a reputation in the market. They aim to find new opportunities and take advantage of them to profit for the company. Some essential skills to become an enterprise entrepreneur are great innovative thinking, organisational skills, willingness to take risks, attention to detail and excellent marketing skills.

Skills of innovative entrepreneurs

Innovative entrepreneurs possess different skills that can help them to develop innovative ideas and plans to enhance the reputation and profit of a company in the market. Here are some skills that can help you become an innovative entrepreneur:

1. Knowledge about the industry.

An innovative entrepreneur may require a good understanding of the industry. This can help them to understand how the market is going to affect the performance of the company. Innovative entrepreneurs use their knowledge of market trends to understand working strategies.

2. Great communication skills

Innovative entrepreneurs can build strong relationships with other professionals in their industry with good communication skills. This can help them to effectively communicate with team members and find solutions that can help in improving their business and implementing strategic plans.

3. Strategic thinking

Strategic thinking can help innovative entrepreneurs maintain a clear vision. With strategic thinking, entrepreneurs can bring something new and innovative to develop the company in keeping up with the latest market trends.

After creating strategic plans, creative entrepreneurs have a clear vision and then they collect all the necessary resources to avoid any possible issues that may impact the company's success.

4. Networking

Innovative entrepreneurs use their networking skills to connect with different people in the industry. Building a strong network and the ability to connect with various kinds of people can help innovative entrepreneurs to find the best resources for the company.

Here are some tips for becoming an innovative entrepreneur

1. Developing [financial planning](#) can help entrepreneurs in preparing their companies for any financial crisis. Find the areas of financial requirement and decide which strategies and plans can help in developing finances.
2. Innovative entrepreneurs may pitch their project ideas to investors and other professionals and they are willing to accept feedback that can help them to improve the products and services they sell to customers.
3. Developing patience can help you more effectively collaborate with other professionals and develop new business ideas. You can develop and contribute new ideas to the pitch.
4. Promoting your business can help the customers and consumers know what values and types of products or

services your business can offer. Entrepreneurs can take the help of social media marketing to promote their company on online platforms.

Summary

Innovation is very important in entrepreneurship in the competitive market. Innovative ideas are what will differentiate you from the rest of the people. To create a remarkable product, a strong brand and build your customer network, you need to innovate.

Creating innovation requires knowledge, creativity and willingness to challenge what is established there in the market. Innovators may take an existing product, analyze the change in the needs, improve it, modernise it and make it perfect for their customers.

Successful innovation should be a part of your business strategy, making a startup competition.

FAQ's:

Must read article:

- [How business development is different from sales?](#)
- [The Finance Industry: An overview of its types, principles, and basic concepts](#)
- [Tilak Mehta's Success Story: An Indian Entrepreneurial Tale](#)