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Strategic Orientation Towards Innovation Management: A Study Of A Small & Large Industries

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ABSTRACT

Innovation is an essential component for an enterprise (small and large) for a long run survival in a market. Small firms enjoy various benefit of flexibility to change, high motivation, lack of bureaucratic control etc. but still in comparison to large companies they lag in terms of generation and implementation of new ideas. The present study is an attempt to investigate the role and the impact of strategic orientation towards innovation management. Taking a sample of randomly selected 30 small and large industries a content analysis has been done to identify the levels of strategic orientation towards innovation for small and medium enterprise sector visa-vislarge-scale industries. The study found sufficient evidence of more focused approach in large-scale organizations vis a vis small-scale organizations as has been found using content analysis. A total of 24 keywords relating to Innovation have been identified using numerous studies. A thorough analysis of 6 main documents of strategic importance as common to both types of companies has revealed a significant difference among two types of organisations towards innovation as an approach.

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1.INNOVATION

Innovation is the transformation of creative ideas into existence. It is broadly defined as commercialization of new ideas. The sole origin of innovation lies in transformation and revolution. It is multidisciplinary and multidimensional in nature. For the long-term survival and to take a sustainable position in the competitive era, innovation acts as a nerve cell of sustainability. It not only creates value for the business rather it adds value for the economic environment as a whole. Innovation acts as a driving force through which a firm can achieve the competitive advantage which ultimately leads to better future. An organisation with the core strategy of innovation can penetrate the market faster and can grab the unidentified opportunities. However, it is a continuous process to achieve the desired goal of the organisation effectively and efficiently. The strength of innovation depends upon various antecedents such as senior management cooperation, dedicated innovative resources in the organisation; diversity in team, research and development intensity and the most important is extensive knowledge and information access. As every coin has two sides, the main hindrance in the path of organisation to innovate is its inability to take risk, reluctance to change, lack of conceptualisation and operationalisation. According to conference board of Canada, innovation is a process by which economic and social values are gained through extensive knowledge, diffusion and transformation of ideas. Innovation act as a antagonistic and obligatory tool in achieving the desired competitive strategy. Generally, the main sources of innovation include in depth study of market, regular interaction with customers and improvising company's own **clorts** and flaws. Rather, innovation is the only antecedent a management can considerably control. According to **Damanpour(1991)**, "the performance and effectiveness of the firm is aggrandized with the adoption of innovation". Business generally opportune all its strategic challenges through innovation. Innovation is the only gadget to grow the shares of the organisation in the existing market and to infiltrate into new market and to upsurge the quality of life. The core revitalization process in any organisation is pictured through innovation. According to **Wong et al (2008)**, "for the betterment of the organisation and its stakeholders, innovation is an efficacious application of processes & creates products that are neoteric to an organisation." The mechanism of innovation needs distinctive management, research marketing and engineering. According to **Tornatzky and Fleischer (1990)**, "a careful attention to personal, organisational, environmental and technological context is necessary within which it takes place to understand the innovation."

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2.STRATEGIC ORIENTATION

Strategic orientation is acting as per the strategy, vision, mission, plans and values of the organisation. It deals with long term thinking process. It is a pattern of responses that an organisation fabricate to changes in its operating environment in order to achieve the desired performance and to avail the benefits of competitive advantage and value creation. The main dimensions on which strategic orientation focus upon are competitor, customer and technology orientation. It is the path an organisation plans to follow to achieve a level of market share and productivity. It plays a vital role in increasing the profitability, organisational capabilities and the financial performance. According to **Hambrick (1983)**, “strategic orientation leads to high degree of consistency as it guides the organisation ongoing alignment with its environment and ultimately shapes the internal policies and procedures.” It provides a way to the organisation to achieve a unique position in the marketplace. Strategic orientation provides a direction to pinpoint the opportunities for providing value products, better services to customer and to spawn higher profits, which helps in achieving the stated goals. Strategic orientation echoes the operational, entrepreneurial and marketing posture. It provides an elucidation to the obstacles and ameliorates the organisational performance. According to **Narver and Slater (1990)**, “strategic orientation is carried out by the firms in order to devise the proper behavior for unceasing remarkable performance of the business.”. The performance of an organisation is indicated through the strategic orientation. Systematised coordination and strategic orientation in a firm support in availing the advantage of making new product successful in the marketplace. **Noble Sinha and Kumar (2002)** specify that strategic orientation stipulates marketplace priorities and pilots a company demeanor. A clear-cut strategy helps the organisation to provide quick fix to obstacles, creates unique proficiency and lift business performance. To assure the validity and performance of the firm and to clout the activities of the firm strategic orientation act as a preeminent principle. To take a position in the market and to exploit the opportunities an organisation needs to imbibe innovation in strategic orientation.

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3.OBJECTIVES OF THE STUDY

The study primarily focuses on achieving following two objectives:

1. To identify the keywords for measuring innovation as a part of strategic orientation of a company.
2. To compare the strategic orientation towards innovation management for large companiesvis a vis small companies.

4.REVIEW OF EXISTING LITERATURE

4.1Innovation And Key Factors Affecting It

Drucker, P. F. (1987) in his seminal work stressed upon the role of innovation to create a purposeful, focused change in any enterprise. According to Drucker, a successful innovation starts with analysis of source of new opportunities. The key to successful innovation is its simplicity and presence of focus. Outside an organisation there are multiple opportunities as sources of innovation such as intellectual environment, demographic changes, change in the knowledge and perception. An unexpected source of innovation is organisational failure or success. Echoing a similar sentiment**, Tohidi, H., & Jabbari, M. M. (2012)** explained innovation as the key to success for every organisation. It is a process that begins with generation of ideas. Innovation can appear in any of the forms such as commercializing of new product or service, developing new source of supply, introduction of new production process. Innovation is defined as the series of vast change in the activities of the business which brings improvement in the firm performance. Thus, innovation act as a very important tool for most of the complex organisations. Demystifying innovation, **Suroso, E., &Azis, Y. (2015**) emphasised upon the importance, types and measurement of innovation. Innovation acts as a push factor for economic development, increase in productivity and long-term competitive gain. It is a multidimensional process which creates business value. This study classified different types of innovation as per the output. Technological innovation is concerned with adoption of new technology for long run success. Whereas the marketing innovation deals in implanting of new ideas, bringing change in the product, design in order to increase the sale. Product innovation is concerned with development of new product or service which is new or improvised of existing one. Lastly the process innovation deals in bringing significantly new production and delivery methods. Author also emphasized upon the two main streams of innovation measurement, firstly

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the input and the output measurement .The input indicators are generally controllable by the organisation and includes intellectual, human, technological capital whereas the output indicators are generally the non-controllable factors and include patent numbers, patent quotes, and percentage of sale with innovation. The second innovation measurement is the metric and methodologies that can be measured through the reviews, interviews, factor analysis, cluster analysis, Delphi and survey method. Further explaining innovation, **Becker, S. W., &Whisler, T. L. (1967)**in their pioneering study postulated that the early adoption of ideas lead to innovation and is achieved through cooperative group action. If an organisation has made a change which has not been done earlier, it is classified as an innovation for them. With the high rate of technological change opportunities and incentives for innovation increases However, on the other hand, high rate of growth in the community provides the environment which increases the growth of an organisation and further stimulates the innovation. Basically, there are four stages which lead to implementation of innovation that starts from stimulus to conception to proposal and finally leads to adoption stage. Many empirical studies conducted over the period of time have identified large number of internal influencers as antecedents to innovation. First ever such study has been **Mohr, L. B. (1969)** who elaborated upon large number of endogenous and exogenous influencers influencing the rate of innovation adoption. Mohr (1969) identified the main predictors that influence the readiness to adopt new behavior patterns. The study concluded the size of the organisation and the organisation wealth as most commanding influencers. However, size of the organisation influences innovation in the presence of motivation, resources and the obstacles to innovation, as, innovation is the multiplicative function of motivation to innovate and maintain the balance between the hurdles and the resources. Various other factors such as cosmopolitans, complexity, formality, decentralisation, absence of dominating power and changing environment followed by technological changes and the customer's needs also push an organisation to adopt the innovation. Following this, Inanother path breaking work**, Cohn, S. F., &Turyn, R. M. (1980)**identified characteristics of firm as the major hurdle in the step of innovation adoption. Basically high level of complexity and low level of formality and centralization provides a significant way in adoption of innovation. Higher the level of complexity promotes the generation of new ideas and enhances the job performance. On the other side, low level of formalization furnishes flexibility and further encourages in performing the task in a superior way. Further on, low level of centralization further leads to more active participation which help in decision making thereby

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ultimately leads to adoption of innovation. **Hult, G. T. M., Hurley, R. F., & Knight, G. A. (2004).**emphasised that the only factor that the management has the considerable control is the innovativeness. It provides the solution to the business problems and provides a way for the success of firm in future. The innovativeness depends upon the three main antecedents that is the market, learning, entrepreneurial orientation. Firstly, to demonstrate the concern for the market orientation is defined as the culture aspect and is the latent construct indicator are the value, beliefs and symbols second is the learning orientation which focuses on the new product development in the organisation. And the third antecedent through entrepreneurial orientation corporate orientation and goals can be achieved if it imbibes strategies and action that a firm can undertake. It act as a process, practice and decision making activity. Thus, to improve business performance a management should cultivate an organisation culture that embodies all these three antecedents. However, the antecedents of innovation can be different depending upon the level and degree of innovation. Most of the empirical work classifies innovation as incremental and disruptive innovation. As per **Rothwell, R. (1992)**.for radical innovation, the emerging innovation programme needs to be flexible whereas incremental innovation can be introduced using the existing procedure and the culture. Establishment of strong communication network, effective functional integration, careful planning, powerful management, presence of powerful product champions, strong market orientation and careful planning and control procedure are the different antecedents for successful innovation. Other strategic factors for sustained corporate innovation are top level management support that overcomes the barriers and resistances to innovation. Besides, long term corporate strategy that provides the direction, top management acceptance to take risk, flexibility and commitment towards the project of long term has also been identified to be supporting innovation.

On similar lines**Koberg, C. S., Detienne, D. R., &Heppard, K. A. (2003**). examined other factors that affect the radical and incremental innovation. Those firm that compete in the ever changing environment, innovation is a necessity. Those industries that are dependent on competitive research and development for long run survival and for their competitive advantage, they should seek radical innovation. It encompasses high order innovation which creates new industries, products, markets. On the other hand incremental innovation or first order innovation has a lower scope and impact .It comprises of three broad categories those are procedural, product related and structural. Various antecedents that favor radical innovation are dynamism of environment, intra firm linkages, age/size of firm and the age of CEO. Talking about factors

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internal to the organisation which are supportive of product, process , marketing or management innovation, **Higgins, J. M. (1995).**quoted personal and group creativity along with right technique leading to successful innovation of any kind. Competitive advantage in organisation is achieved through a supportive organisational culture. Innovation needs to be sustainable so as to make it worthwhile and effective. It is a derivation of multiple factors **West, M. A., &Anderson; N. R. (1996)**elaborated the attainment of a sustained organisation innovation through the presence of participative leadership style. Top management values, value of elite members, demography, team heterogeneity and climate leads to sustainable organization innovation. The effectiveness of the organisation is judged in terms of the magnitude, radicalness and the novelty of ideas. Lack of conceptualization and operationalisation are the major hurdles in the way of sustainable innovation. The main antecedent that gives a push to innovation is team size. Team size is considered to be effective when the number of members is sufficient to perform a group task, diversity in team leads to heterogeneity of ideas, clarity of team objectives which enables the development of new focused ideas and cross fertilization of perspectives further boosting the innovation.

Understanding the related dynamics of innovation is an equally important task **Cumming, B. S. (1998)** has emphasized upon exploration of way technology and other development materials catalyze the process of innovation to take place. The study explored opening of new avenues of opportunities through innovation and the role of creativity in infusing innovation at organisational level. The secret of successful innovation can be explored by looking innovation as the process and then to identify its parameters. Role of creativity in fostering innovation is top most. **Tang, H. K. (1998**). in his work stresses out that innovation is application of new ideas. For commercializing or utilizing an innovative product, process or service innovation act as a process for raising the project. The parameter that promotes an innovation is communication, knowledge, skills, guidance and support for raising the project and external environment. To produce novel ideas or things, creativity act as a personal ability that recognize the usual patterns and relations. The creative performance needs knowledge, skills, task motivation and creativity related skills. An organisational innovation depends upon the internal and external environment. The internal environment is described by its organisation structure, culture, climate and its resources. Whereas an external environment that have favorable social and cultural norms produces more innovative organisation. Every organisation has a certain inherent capability to promote and sustain innovation. **Romijn, H., &Albaladejo, M.**

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(2002).defined innovation capability as the ability to explore the need for knowledge & skills to effectively absorb and improve existing technology and to master and create new ones. There are various internal and external antecedents that structure innovation capability. The factors that are internal includes the knowledge, skill, workforce, qualified manpower and the external factor which support innovation capability include close integration between network partners that helps in building the relations. Once implemented, managing innovation is important for achieving a competitive success. **Adams, R., Bessant, J., & Phelps, R. (2006**).emphasized on the management of innovation .The management of innovation consist of seven categories. Firstly it includes input management which focuses on the resources of innovation activities and considers antecedents such as finance, research and development, human and physical resources. Secondly it includes knowledge management which is concerned with utilizing of external knowledge, communicating idea for firm success. The three main areas of it is the management of explicit and implicit knowledge, generation of ideas and gathering of the information. Thirdly is the innovation strategy which defines an organisational posture in competitive environment. It focuses on strategic orientation and leadership. Fourth one is the organisation culture and structure which is important to perform effectively. It describes the way the staff is grouped in the organization culture. Then is the portfolio management which is concerned with giving shape to an organisation by making strategic, technology and resource choice..Then is the project management which emphasis on the process that modifies the input into marketable innovation. The main area that it emphasis is project efficiency, communication, collaborations. The last category of innovation management process is the commercialization which is concerned with making a product commercially successful it focuses on the market research, testing and sale.

4.2Small Scale Vs Large Scale

The need for innovation at organisational level can't be overemphasized. However, the need is to identify the differences among different size units in terms of level, type, intensity and sources of innovation**. Acs, Z. J., &Audretsch, D. B. (1988).**identified large firms as having above 500 employees and small firms having less than 500 employees. The study suggested lot of differences among small firms and large firms vary in terms of quality of innovation. The author suggested both types of firms respond different in economic and technology environment. The main antecedent that influence and promote the innovation is advertisement,

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capital intensity, skilled labor and research and development. Innovation activities are hampered through unionization and with the increase in the level of concentration. In small firms, innovation activities are relatively on the higher side within the industry where skilled labor is there and there is only a small share of such firms.

Identifying the role of small and large firms in promoting innovation, **Tether, B. S., Smith, I. J., & Thwaites, A. T. (1997)**.Suggested that both large and small firm play different role in innovation. The dynamic complementary differ between the large and small scale enterprises. Smaller firms are the important source of innovation as they are responsible for more innovation implied by their research and development. Thus, their proportion of innovation is larger than their share of employment. However, the value of innovation is not correlated with the size of the firm rather it is based on the assumption that the innovation increases with the size of innovator.

The scope for radical innovation clearly lies with large firms as reported by**Chandy, R. K., &Tellis, G. J. (1998)**.The study emphasized that the firm size and willingness to cannibalize is the predictor of radical product innovation. Radical product innovation is important for the competitive advantage and for better performance. It leads to higher and long lasting profits. Firm size is one of the important antecedents that lead to radical product innovation. Large firms innovate more intensively than the small firm as they enjoy the benefit of having greater access to financial resources, economies to scale in research and development. But on the same side large firm are exposed by certain hurdles such as bureaucratic control, less willingness to take risk, and become slower to react. Other antecedents that leads to radical product innovation is willingness to cannibalize specialized investment, product champion influence ,future market focus and internal market all this leads to willingness to cannibalize which further leads to radical product innovation.

Similarly **Freel, M. S. (2000**).identified large firms being more exposed to radical or fundamental innovation whereas the small firms are more responsible to initial market diffusion and near to market development. Small firm faces various barriers associated with finance, marketing and management, information and skilled labor. Marketing and management deficiency leads to poor planning and financial evaluation, lack of expertise, discontinuity of management. Further small firms' faces obstacles due to the shortage of skilled labor they are unable to match the wage rate and career development opportunities compared with large firms.

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Lastly, it is the lack of information and linkages which leads to over specialization and lack of robustness among small firms.

Stressing upon the differences between large and small firms,**Hadjimanolis, A. (2000)**concluded that large firms are innovative in capital intensive industries with economies to scale whereas small firms are innovative due to high percentage of skilled labor. Small firms have the feature of scarce resources, informal communication and low market influence which makes them different from large firms. The strength of small firm lies on their behavioral characteristics such as motivated management, flexibility to change. There are various antecedents that influence the innovation those are the characteristics of organisational members, firms and the environmental factors that include intensity of competition, level of networking, importance of external barriers and environmental change.

Further identifying the reasons for lack of innovation among small firms, **Ussman, A., Almeida, A., Ferreira, J., Mendes, L., & Franco, M. (2001).**Identify various difficulties that small firm faces. A set of organisational conditions that helps in the development and the execution of new ideas are necessary for the successful innovation. Due to shorter development cycle and near to market small firm have greater capability to innovate moreover they manage their technological knowledge and know how in more systematic way then large companies. Flexibility, simple organisation structure, low risk enables them to be innovative both internally and externally. But on the other hand large companies are more dynamic having greater diversity of capabilities, better marketing channel and economies to scale. The spirit of innovation falls down as the size of the firm increases. There are many antecedents that act as a hurdle for small firms while innovating those are related to environment, dimensions, internal culture, information and institution due to which small firms lags. Similarly,**Beck, T., &Demirguc-Kunt, A. (2006).**Shed light on reasons for small firm lacking in their contribution towards economic growth. The author identifies small firms to have less access to finance as when compared with that of large firms. Secondly the institute and market failure hinder their growth and thereby poor business environment affect the performance of small firms.

The promotion of innovation at large scale industry is mainly dependent upon type of innovation. As per **Koc, T., &Ceylan, C. (2007).**The key components emphasized the product and process innovation. The main antecedent that leads to innovation in large firm are the technological environment, idea generation and exploitation of technology. The large firms are having technology strategy in business plans that lead to the improvement of competitive

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position. Idea generation, formal and informal generation of ideas improvises the number and quality of ideas. Lastly technology acquisition and exploitation large firm have the capability and capacity of having research capabilities (scientific knowledge), access to advance technical know how's and adoption of high technology. On the other hand Massa**, S., & Testa, S. (2008).** identified small firms as important developers of radical innovation. Various antecedents that influence small firms are the ability to utilize external network, scare bureaucracy, astute alliance, greater customer knowledge and operational expertise. However, small firms are exposed to hurdles in terms of limited resources, less capability to use research and development activities, weak external contact, and reluctance to delegate authority, over involvement in operational level decision. Comparing small firms with large firms**, Mishra, M., & Sahay, A. (2010)**. emphasized on innovation as a key tool to create a winning organisation globally. There are various attributes that enables the innovation which is related to culture, employment, environment, management, network. The authors also distinguished larger companies having high sale turnover are found to be having better knowledge understanding about business process and have more organized innovation climate whereas small firms with low sale having low manpower strength ,low management bandwidth and weak innovative culture are not in a position to accommodate innovation.

4.3Strategic Orientation

In their paper **Mishra, M., & Sahay, A. (2010).** emphasizes firstly on the relationship between strategic orientation and the corporation that is the analyzers, prospectors and the defenders. The prospector firms are those firms that seek out the market opportunities and product very actively, defenders firms are those firms that play a very safe game in the market they carry out a very stable and safe niche. Lastly the analyzers firms are those that use the attributes of both the analyzers and the defenders. and the study come up with the conclusion that when the prospector are being compared with analyzer they have stronger market and outsider orientation but when they are compared with defender they have stronger production , research development and outsider orientation but have weak finance orientation. Secondly they emphasis on the relationship between strategic orientation and upper level characteristics and come up with the conclusion that through internal audit of the top level executive can match the strategies which maximizes their strength.

Further Noble, C. H., Sinha, R. K., & Kumar, A. (2002).Firm marketing and strategy making activities are guided through the strategic orientation. Here the author explores out the relative effect of alternate strategic orientation which showcase the managerial priorities of a firm. The study comes up that the organisations which have high level of national brand focus, selling orientation and the competitor orientation exhibits the performance that is superior. Similarly, **O'Regan, N., &Ghobadian, A. (2005).**Sheds light on the impact of environmental perception and strategic orientation on innovation. Strategic orientation gives a roadmap to the organisation ongoing alignment with its environment and also shapes the organisation procedure and the policies. For the strategy formulation and deployment strategic orientation act as a good predictor. It is further classified into two types the defenders and the prospectors. The prospectors have the great awareness to adopt in the operating environment, looking to new opportunities and are engage more in a stable operating environment. Whereas the defenders are more involved in modifying the existing product than to produce the new one moreover they are engaged in short term activities to safeguard their existing market then to emphasize on building the new ones. They are engage in doing the innovation during the turbulent environment. Thus, in a turbulent environment the prospector firm has great emphasis on the process technology and management practices. Encohing, the similar sentiment **Spanjol, J., Qualls, W. J., & Rosa, J. A. (2011).**emphasis that there are different types of strategic orientation such as (competitor, customer, technology) orientation that leads to organisation innovation. Giving a shape to new product ideation specifying marketplace priorities of company behavior is guided through strategic orientation. They also focus out that strategic orientation leads to product ideation outcome that is ideation novelty and volume. The ideation novelty is enhanced through the technology orientation. The competitor orientation affects the ideation through market search behavior. Further for the implementation and commercialization of new product market orientation plays a significant role for it. The customer orientation helps in increasing the ability to provide novel solution in result in heightened ability to respond to customer expressed and latent needs. Stressing upon enhancing the competitive advantage **Kumar, K., Boesso, G., Favotto, F., &Menini, A. (2012)**focuses that Innovation is the key factor for the competitive advantage strategic orientation of company plays a vital role in the innovativeness. In order to enhance the competitive advantage and to improve the performance strategic orientation act as a pattern of response that an organisation make to its operating environment. The difference in innovativeness and strategic orientation in large and small company become relevant when the

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company works in a dynamic environment. The organisation performance of a company is closely associated with the innovation strategy. The strategic orientation of a company is determined in the way the company change their market and product which differs from small scale and large scale firm in the same kind of industry. Large organisations have more slack which allows them to change their strategy. The difference in strategic orientation of large and small firm leads to difference in their performance also. The competitive advantage of small firms is limited to product category because it requires lower level of innovation only. Thus, firm response to change in industry environment is determined through the strategic orientation. Further **Tutar, H., Nart, S., &Bingöl, D. (2015)**.analyses out that to reach higher performance and showing how a job can be performed with the set of values and beliefs is represented through the strategic orientation. Strategic orientation has a positive in creating the value of customer through innovation capability and the market performance. Innovation plays a very vital role in between the market performance and strategic orientation. The main dimensions of strategic orientation are entrepreneurial orientation, risk taking and technology orientation, market orientation further classified as proactive market orientation, reactive orientation. Thus, firm need to recreate their core strategies in form of innovative strategy to achieve the benefit of competitive advantage.

On similar lines **Lee, C. S., Chan, L., & McNabb, D. E. (2017).** explores that in order to achieve the share of market or productivity at some future identified date strategic orientation is the gateway an organisation plans. Strategic orientation has the stronger relationship with competitive advantage. The author explores various dimensions that lead to strategic orientation those are market opportunities, corporate competence, resource available, management aspirations their personal values, aggressiveness, defensiveness, futurity, Proactiveness, riskiness. A firm that is seeking superior innovation than the competitors requires a strong technology orientation whereas the firm seeing for high growth requires the competitive orientation. In the process of making the strategic orientation best the management need to take care of all the catastrophic mistakes. Thus, strategic mission, vision, support of top management should be taken into account for effective strategic formulation and implementation

5.RESEARCH DESIGN

5.1Research Tool

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Content analysis is a qualitative tool used in research to determine the presence of certain keywords or concept within a text or a set of texts. The main advantage of using the content analysis method is to make inference about the characteristics and any other form of recorded communication can be gauged effectively. The main agenda for using content analysis is to make a link between the cause and effect relationship between variables. The researchers opted content analysis to analyse the impact of strategic orientation on innovation management. There are two method of using the content analysis that is manual content analysis and other one is the automated content analysis.

The present study has used manual content analysis in order to analyse the inclusion of strategic orientation in innovation management. Firstly, the researchers identified and shortlisted the different parameters on which the innovation was being measured. Secondly, an exploration was being done for different keywords of innovation For doing this, different documents were being analysed and studied from sample companies' official websites, reports, and articles. Five major documents were being extracted in which the presence of different shortlisted keywords was being measured. Those documents included the vision mission statement, analyst presentation, management discussion &analysis report, board of directors' report and the corporate governance report. The researchers picked up the keywords related to innovation and used them in our study to analyse the inclusion of strategic orientation in innovation management.

5.2Data Collection

The study is based upon usage of secondary sources for collecting the required data so as to compare strategic orientation towards innovation management for large vis a vissmall company. For this purpose, a sample of Bombay stock exchange BSE-30 group of large companies was taken initially. Along with, thirty small companies having low market capitalisation were selected by making peer group comparison with thirty large companies from Bombay stock exchange's website. The above mentioned five documents of each company were downloaded for the financial year 2017-2018 for large as well as small companies. Data was collected manually to find out how many times the word innovation and its keywords were used in each document. In this way data of large companies was collected to compare the strategic orientation towards innovation management. Further on, same procedure was followed for small companies. From the website of Bombay stock exchange market capitalisation was calculated.

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Small company's name was mentioned on the search bar to download its annual report to know about the issued share capital of each company. Subsequently, historical data in form of closing price of the share was extracted and then market capitalisation was calculated by multiplying the closing amount of the share with the total issued capital divided by one crore. By following the whole procedure, the data of 30 small companies and 30 large companies were collected.

6.RESULTS&INTERPRETATION

For the achievement of first objective, the different words synonymous with Innovation has been identified using content analysis. Since, Innovation has been used by different authors in a rather restrictive manner in their writings, the approach was to identify the different perspectives of innovation and use those for the purpose of conducting content analysis. It was necessary to identify different synonyms to innovation and different alternatives to usage of innovation in written, published, public documents of companies. From review of literature of existing studies, following 24 keywords were extracted as being common among majority of studies.

Table 1: Various Keywords As Different Synonyms of Innovation as Identified from Various Studies

ADOPTION	DESIGN	INNOVATION	PROGRAM
CHALLENGE	DIFFERENTIATION	INVENT	SUCCESS
CHANGE	EXTERNAL	NEED	SUPER
COMPETE	FIRM	NEW	SUSTAIN
CREATION	IDEA	PROCESS	TECH
CREATIVITY	INFLUENCING	PRODUCT	VALUE

Source: Various Studies

Once, these words were identified, the next step was to identify the most common documents as specified by various studies which contain reference to or use "Innovation" and its synonyms. The existing literature specified six major documents to be containing such references and hence, the researchers used these documents for content analysis.

1. Vision & Mission Statements
2. Corporate Social Responsibility Report

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3. Analyst Presentation
4. Management Discussion & Analysis Report
5. Board of Directors' Report

	Measures of Innovation	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
Small Scale Vs. Large Scale	1.00	.157	30	.056	.058	30	.200*
	2.00	.180	30	.014	.052	30	.200*
Null Hypothesis 1: The individual variable is assumed to follow normal distribution. *Null Hypothesis Accepted at 5% Level of Significance							

6. Corporate Governance Report

The presence of 24 keywords relating to innovation have been counted manually across the different six documents as specified above for all the 30 large companies and 30 small & medium enterprises. The data so obtained has been tested for following hypothesis:

The present study being a small sample study comparing the data of 30 small companies with 30 large companies. Mainly, independent sample t-test has been applied to understand the difference between small and large companies. Firstly, the test of normality has been applied on the data and the Shapiro-Wilk parameters have been used as data size is less than 2000. The p values of Shapiro-Wilk parameter are more than 0.05, thereby accepting the null hypothesis that the data is coming from a normal population and thereby confirming the application of t test to measure the difference between two samples as taken from small and large enterprises. test as obtained clearly signify the data coming from a normal population with the acceptance of null hypothesis of data coming from normal population.

Table 2 : Test of Normality

However, before applying t test, it is important to test the homogeneity of variances of two samples. For this purpose, F test has been applied using SPSS. Table 3 shows the results as obtained for testing the homogeneity of variances between two samples. The p values of Levene statistic based on mean signify rejection of null hypothesis which basically postulated equal variance or homogeneity of variances across two samples. Thus, it is revealed that the two samples are coming from two different populations having unequal variances.

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Table 3: Test of Homogeneity of Variances

		Levene Statistic	df1	df2	Sig.
Measures of Innovation	Based on Mean	13.618	1	58	.000
	Based on Median	11.682	1	58	.001
	Based on Median and with adjusted df	11.682	1	35.156	.002
	Based on trimmed mean	12.854	1	58	.001

Null Hypothesis 2: The individual variable is assumed to follow normal distribution.

*Null Hypothesis Rejected at 5% Level of Significance

Following that, the independent sample t test has been applied and the results have been obtained as per Table 4. Since, the test of homogeneity of variances has revealed unequal variances across two samples, hence, t test applied has to be interpreted accordingly. As per Table 5, t test for measuring the equality of means values of presence of measures so innovation across different document of strategic importance. The results as signified in Table 5 clearly show the rejection of null hypothesis. This implies a clear-cut difference between the two independent samples as taken from small- and large-scale sample companies. As it was established as per Table 4, the two samples have shown unequal variances, hence, the results of Table 5 have to be interpreted in terms of using the value as given in the second row of equal variances not assumed. Thus, we can see that the very low p value signifying the significance of t test rejects null hypothesis of having s significant difference between small scale companies and large scale companies regarding strategic orientation towards innovation.

Table 4 :Test of Equality of Means Assuming Unequal Variances

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper

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Equal variances assumed	13.618	.000	5.486	58	.000	583	106.26386	370.28978	795.71022
Equal variances not assumed			5.486	34.152	.000*	583	106.26386	367.08127	798.91873
Null Hypothesis 3= There is no significant difference of strategic orientation towards innovation in large-scale and small-scale firms *Null Hypothesis rejected at 5% level of significance									

CONCLUSION

Innovation is considered as an imperative tool for growth of large-scale and small-scale industries whereas to guarantee the performance and validity of the firm and to clout the activities of the firm strategic orientation act as a preeminent principle. This study is an attempt to understand the difference between small scale and large-scale enterprises in terms of making innovation as a priority. The basic hypothesis tested is that large organisations are more strategically oriented towards innovation as they are having more resources and better focus on innovation in comparison to smaller organisations. Availability of dedicated manpower focused on developing newer models of business ensuring sustainability of organisations is the main reason for innovation strategy as their main plank. This has been proved by this study as well. The study concludes presence of higher number of keywords relating to innovation in strategic documents of large-scale companies in comparison to small-scale companies.

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