

INNOVATION PERFORMANCE MEASUREMENT TRIGGERS

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Abstract: *The measurement of the company's innovative performance should be based on a detailed company's analysis focused on innovation processes, the transformation of innovative inputs to outputs, and the analysis of essential business processes that affect the innovation business activities. The main goal of the article is to collect new information and knowledge in the field of innovation management, focusing on the definition of triggers process of measuring of the innovation performance of the company.*

Keywords: *innovation, innovation performance, measurement, triggers, research*

JEL Classification: *M31, O31*

1. INTRODUCTION

Based on the mapping and analysis of global and domestic theoretical knowledge, approaches and opinions, it is possible to define the following primary problems in the area of measuring the innovation performance in the company:

- inconsistent approaches to measuring innovation performance of companies,
- the absence of a comprehensive model of measuring the company's innovation performance,
- the absence of a comprehensive systematic methodology for measuring the innovation performance of the company.

On the basis of the analyses carried out, it can be stated that the identified problems are part of a complex problem, which is the inability of Slovak companies to measure innovation performance due to lack of process, knowledge, organizational and personal ensuring in companies.

The problems encountered relate to each other and affect each other. In general, it is necessary to address the systematic elimination of these problems but also their consequences. Primarily, it is important to focus on mapping, analyzing opinions and approaches to measuring the company's innovation performance. The next step is to identify the common elements of the analyzed approaches to measurement and to identify the relationship, respectively links between innovation performance and company prosperity. On the basis of the identified elements, links, relationships, obtained information and opinions of the authors, it is possible to develop a proposal for a comprehensive model for measuring the innovation performance of the company.

2. INNOVATION PERFORMANCE MEASUREMENT TRIGGERS

In the period from January to November 2016 was carried out research whose primary task was to obtain and interpret information about level of measurement of innovation performance in Slovak companies. The sample consists of 277 managers of medium and large companies operating in the Slovak Republic.

Managers of Slovak companies had the opportunity to express their opinion in terms of the importance they attach to a given triggers process of measuring of the innovation performance of the company. The following triggers were available:

- S1: Entering a new competitor on the market.
- S2: Decline in sales.
- S3: An internal problem formation.
- S4: Formation of the market opportunity.
- S5: Increasing costs.
- S6: Growth of customer dissatisfaction.
- S7: Instruction from the company's management.
- S8: Process inefficiency.
- S9: Introduced system of regular measurement of the innovation performance.

Paret analysis was used to analyze and evaluate the responses of Slovak managers (Table 1). Based on the data obtained, innovation performance measurement triggers were subdivided into three basic groups, taking into account whether the company measures or does not measure its innovation performance.

The first group consists of the "Key triggers" (very important) identified by managers of Slovak companies as a decisive in the process of measuring the innovation performance. These are the key triggers:

- S6: Growth of customer dissatisfaction.
- S4: Formation of the market opportunity.
- S8: Process inefficiency.

Based on these triggers, it is possible to say that managers of Slovak companies place the greatest importance of the S6 trigger - the growth of customer dissatisfaction. Follows the S4 and S8 triggers. From the point of view of the type of trigger, it can be argued that the first group does not have triggers with a financial base, but this group influences the financial situation of the company most significantly. Customer dissatisfaction and process inefficiencies cause increasing of company costs.

Table 1 Innovation performance measurement triggers

Trigger	Point rating	Percentage	Cumulative percentage	Conclusion
S6	342	13.79 %	13.79 %	Key triggers
S4	320	12.90 %	26.69 %	
S8	298	12.02 %	38.71 %	
S2	296	11.94 %	50.65 %	Important triggers
S5	262	10.56 %	61.21 %	
S1	260	10.48 %	71.69 %	
S3	256	10.32 %	82.02 %	
S9	228	9.19 %	91.21 %	Least important triggers
S7	218	8.79 %	100.00 %	
Together	2480	100.00 %		

The second group consists of an "Important triggers" for the process of measuring the innovation performance of Slovak companies. These are the important triggers:

- S2: Decline in sales.
- S5: Increasing costs.
- S1: Entering a new competitor on the market.
- S3: An internal problem formation.

This group includes triggers that can be split into financial and non-financial. Financials include S2 - decline in sales and S5 - increasing costs, which can be linked to a group of "Key triggers". The group of "Important triggers" includes the entry of a new competitor into the market and the emergence of an internal problem in the company. These factors affect the overall situation of the company and its competitiveness on the market.

The third group is consists of the "Least important triggers" which, in terms of importance, does not affect the measurement of the company's innovation performance. These are the triggers:

- S7: Instruction from the company's management.
- S9: Introduced system of regular measurement of the innovation performance.

These triggers for measuring innovation performance are considered by managers of Slovak companies to be irrelevant. On the basis of the research results, it can be argued that the measurement of innovation performance should not be realized solely on the basis of an order from the management of the company. Similarly, the results of the research confirmed that there is no system of regular measurement of innovation performance implemented in Slovak companies. This fact confirmed the placement of the S9 trigger on the last place.

3. CONCLUSION

The measurement of the company's innovative performance should be based on a detailed company's analysis focused on innovation processes, the transformation of innovative inputs to outputs, and the analysis of essential

business processes that affect the innovation business activities. In addition, it is necessary to build on the defined goals and plans of the company, within which the measurement goals are also defined. It is assumed that the goals are in line with the corporate strategy and their performance is periodically controlled.

Throughout the process of measuring a company's innovation performance, it is important to involve company's management as well as other employees in this process. Involving management is very important in terms of planning and conducting activities, developing strategies, defining and controlling the fulfillment of goals, obtaining resources as well as implementing an appropriate innovation performance measurement system. In terms of employee engagement, the company needs to obtain employees views, collect them, and record ideas for process and product improvement, motivate employees to think creatively, delegate tasks, and involve them in decision-making. Equally important is their participation in the process of measuring the company's innovation performance. Based on experience managers and employees are able to assess individual indicators and techniques of innovation performance measurement. Appropriately implemented indicators, methods, and system of innovation performance measurement will bring the company's insight into innovation business activities, streamline innovation and also other business processes, improve customer communication, make space for creative employee engagement in business processes, and so on.

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