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# Methods of Fostering Innovation Competencies. Supporting the Implementation of Organizational Innovation in Businesses Operating on the Polish Market

## Abstract

The article presents the results of research on innovation competencies, defined as those conducive to the implementation of organizational innovations, along with different methods of developing these competencies. In the course of the research, seven structured interviews were conducted with managers in multinational companies operating on the Polish market. The aim of the study is articulated in the form of three research questions:

1. What competencies are crucial for fostering organizational innovation?
2. Which development methods are most frequently applied by businesses in order to improve innovation competencies?
3. How could coaching tools contribute to fostering innovation competencies?

When confronted with the first question, respondents referred to the various components of competencies: knowledge, skills and attitudes. Many of them mentioned the following: cooperation; openness to the new and to change; involvement; proactivity. The following attitudes were identified by more than one person as crucial for the implementation of organizational innovation: responsibility (for one's work), courage (to take up new tasks), openness (to change and to new solutions), outcome orientation, commitment and creativity.

In response to the second question, companies listed a variety of methods that they had applied to improve those competencies. The majority of the surveyed firms implemented numerous development measures on their own, i.e. staff meetings with senior managers use coaching tools to motivate employees to look

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for new solutions. Training and coaching sessions with external service providers have also been organized.

When answering the third question, the majority of respondents stressed the usefulness of coaching, both in improving innovation competencies and in developing or implementing innovative solutions. Many managers use coaching tools to encourage employees to seek innovative solutions. Another factor conducive to the use of coaching tools by managers is the organizational culture. The research is a pilot project and a starting point for quantitative research.

**Keywords:** innovation competencies, organizational innovations, coaching

## Metody rozwoju kompetencji proinnowacyjnych i innowacje organizacyjne w korporacjach międzynarodowych.

### Abstrakt

Celem artykułu jest analiza dobrych praktyk i usystematyzowania narzędzi wykorzystywanych do doskonalenia kompetencji proinnowacyjnych w korporacjach międzynarodowych, z uwzględnieniem zastosowania metod coachingowych. Artykuł będzie stanowił opracowanie badań przeprowadzonych metodami *desk research* i *field research* w oparciu o ustrukturalizowane wywiady z liderami innowacji, odpowiadające na postawione pytania badawcze:

1. Jakie kompetencje są kluczowe dla rozwoju innowacji organizacyjnych?
2. Jakie metody rozwojowe innowacyjne przedsiębiorstwa wykorzystują do doskonalenia kompetencji proinnowacyjnych?
3. W jaki sposób narzędzia coachingowe mogą być stosowane w doskonaleniu kompetencji pro innowacyjnych?

Efektem artykułu będą wypracowane wnioski i rekomendacje dotyczące narzędzi doskonalenia kompetencji proinnowacyjnych, w tym możliwości szerszego wykorzystania metody coachingu, służące wdrażaniu innowacji organizacyjnych.

**Słowa kluczowe:** kompetencje proinnowacyjne, innowacje organizacyjne, coaching

## Introduction

The purpose of this paper is to present the results of empirical research into methods and best practices in the development of innovation competencies, recognized as important in the process of implementing organizational innovations by international corporations. Desk research and field research have been carried out in an attempt to answer the following questions:

1. What competencies are crucial for fostering organizational innovation?
2. Which development methods are most frequently applied by businesses in order to improve innovation competencies?
3. How could coaching tools contribute to fostering innovation competencies?

## Research methodology

The case study method was applied. Seven individual interviews were carried out with representatives of businesses operating both in Poland and on the international market. Their characteristics are presented in Table 1.

The prerequisite for participation in the survey was the implementation of at least one organizational innovation in the course of the past three years. In addition to the organizational innovation, each entity had also implemented at least one product, process or marketing innovation. Interviews were carried out with employees responsible for the implementation of organizational innovations within the company, or those who had participated in the process. All respondents chose to answer the questions anonymously, and therefore no business names are cited in the study. The survey questionnaire consisted of two parts: Part I – the characteristics of the company in terms of its place along the supply chain and its organizational culture, Part II – questions and topics pertaining to the implementation of organizational innovations and innovation competencies important from the point of view of each entity. The remaining were Likert-scale questions regarding the characteristics of the organizational culture and the purposes of organizational innovations (1 – unimportant; 5 – very important).

The case study was to allow the identification of:

- types of organizational innovations implemented by businesses,
- types of competencies that they consider conducive to innovation and useful for the implementation of organizational innovations,
- ways in which organisations support their employees in developing such competencies with the use of the aforementioned methods.

## Description of organizational innovations implemented by Organisation A

Throughout the years, the organisation had experienced numerous changes related to launching new products, new market acquisitions and changes to its organizational structure, which were expected to help the organisation reach its business targets and achieve a synergy effect through interdepartmental cooperation. Over the past three years, all types of innovations have been implemented, i.e. technological (product and process) and non-technological (marketing and organizational).

Innovative solutions are created both by managerial staff who delegate their performance to employees, by specialists and by employees who report on innovations directly to the management. An interdisciplinary implementation team established for the purposes of each particular project, consisting of employees representing various areas of specialism and headed by the project manager, is in charge of implementation decisions on behalf of the management. Innovative solutions are independently implemented by national branches and adapted to the needs of particular markets.

When answering research questions, respondents focused, however, on organizational innovations.

Organizational innovations implemented by the organisation:

- change of the organizational structure, e.g. integration of departments,
- new distribution of tasks,
- decentralization – greater responsibility given to employees, stimulating their creativity,
- measures aimed at knowledge management – knowledge exchange, best practices,
- introduction of new or improved business processes, including sales management.

Main reasons for implementing organizational innovations:

- greater efficiency of business activity,

- building competitive advantage,
- improving product quality,
- expanding the product range; adding new products,
- improving work quality and efficiency,
- entering new markets,
- intensifying information, knowledge and communication exchange.

The implementation of innovations by the organisation has translated into the emergence of new structures, open communication, competitions for innovative projects organised among the staff, on-going change in response to market challenges, launching new products and entering new markets. Although the implementation of innovations brings about certain inconveniences, i.e. increased levels of stress among employees, time pressure or a multiplicity of tasks, benefits have been manifold: the company has been listed among the top 20 companies of London Stock Exchange, it has tripled its revenue and increased four-fold its market capital since the year 2000; 19 brands, now present worldwide, have been launched.

In Table 4, all competencies have been listed and divided into knowledge, skills and attitudes that serve Organisation A in the process of creating and implementing innovative solutions. The respondent enumerated the following as the most important for the implementation of organizational innovations:

- entrepreneurship,
- independence,
- responsibility,
- courage,
- personal development of employees.

It is already at the recruitment stage that the company looks for candidates representing the above traits.

The competencies are fostered through close cooperation with the management board, which is facilitated by the flat structure of the business. Open communication between senior management and employees is conducive to knowledge exchange and learning from one another. It is generally accepted that taking risks and making quick decisions require courage and entrepreneurship. Managers deliberately use coaching tools, i.e. questions or setting targets, and thus encourage employees to take initiative, inspire them to think creatively, take responsibility for the implementation of their own solutions, participate in discussions, exchange knowledge and experiences; this, in turn, helps them to become independent in thinking and in action. Coaching is used mainly internally, by managers who have recourse to coaching tools when managing employees and teams.

In addition, in-house training is organised in order to develop innovation competencies, junior employees are supported through a mentoring system and experiences are exchanged during work meetings.

External training sessions seldom take place. Their purpose is the development of managerial or sales skills. Innovation competencies are developed by employees at work, through undertaking further challenges, business trips abroad and exchanges between various organizational units of the company.

On-going personal development is expected from employees, who are supported by their colleagues and the management.

## Description of organizational innovations implemented by Organisation B

Throughout the years, the organisation has undergone several changes. The product range has been expanded, new product lines have been introduced (in addition to electrical gardening tools, EHS tools, automotive products, adhesives and lubricants), exports have increased and a subsidiary has been established to operate on Eastern markets.

Innovations implemented by the company are set down in its 5-year strategy, based on an analysis of the market and on the company's own business needs. The organisation has introduced both technological and non-technological innovations. They include:

- change of the organizational structure, e.g. integration of departments,
- new distribution of tasks,
- decentralization – greater responsibility given to employees, encouraging creativity,
- measures aimed at knowledge management – knowledge exchange, best practices,
- centralization – greater responsibility of individual units, e.g. logistics (a reloading platform has been created to replace local warehouses),
- new tools, procedures, methods of personal development of employees,
- new or improved business processes (production, quality, sales, logistics management, etc.).

Main reasons for implementing innovations:

- greater operational efficiency and effectiveness,
- maintaining the current competitive/leading position,
- entering new markets,

- expanded product range – adding new products,
- greater competitive advantage,
- greater product quality,
- optimized costs and the use of human, material and time resources.

The implementation of innovations has resulted in the introduction of innovative tools facilitating the company's work even today, i.e. a platform for managing bonuses; an online platform for managing holidays and other types of leave, as well as an audio-book library. In addition to corporate and product rebranding, social media have been used for the purpose of communicating with customers, in particular for promoting new products. Employees can report their innovative ideas to the management board (some of their solutions have already been implemented).

The implementation of innovations by the company has also had its drawbacks: the process has been time-consuming and costly; employees have expressed their concern about the changes introduced; an increased burden of priorities and tasks has led to a general sense of frustration.

Nevertheless, the business consistently implements further innovations that contribute to building the organisation's competitive advantage on the market. It is also ensured that innovation competencies are developed among its employees.

Table 4 contains a list of all competencies, divided into knowledge, skills and attitudes, used by the employees for the implementation of innovations. Key innovation competencies are listed as the competencies of the company resulting from the implementation of its strategy:

- innovativeness, i.e. new work methods and the identification of potential areas of improvement,
- openness towards change and people,
- outcome orientation and taking consistent action in order to meet business targets.

The above competences are developed by the business through employee development plans and an annual evaluation system. In-house and external training is organised in order to improve the necessary skills, i.e. communication and assertiveness; it is supplemented with training that allows employees to gain knowledge about new products. In addition, the organisation uses coaching in order to boost innovation competencies. Managers participate in coaching sessions delivered by third-party coaches, aimed *inter alia* at developing their leadership competencies; teams receive coaching support in the process of changing

the organizational structure. In order to foster new attitudes and eradicate stereotypes, coaching by third-party coaches has been provided. It helps employees to become more conscious of their own values, identities, leads to a greater openness to novelty, changes and cooperation. This, in turn, translates into greater innovativeness of employees and managers, i.e. openness to creative, unusual solutions, readiness to take risks and responsibility for one's own decisions and actions. Coaching is also a method applied by managers: they use typical coaching tools, such as questions, provide feedback, set targets and search for new opportunities. This motivates people to abandon their daily routine and share their ideas on how work could be improved.

Furthermore, regular meetings of the management team and the CEO are held. They are of utmost importance for inspiring and motivating line managers, who become aware of the impact of innovativeness and change. They include coaching elements, i.e. setting targets, asking questions, feedback, changing the perspective, encouraging pro-active attitudes. Innovativeness could be boosted even further through a regular support system in the form of a platform where employees could post their suggestions and track their implementation status. This kind of IT tool would enable the collection of ideas, the provision of feedback and information about the idea being or not within the company's scope of possibilities, and, if it is, about the timeframe of its implementation. At present, the process is so long that it discourages employees from generating any ideas and being proactive. An appropriate IT system would render information flow and communication more efficient.

Moreover, in order to innovatively develop, the company needs consistency in the search for and implementation of innovative solutions; managers need to provide on-going support to employees to foster their development.

## Description of organizational innovations implemented by Organisation C

In terms of devising new solutions, the company – provider of logistics services – is a pioneer within its sector. Throughout the years, the business has undergone numerous changes. Primarily, it has left the group it used to be part of and became an independent Polish business, which has improved the flexibility of its operation, but also led to new challenges and concerns. Since 2006, the business has been consistently building its competitive advantage on the international market, creating new, innovative solutions that are applied on the international scale.



The following organizational innovations have been implemented:

- change of the organisational structure, e.g. integration of departments,
- new distribution of tasks,
- new tools, procedures, methods contributing to the personal development of employees,
- new methods of cooperation with the business environment,
- new or improved business processes (production, quality, sales, logistics management, etc.).

In order to reach its targets, the business has implemented numerous organizational innovations, such as:

- building its competitive advantage,
- improving the quality and efficiency of work,
- intensifying the exchange of knowledge, information, communication,
- increasing the organisation's ability to learn,
- expanding the range of services,
- increasing its operational effectiveness,
- improving service quality,
- entering new markets,
- optimizing costs,
- optimizing processes,
- boosting customer service quality (which distinguishes it from other businesses).

The most important outcome of the innovations implemented by the organisation is the project method of management, which has resulted in the company's greater efficiency and improved customer service. It now reacts more dynamically to the needs of its existing and new clients.

The introduction of the project culture required overcoming the resistance among the employees, a change of mentality, instilling new behaviours, as well as a new approach to problem solving and meeting targets.

Table 4 contains a list of all competencies, divided into knowledge, skills and attitudes represented by employees in the process of implementing innovations. The respondent listed the following as key aspects:

- commitment,
- responsibility,
- personal development.

The majority of employees have competencies conducive to the implementation of innovations. The business culture supports change, encourages open communication and exchange of opinions. Errors can be made, as long as lessons are learnt. In their pro-innovation measures, they can rely on support from the management. Employees are expected to show commitment and responsibility when implementing new projects, to take up challenges and to continuously develop along with their colleagues.

In addition, the company supports its employees, helping them to boost their innovation competencies; it takes the form of external training on assertiveness and communication, as well as internal training that pertains to products and services. Managerial staff has recourse to external coaching (conducted by third-party coaches), which is to help them question the *status quo*, change their way of thinking, delegate responsibilities to employees, become more open to change and to taking risks on the strategic and managerial level. Managers, on their part, apply coaching tools towards employees: questions, feedback (also during personal development meetings) and setting targets. Thus, they reinforce the pro-innovative orientation of employees, the sense of making a valuable and important contribution to the company. The respondent assessed coaching as very useful in boosting the innovativeness of employees and of the organisation, mainly thanks to empowering employees and teaching them to think outside the box, to change their point of view and their methods of working.

The organisation could boost its innovativeness through development and coaching processes aimed at high-potential employees and at project teams.

## Description of organizational innovations implemented by Organisation D

Organisation D operates in the automotive industry. It is perceived by the respondent as a pioneer in technology and production, but also as a follower in terms of management. Throughout the years, the company's profile has not changed. However, it has had to deal with growing competition pressures on the market, which has prompted it to search and implement both radical and minor innovations in production technology. They are correlated with organizational and marketing innovations.

Organizational innovations include:

- change of the organisational structure, e.g. integration of departments,
- new distribution of tasks,
- centralization,

- new methods of cooperation with its business environment,
- new or improved business processes (production, quality, sales, logistics management, etc.),
- new quality of management systems.

Main objectives of organizational innovations:

- increased operational efficiency,
- regaining the competitive advantage,
- greater product quality,
- expanded product range,
- reduced costs.

Innovations implemented by the company have resulted in a new structure, higher product quality, new servicing outlets and a greater consistency of operation. Organizational innovations were to “turn the organization upside down”. The employees’ resistance had to be tackled, as the staff had been used to the *status quo*.

Table 4 contains the list of all competencies, divided into knowledge, skills and attitudes, used by employees in the process of implementing innovations. According to the respondent, innovations with respect to the managerial staff have been of utmost importance; these include:

- openness to change,
- ability to manage change and people in the process of implementing change,
- formulating a clear vision of the target.

The focus on innovation competencies, typical mainly of the managerial staff, can be explained by the fact that business headquarters manage the implementation of both organizational and technological innovations. Communication flow from the headquarters and management board to the employees is inefficient and ineffective. Therefore, on the local level, employees have no influence on the implementation of improvements or changes. They are not expected to show creativity or initiative, they just need to be subordinate and efficiently strive towards the targets that have been set for them. The organisation does not invest in people. Employees are left to their own devices, they are provided with no training, and are not asked about their developmental needs. They are simply entrusted with tasks that they need to perform.

Among the surveyed organisations, it is the only one that does not use any development tools and methods with a view to improving its employees’ com-

petencies. It operates through implementing guidelines from the company's headquarters.

## Description of organizational innovations implemented by Organisation E

Throughout the years, the business profile of the organisation has not changed, unlike the structure and functioning of the organisation both locally and on international markets. The following organizational innovations have been implemented:

- change of the organisational structure, e.g. integration of departments,
- new distribution of tasks,
- matrix structure – greater responsibility passed on to employees, who are encouraged to be creative in the performance of their tasks,
- centralization of selected business areas, including logistics,
- new tools, procedures, methods stimulating personal development of employees,
- new methods of cooperation with the business environment,
- new or improved business processes (production, quality, sales, logistics, etc.),
- outsourcing of accounting.

Main objectives of organizational innovations:

- reduction of costs and maintaining the level of sales,
- improving the quality and efficiency of work,
- intensifying the exchange of knowledge, information and communication.

While implementing innovations, the organisation had to overcome the employees' resistance to structural changes and to additional tasks; employees were discouraged and frustrated. The lack of support from managers for the implementation of new sales solutions suggested by innovation leaders made the task even more difficult.

Innovations implemented by the company have resulted, most importantly, in a new structure and new business process management (logistics, sales, marketing). Functioning costs have been reduced, while the level of sales has been maintained. However, it must be emphasized that employees have been burdened with additional tasks and, therefore, more frustrated. At the same time, the organisation has invested in the development of innovation competencies, helping employees in the performance of their tasks and duties.

Table 4 contains a list of all competencies, divided into knowledge, skills and attitudes, used by employees in the process of implementing innovations. The following have been listed as key competences:

- proactivity,
- creativity,
- communication and cooperation,
- courage and willingness to act,
- determination.

In order to improve innovation competencies, the organisation has recourse to external training aimed at developing the capacity of creative and innovative thinking: the ability to make associations, critical thinking, experimenting and building relationships. In-house training is also provided in the areas of communication, individual time and product management. An exchange scheme for the most talented employees enables them to understand how the European structure of the business works. A coaching programme aimed at the innovativeness of team leaders has also been created; its purpose is to stimulate pro-activity, abandoning the *status quo* in thinking and action, developing creativity, stimulating cooperation and enhancing communication with other employees. Working groups have been formed to stimulate innovative solutions and improve the sales process, boost sales, enhance the company's daily operation and the performance of administrative tasks. Coaching is perceived as a method of developing the ability to think outside the box, reach the goals and as a method that is used in the development and implementation of innovative solutions by employees playing the role of leaders responsible for the development of innovative ideas on the functional level.

In order to boost its innovativeness, the organisation needs greater support and commitment from the management. The company would also benefit from the input and inspiration of external experts and consultants regarding potential areas of improvement and change that would boost the organisation's innovativeness.

## Description of organizational innovations implemented by Organisation F

The organisation has undergone a number of changes since its creation, and it has implemented numerous innovative solutions. In the 1990s, it was restructured and acquired by a foreign investor. 9 out of 12 factories were closed; those that

remained in operation focused on two major product categories. Changes required the implementation of technological and non-technological innovations.

The following organizational innovations have been implemented:

- change of the organizational structure, e.g. integration of departments,
- new distribution of tasks,
- centralization (optimization of action) of selected areas supporting production and sales,
- new tools, procedures, methods promoting the personal development of employees,
- knowledge management,
- new methods of working with the business environment,
- new or improved business processes (production, quality, sales, logistics management, etc.),
- new methods of personal development of employees,
- other new forms of organising business activity.

Main objectives of organizational innovations:

- increased operational efficiency,
- improved quality and efficiency of work,
- greater competitive advantage,
- intensified information, knowledge and communication exchange.

The implementation of innovations was met with resistance among employees and their “cannot-be-done” attitude. However, successfully implemented changes have resulted in a change of the company’s image; it is now regarded as an attractive, trustworthy and innovative employer. The atmosphere in the workplace has also improved. The commitment of employees’ to their daily tasks has increased, mainly due to a greater consistency of communication.

Table 4 presents a list of all competencies, divided into knowledge, skills and attitudes, used by employees in the process of implementing innovations. The following have been listed as key competencies:

- business consciousness,
- target-orientated attitude,
- responsibility for one’s own work that translates into a better overall performance,
- openness to changes – leaving the comfort zone,
- creativity (“I don’t know if it can’t be done, so I do it”).

The business carries out a number of internal projects aimed at boosting innovation competencies. The Trainer Academy has been established for sales representatives; it includes train-the-trainer courses. Sales representatives teach their colleagues to be open to new solutions and challenge the *status quo*. Trainers apply the coaching method in the workplace (“on-the-job coaching”). They support each other in the effort to meet targets and, at the same time create new solutions aimed at boosting performance, as expressed in qualitative and quantitative indicators.

Managers attend training sessions on team management, but they also participate in the implementation of changes and innovations. Senior managerial staff are involved in team and individual coaching. Managers are provided with coaching tools (e.g. questions, feedback, setting targets) and they apply them in their respective areas of competence.

Coaching is also used by employees in order to change their ways of thinking, their views, develop an openness to new solutions, initiatives, commitment and their “I-want-to” attitude (becoming involved, searching for solutions, taking action for the benefit of the organisation, taking responsibility). Coaching helps to delegate responsibility, teach independence in action, engage others in new projects and encourage employees to take up challenges.

In order to improve innovation competencies, the organisation has also implemented a mentoring scheme for new employees. Its Talent Management programme, operating at various levels of the organization and involving all employees, is to broaden their perspective and help them to acquire new competencies, which are also necessary for the implementation of innovations.

The organisation still needs new knowledge and skills in manufacturing plants, as well as further investments that will contribute to its innovativeness and competitiveness, maintain the existing and implement new innovations.

## Description of organizational innovations implemented by Organisation G

Organisation G is a family business operating in the automotive industry. It was established in the 1940s and has since undergone a number of changes. It has grown from a small local business to one operating on a national scale and, since the 1990s, internationally. It has established partnerships with numerous businesses in Eastern Europe, Asia and on Western markets. Thanks to technological innovations introduced in 2007, it is now a global pioneer in terms of the quality of manufactured products.

## Organizational innovations implemented:

- new distribution of tasks,
- new tools, procedures, methods aimed at the personal development of employees,
- knowledge management,
- new methods of working with the business environment,
- new or improved business processes (production, quality, sales, logistics management, etc.),
- new quality management systems,
- other new forms of organising business activity.

## Main objectives of organizational innovations:

- increased operational efficiency,
- improved quality and efficiency of work,
- cost reduction,
- improved product quality,
- building and maintaining the company's competitive advantage,
- intensification of information, knowledge and communication exchange.

Implementing innovations, particularly a new IT system, was met with the resistance of employees, who lacked motivation and displayed a negative attitude towards changes. It was challenging for them to abandon their routine methods of working and thinking. Managers and the management board, who were responsible for the implementation process, played a major role in fighting the resistance. They clearly explained the objectives, benefits and results of innovative solutions.

Table 4 contains a list of competencies, divided into knowledge, skills and attitudes, applied by employees – in this case managers – responsible for the implementation of innovations. The following have been identified as key competences:

- creativity,
- consistency,
- positive thinking,
- motivating people to change.

Employees are expected to show inventiveness, creativity and commitment in sharing their ideas and new solutions. At the same time, the organisation barely supports the employees and managers in improving their innovation competencies. All measures are taken internally and mainly consist of mentoring meetings between the management board, managers and employees. Regular marketing-sales meetings and management board meetings are held and serve as a plat-



form for the exchange of knowledge and experiences; this is where new solutions are devised. Product-related or specialist training sessions are conducted, e.g. pertaining to labour law provisions.

According to the respondent, due to the lack of development support for employees, their motivation for implementing changes, proactive attitude and willingness to go beyond the call of duty remain limited. Therefore, in order to be more innovative, in addition to new international quality systems, the organisation needs support for developing innovation competencies of its employees.

## Discussion

Data collected through interviews is used to provide a response to research questions and elicit certain tendencies in the functioning of enterprises in Poland and on the international market.

In terms of organizational innovations, all organisations have changed their organizational structure (e.g. integration of departments, new distribution of tasks), improved the existing or introduced new business processes. Centralization and new methods of cooperation with the environment were also frequently mentioned. Table 2 presents a comprehensive list of results.

The majority of organisations stressed that important objectives of organizational innovations implemented included increased efficiency of business operation, building competitive advantage or expanding the product range (correlated with a change of the organizational structure). Innovation objectives are listed in Table 3.

### Attempt to answer Question 1:

*What competencies are crucial for fostering organizational innovation?*

Respondents indicated innovation competencies of employees that facilitated the implementation of innovative solutions. Specific components of competencies were referred to: knowledge, skills and attitudes. A complete list of innovation competencies mentioned by respondents, divided into specific components, is presented in Table 4. The following were mentioned most often: cooperation, openness to novelty and change, commitment, pro-activity.

Out of all elements specified, respondents indicated a maximum of five key competence elements (Table 5) crucial for the implementation of organizational innovations. The following attitudes were mentioned more often than once: responsibility (for the work done), courage (to take up new actions), openness (to change and to new solutions), outcome orientation, commitment and creativity.

## Attempt to answer Question 2:

*Which development methods are most frequently applied by businesses in order to improve innovation competencies?*

Methods of improving innovation competencies are different in each of the 7 organisations surveyed. In Organisation D, operating in the automotive sector, no development measures have been taken and innovations have been implemented according to instructions from the headquarters. In Organisation G, also representing the automotive sector, no development research has been carried out and the extent of innovations is very limited. However, both businesses are pioneers in terms of launching their products on international markets and development is one of their priorities.

Table 6 contains a list of good practices, i.e. methods aimed at improving the innovation competencies of employees. The majority (6) of the surveyed organisations innovate within their structures. Meetings are held to exchange knowledge and experiences and to generate new ideas. Six respondents strongly emphasized the role of the managerial staff in this process. Meetings of employees with the management, easy communication, asking questions and openness to ideas and to errors act as a stimulus for employees and encourage them to be creative, search for solutions and become more open to newness. At the same time, the process of recruitment in which candidates with appropriate competence profiles are favoured, is regarded as important for the implementation of innovations.

The above statements are confirmed in the question about the application of development methods; answers are listed in Table 7. In 5 organisations, internal training aimed at improving innovation competencies is provided; in addition, in the context of implementing organizational innovations, managerial coaching is used, understood as the use of coaching tools for boosting innovation competencies. In 4 organisations, external training courses are also conducted with a view to developing managerial, personal, interpersonal skills or innovation competencies, i.e. creativity, communication and cooperation; it is supplemented with external coaching (conducted by third-party coaches).

## Attempt to answer Question 3:

*How could coaching tools contribute to fostering innovation competencies?*

The majority of respondents emphasized the usability of the coaching method in the development and implementation of innovative solutions, including the attainment of targets. In two businesses representing the automotive industry no coaching methods whatsoever have been applied.

Five respondents indicated that managers also have recourse to coaching tools in the process of employee management, i.e. setting targets, motivating, encouraging a pro-active attitude and initiative. This is true, even though managers are unaware of the fact that the tools they use are coaching tools. Consequently, few managers are familiar with coaching as a method and ways in which it can be harnessed in the process of implementing innovations within their business.

Five respondents refer to the organizational culture as a factor that promotes the use of coaching tools by managers. According to them, the characteristics of organizational culture, i.e. creativity, search for solutions, openness to change and project management, are conducive to the use of coaching tools by managers or to the hiring of coaches.

Among the coaching tools most frequently used by managers for fostering innovation competencies, respondents listed asking questions, setting targets, drawing up action plans and matrixes of tasks, as well as providing feedback.

Coaching tools are used in order to show appreciation, develop resources, promote the sense of agency and build the awareness of one's own values, which in turn raises the level of commitment and responsibility in the process of striving to attain the defined goals. Managers who have recourse to coaching tools are less inclined to control employees; this leaves the latter more space for independent action.

Areas in which coaching can be applied in the context of innovation competencies are presented in Table 8. Coaching tools are used in order to facilitate the acquisition of new skills and behaviours and to adopt new attitudes, which translates directly into improved innovation competencies, which, in turn, advance the implementation of organizational innovations.

## Conclusions

Seven case studies have been carried out in businesses implementing organizational, technological and non-technological innovations.

The focus on organizational innovations in interviews was important, as it contributed to increasing the awareness of what organizational innovations are and what they entail. Initially, the majority of respondents were unaware of the fact that the changes they had implemented on the organizational level were innovations. It was only upon asking them further questions and providing explanations that they realized the importance of changes for innovation and for building the competitive advantage of an organisation. The question about the competencies of employees working on the implementation of organizational

innovations was equally important, as it stressed the role of employees in the successful implementation of innovative solutions. It emphasised the fact that certain competencies should be fostered in all employees if the organisation is to be more innovative.

The qualitative data collected and the analysis of the literature provide answers to research questions.

Respondents list innovation competences, classified as knowledge, skills and attitudes, which they believe to be important for the implementation of organizational innovations, they share methods and best practices used in their businesses to improve such competencies and discuss how coaching tools could be applied for the purpose of their development.

Answers to the question about competencies varied. The application of the Likert-type scale for questions about competencies would clarify which competencies are most important for individual organisations. On the other hand, free statements of respondents allowed researchers to draw up a long list of competencies that may serve as the starting point for further quantitative tests.

When asked about improving innovation competences, respondents most frequently referred to the role of the managerial staff, their use of coaching tools (and mentoring in the case of one business), as well as internal training sessions or group meetings. In five organisations coaching has been applied, internally or externally, as a method of developing competencies.

## Summary

Information collected in the survey raises the question of whether research pertaining to a single type of innovation is reasonable, as it seems that organizational innovations coincide with product, process or marketing innovations. Furthermore, development methods mentioned in interviews and in the literature could presumably be applied with a view to improving all competencies, regardless of the type of innovations implemented. Thus, the usability and application of coaching tools could be verified to a greater extent, encompassing more than only organizational innovations. Interviews provided information on the usability of coaching in the context of improving innovation competencies, in particular the attitude. It would prove valuable to collect information from coachees, understand in which particular ways coaching has helped them, and what it allowed them to change or develop.

It would also be reasonable to test specific competencies used in the implementation of each type of innovation, and then compare them in order to understand

the extent to which such competences vary. More precise definitions of particular competencies would also prove useful, as well as testing various types of competencies (managerial, specialist, personal, interpersonal) depending on the level of management (strategic, tactical, operational). Results could be used to analyse which innovation competencies contribute to the implementation of specific types of innovations and to understand any variations in this area.

Sector and size are factors that could influence research results. Given the diversity of the surveyed organisations, results cannot be classified by sector or by size. On the other hand, it provides the starting point for examining differences in the implemented innovations, useful innovation competencies or development methods applied, depending on the sector, size and structure of organisations.

## Appendix

Table 1. List of data pertaining to the research group

Business	SECTOR	POSITION IN THE SUPPLY CHAIN	NUMBER OF EMPLOYEES	SHARE OF FOREIGN CAPITAL	SHARE OF EXPORTS IN SALES	CAPITAL GROUP MEMBER	YEAR OF ESTABLISHMENT IN POLAND
A	HYGIENE, HEALTH/CHEMICAL SECTOR	MANUFACTURER	50–250	100%	up to 50%	YES	2006
B	CONSTRUCTION	AGENT	250–500	0%	up to 50%	NO	1992
C	LOGISTICS	SERVICE PROVIDER Logistics operator	50–250	0%	up to 50%	NO since 2006	1989
D	AUTOMOTIVE	AGENT Dealer network	250–500 H-quarters	100%	0%	YES	1996
E	TECHNOLOGY	AGENT	50–250	100%	0%	YES	1993
F	FOOD INDUSTRY	MANUFACTURER	more than 1,000	100%	up to 50%	YES	1958
G	AUTOMOTIVE	MANUFACTURER	50–250	0%	more than 50%	NO	1946

Table 2. Examples of organizational innovations implemented

	A	B	C	D	E	F	G
change of the organisational structure, e.g. integration of departments	X	X	X	X	X	X	
new distribution of tasks	X	X	X	X	X	X	X
decentralization – greater responsibility of employees, encouraging creativity	X	X					
centralization – enhancing individual responsibility		X		X	X	X	
new tools, procedures, methods contributing to the personal development of employees		X	X		X	X	X
knowledge management – exchange of knowledge, best practices	X					X	X
new methods of cooperation with the business environment			X	X	X	X	X
new or improved business processes (production, quality, sales, logistics management, etc.)	X	X	X	X	X	X	X
new methods of personal development of employees		X			X	X	
new systems of quality management				X			X
other new methods of organizing business activity		X				X	X
creating a franchise system							
entering a franchise system							
outsourcing					X		
insourcing							
other					Matrix structure		

Table 3. List of objectives of organizational innovations

	A	B	C	D	E	F	G
greater operational efficiency	5	5	4	5	3	5	5
greater competitive advantage	5	4	5	5	1	4	4
maintaining the current competitive position		5					5
improved product/service quality	4	4	4	5			5
new markets – expanded area of operation	3	5	3	1			5
expanded product range – new products, services	4	5	5	5		3	

reduction/optimization of costs		2	3	5	5	4	5
greater quality and efficiency of work	4		5	3	4	5	5
intensified information, knowledge and communication exchange	3		5	1	4	4	3
greater ability to learn, acquisition of new technological knowledge			5	3		3	3
other – specify			5. Optimization of processes; customer service quality – a distinguishing factor				

Table 4. List of innovation competencies

	A	B	C	D	E	F	G
<b>KNOWLEDGE</b>							
Specialist knowledge in a specific field					X		
HR management skills				X	X		
Awareness of business targets		X					
<b>SKILLS</b>							
Analytic skills (market size, profiling, data analysis, profitability of ideas, products, price calculation)	X						
Ability of strategic thinking and organization management	X			X			
Ability to sense the needs of the customer	X						
Openness to customers' needs – appropriate communication aimed at providing information about a new product	X		X				
Ability to coordinate the work of sub-teams, exercising influence	X						
Time management skills	X						
Cooperation skills	X				X	X	X
Ability to build commitment in oneself and in others	X		X		X		X
Ability to communicate about targets and needs (superiors – subordinates)		X		X	X		

Managers' appreciation of people for their ideas		X					
Convincing others to one's own ideas		X					
Ability to retain people in the organization				X			
Management of change and of people in the context of change				X	X		
Creativity, thinking outside the box					X		X
Systemic thinking					X		
Clear vision of the target				X			
<b>ATTITUDES</b>							
Seeking solutions and attaining targets	X					X	
Openness to novelty, change	X		X	X	X	X	X
Pro-activity	X	X	X		X		
Assertiveness	X						
Communicativeness	X		X			X	
Networking	X						
Responsibility for oneself and for the organisation	X		X			X	
Entrepreneurship	X						
Openness (to search for and advance new ideas)		X	X			X	X
Independence in one's job – creativity, inventiveness in improving work		X	X				
Personal development			X			X	
Determination/consistency					X		X
Courage and willingness to act					X	X	

Table 5. List of innovation competency elements of key importance for the implementation of organizational innovations

	A	B	C	D	E	F	G
<b>SKILLS</b>							
Communication and cooperation					X		X
Management of change and people in the process of change				X			
<b>ATTITUDES</b>							
Entrepreneurship	X						



Independence	X						
Responsibility	X		X				
Courage	X				X		
Personal development	X		X				
Innovativeness		X					
Openness		X				X	X
Outcome orientation		X				X	
Commitment			X		X	X	X
Pro-activity					X		
Creativity					X	X	X
Determination/consistency					X		X
Business awareness						X	

Table 6. Methods of boosting innovation competencies

<b>A</b>	Close cooperation with top managers, direct communication and cooperation with the company's CEO and the CFO as a source of stimuli for development and search for innovative solutions by employees.
<b>B</b>	Annual evaluation + development plans + training; Important role of managers: providing feedback, encouraging people to come up with ideas; Meetings of the management team with a view to building the awareness of the necessity of innovations; Organisation of training courses, coaching and mentoring; Publication of informative and educational booklets.
<b>C</b>	Recruitment of employees with innovation competencies; Internal and external training sessions, coaching; Box of ideas; System of development meetings – development plans
<b>D</b>	The organisation does not use any methods to support the professional development of its employees
<b>E</b>	Training courses; Team coaching; Work groups; Cooperation of innovation leaders with their peers, encouraging them to break the mould; Talent scheme
<b>F</b>	Trainer academy for sales representatives; Talent scheme; Mentoring; External and internal “on-the-job” coaching; Managers' support; Training; Annual meetings of the management team to calibrate the expected competencies
<b>G</b>	Meetings with the managerial staff; Direct, individual mentoring meetings with the president of the board

Table 7. Methods of improving innovation competencies

	A	B	C	D	E	F	G
external training		X	X		X	X	
internal training	X	X	X		X	X	X
product-related training		X			X	X	
soft skill training what kind?		X	Communication, Assertiveness, Creativity, Cooperation	Sporadic training in managerial competencies	X	X	
external coaching		of the team, aimed at a change of structure	managerial staff		X	X	
managerial coaching	X	X	X		X	X	
mentoring	X					X	X
working groups of knowledge exchange	X		X		X	X	X

Table 8. Areas in which coaching methods are applied to boost innovation competencies

	A	B	C	D	E	F	G
setting the target		X			X	X	
determining the direction of change					X	X	
working with resources, values, views, motivation			X		X	X	
breaking the mould		X	X		X	X	
enhancing the sense of agency		X			X	X	
enhancing the sense of initiative in employees	X	X	X		X	X	
other		New outlook on old problems	increased value of employees for the business, commitment, support in development			Work on attitudes, stimulating the "I would like to" attitude, taking responsibility for the organisation	