

Description of the funded research project

1st Call for H.F.R.I. Research Projects to Support Faculty Members & Researchers and Procure High-Value **Research Equipment**

Title of the research project:

Managing Organizational Innovation: A Multilevel Examination of Antecedents and Performance Implications (MANINN)

Principal Investigator:

Dr. Konstantinos Kostopoulos, Associate Professor of Corporate Strategy

Reader-friendly title:

Managing Innovation (MANINN)

Scientific Area:

Management & Economics of Innovation (Innovation Studies)

Institution and Country:

University of Piraeus, Greece

Host Institution:

University of Piraeus, Greece

Collaborating Institution(s):

Athens University of Economics & Business, Greece University of Zurich, Switzerland City, University of London





Budget: € 153,000 Duration: 36 Months



Research Project Synopsis

- The goal of this research is to offer a novel theoretical and empirical account of the multilevel nature of managing organizational innovation for attaining superior performance. That is important since research on organizational innovation still remains fragmented providing very poor explanations of how different types of innovation develops and emerges across various levels of analysis. Specifically, this research:
 - Focuses on how organizations manage the simultaneous development of exploratory (i.e., denoting new products and services that target at entering or creating new markets) and exploitative (i.e., aiming at improving current products and services for existing markets) innovations, termed *innovation ambidexterity*.
 - Examines the management of organizational innovation, by adopting a *bottom-up or emergence perspective* that explicates the way innovation ambidexterity originates from lower-level (individual) characteristics, is amplified by their interactions within a collective (group) context, and manifests as a higher-level (organizational) phenomenon.
 - Addresses how inter-organizational factors influence (organizational-level) innovation ambidexterity and related performance consequences by following a top-down perspective.
- In this way, the research project offers a *holistic view of innovation management and emergence* with important implications for academics and practitioners.



Project originality

- Organizational innovation research is still fragmented to single-level explanations, with related theory and empirical
 testing providing an incomplete picture of how exactly innovation may be more effectively pursued by combining factors
 at different levels of analysis.
 - First, extant research has largely ignored when and how innovation emerges from important individual characteristics and is subsequently shaped by group-level factors to translate into organizational-level outcomes (i.e., bottom-up perspective).
 - Second, there is a dearth of research on how interorganizational collaborations/ strategic alliances shape organizational level innovation and performance (i.e., top-down perspective).
- The *multilevel theorizing and testing* of the research project provides a novel perspective that opens up the black box of the origins of different types of organizational innovation by linking together various factors at different levels of analysis (i.e., individual, group, firm, and interorganizational/strategic alliance), thus, *combining multilevel theory with scholarly work on the micro-foundations of organizational capabilities.*
- The research project examines how organizations may best manage innovation to enhance their performance (i.e., possible scale up) and develop a sustainable competitive advantage. Hence, by adopting a *complex and multilevel view of organizational innovation*, the project aims to open new research directions in the organizational innovation literature.
- In terms of the *scientific methodology* followed, approach followed avoids the so called "fallacies of the wrong level" by collecting data at four levels of analysis and by utilizing the most advanced econometric techniques (i.e., MSEM) for multilevel hypotheses testing, while the research design that involves experiments, surveys, and panel data analyses, ensures the robustness and generalizability of the results.



Expected results & Research Project Impact

The aim of the research is to help organizations build a sustainable competitive advantage through:

- The adoption of advanced management practices in internal processes and staffing procedures. Specifically, managers could foster organizational innovation by:
 - Establishing conditions that allow key knowledge employees to fully act upon their cognitive skills and exhibit creative behavior.
 - ii. Forming group contexts with the necessary freedom to experiment with new knowledge, while exploiting current skills.
 - iii. Exchanging resources with various strategic partners across organizational boundaries.
 - iv. Recruiting specialized employees that will help organizations to achieve their innovation goals.
- The establishment and added value of interorganizational collaborations:
 - The research aims to support an open innovation model by pointing to the type of alliances and networks enterprises should develop to increase their innovation output and, in turn, their performance. In particular, the research will identify which characteristics are more relevant for the selection of partners as well as the key governance mechanisms shaping the operation of each alliance for generating innovation.
- The recognition of the need to scale up and the proper preparatory moves for the exploration of new markets:
 - The research project will help organizations scale up and build their capacity to enter new markets by using innovation as a key strategic tool. Specifically, the research will suggest ways through which firms may enhance organizational innovation via their internal processes and products and via a portfolio of inter-organizational partnerships and alliances.



The importance of this funding

HFRI's funding is the cornerstone of the research efforts of this project for the next three years as it:

- Helps provide the necessary research time and slack resources to explore the ideas and pursue the activities outlined in the project.
- Fosters the *hiring* of both experienced (i.e., post-doc) and early-stage (i.e., PhD student) researchers to contribute to the project's activities.
- Allows the expansion of the research team's network by involving widely acknowledged researchers from top-tier universities around Europe.
- Provides the *research team with funds* to acquire the necessary technical equipment (i.e., computes, statistical packages etc.) as well as to attend leading conferences in the field.
- Increases the *visibility and publicity of the research team* as it actively supports the organization of workshops and the related publication efforts to various media.



