Causes of innovative processes deceleration and methods of neutralization of innovation resistance

There is given a definition of the innovative conflicts in relation to social system. There is listed the characteristic of the constraining forces of innovative processes. Factors of potential resistance to innovations are described. The special attention is paid to measures for overcoming of resistance to innovations in the organization (enterprise). There is provided the value of the six groups of market subjects, actively influencing on the effectiveness of innovation. It is considered the tasks of the CEO to neutralize innovation resistance.

Key words: conflict, characteristic, innovation processes, the social costs, the resistance factors, overcome, measures, tasks of the manager.

Innovative conflicts

It is known from practice, the innovation confuses the operation for some time, requiring its adjustment, and then making up lost time, labor and rate. In addition, the function change causes a change in the structure, which is fraught with social costs. All these are called innovation conflicts. With reference to the social system, innovation conflict manifests itself primarily in combating social group to this innovation.

Difficulties accompany most innovations — up to 86% of cases, according to the managers’ rates. The passivity of workers, the shortage of qualified and motivated staff are related to the main difficulties. In turn, these problems are associated, in the heads’ point of view, with the fact that workers fear reducing the wage, increasing the operation during introduction of a new product or in the future; they fear to not manage to cope with new responsibilities; and just few of them, who are interested to engage in the implementation; there is no material and moral incentives during implementation. That is the main reason lies in the fact that workers are afraid of the deterioration of their socio-economic status.

You can see the characteristics of the restraining forces of innovation processes in the Table 1.

<table>
<thead>
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<th>Contents of restraining force</th>
<th>The cause of appearance</th>
<th>Severity of consequences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Narrowly Proprietary interest: the fear to lose something</td>
<td>Features of human psychology: your interests above the interests of the organization</td>
<td>Low</td>
</tr>
<tr>
<td>Misunderstanding of innovations’ consequences</td>
<td>The lack of complete and reliable information on innovation, trust in management</td>
<td>They can be dangerous, because misunderstandings can lead to the emergence of rumors, gossip and cause resistance of the whole team</td>
</tr>
<tr>
<td>Different perception of innovation in different economic entities</td>
<td>Psychological features of the person, unwillingness to change, lack of reliable information on the impact of innovations</td>
<td>Dangerous</td>
</tr>
<tr>
<td>Fear of redundancy due to innovations</td>
<td>The uncertainty in the forces, abilities, fear that, it will not be able to retrain, distrust of leadership</td>
<td>Dangerous</td>
</tr>
<tr>
<td>Fear of losing control, its importance as a result of innovation, especially in the field of engineering and technology</td>
<td>Reluctance to change the ratio «made by me» as a result of, for example, the automation of labor and reducing the complexity of the functions performed</td>
<td>The possibility of the coalition of innovation opponents, which can only be destroyed with their involvement to judgment and decision making</td>
</tr>
<tr>
<td>Uncertainty of the future</td>
<td>The lack of information on the impact of innovations in every workplace and duration of the process, the lack of trust between employees and managers</td>
<td>The resistance can be reduced by providing more information about the causes of the changes and their duration</td>
</tr>
</tbody>
</table>
Fear of surprises that may accompany innovation  
The lack of time to think about innovations and their consequences, skepticism, lack of prior information  
Correctable by having meetings and conversations with employees before the innovations to be announced

Violation of the traditions, values, habits  
The lack of information about the benefits of innovations that allow the break the principles, habits, values  
Correctable by conducting preliminary interviews with each participant of innovations

The loss of prestige  
Lack of confidence, that the competence recognized in the old workplace will be preserved  
Correctable by conducting preliminary interviews and the involvement to the process of discussion and getting management solutions

Fear of loss of competence as a result of innovations  
The lack of clarification, education and training to work in new conditions  
Correctable by education and training

The increase in workload  
Concealment of facts of work increases as a result of innovation, the lack of growth in compensation for good results  
Correctable, if it is recognized as a real increased workload and a corresponding reward is assigned

The presence of previous offenses  
Absence of contact, allowing discussion omissions and misunderstandings arising from the past  
Resistance to innovation, if the source of change is the person or organization which offended the employee in the past. Consequences are correctable by addressing past grievances

The presence of real threats  
Adverse consequences of any innovation affecting the interests of workers and lead to the need to resist  
Correctable by the presence of trust and truthfulness in the relations between workers and managers

Random surprises  
The sudden influence of one event on another  
Correctable while disaster planning; You can use the laws of Murphy, to plan even impossible things

Note. Data of the work [1; 90, 91].

It is important to note that the subject carries in the process of social costs innovation, that are associated with the fact that innovation:
1) requires time and effort of certain groups;
2) requires decision making of workers associated with more (compared to the normal situation) and liability risks;
3) is associated in some cases with the deterioration of some employees’ status (a decrease in the importance of the place occupied by the worker);
4) is associated with the increasing complexity of management team production; fraught with conflict situations;
5) can reduce access to important information and key resources.

In addition to these purely psychological reasons, there are the following factors hindering innovation processes [2; 287, 288]:
 – Social, which include an interest in maintaining the status quo. No matter how difficult the situation may be, there are always some social groups, that are interested in its preservation, because they are «fused» to him; interagency compromise — that the interests of different groups often reduces the potential for innovation; Sociological uneasy transition to innovation, especially where technical innovation entails a trail of social change (change in the organizational structure, forms of work organization and so on), and many other factors, unaccounted as a part of the innovation;
 – Organizational: interagency coordination, specialization, fractional division of function, hypertrophy of the control lead to the fact that it is need a lot of agreeing signs for the launch of new products, as well as a shortage of skilled production;
 – Economic: cheap labor.

In addition, means of innovation, including logistical and financial resources, organizational and methodological support of innovation cause oppugnancy.

Isolation of internal and external innovation resistance factors

According to the experts [3; 151], the main sources of innovation contradictions are the innovative resources, the interests clash of innovation with operational activities, and also interaction of innovation with the external environment of the enterprise.
However, as international experience shows [4; 484], failures and setbacks associated with the release of new products, failure in new markets, untenable expectations, related to the reorganization of companies — it all happened and is happening not only with beginners in business, but also with the world-famous companies — «Chrysler», «ITT», «Saturday Evening Post», «Penn Central», «Rolls Royce», and even hundreds thousands of different companies. The reason is often the inertia and conservatism, originally inherent in man and creating external and internal barriers to innovation. Therefore, we can and need to allocate internal and external factors of resistance to innovations (Fig.).

**Figure. Factors of resistance to innovation**

(data of the work [5; 307])

It can be argued that none of the innovative strategies has been implemented with resistance from the subjects of innovation. Often untimely and ill-conceived reaction to the company's management on such «sabotage» of innovation led to a complete failure of innovation policy and significant damage.

**Internal resistance to innovation**

Under the internal resistances to innovation must be understood reluctance or complete refusal to participate in this process from the organizational units of the company, managers of different levels of management and employees themselves. This type of resistance is both conscious and unconscious in nature and depends on many factors.

Among the main factors of the internal resistance can be identified [5; 308]:
1) The nature of internal management (in particular functions such as planning and control);
2) the level of development of communication and data collection and analysis of information;
3) training of employees;
4) the practice of decision-making by management.

Overcoming resistance to innovation within the company should contribute to the development of a set of measures, such as in Table 2.
### Methods to overcome resistance to change (innovation) within the organization (enterprise)

<table>
<thead>
<tr>
<th>Methods</th>
<th>Background to the use</th>
<th>Benefits</th>
<th>Limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education and information</td>
<td>The lack of information, incorrect information and its misinterpretation</td>
<td>Employees participate in the transformation actively with the conviction of them in this event.</td>
<td>It requires a lot of time if you need to cover a large number of employees</td>
</tr>
<tr>
<td>Involvement in the project</td>
<td>Lack of information from the initiators of the project on the program changes and the alleged resistance to them</td>
<td>Participants support changes interestingly and actively provide relevant information for planning</td>
<td>It requires a lot of time if the parties have a misconception about the purpose of changes</td>
</tr>
<tr>
<td>Encouraging and supporting</td>
<td>Resistance due to the complexity of individual adaptation to specific changes</td>
<td>Provision of assistance in adapting and taking into account individual wishes facilitate the achievement of the changes</td>
<td>It requires much time and large costs, which can lead to failure of the project</td>
</tr>
<tr>
<td>Negotiations and agreement</td>
<td>Resistance groups in the company's management, who are afraid of losing their privileges as a result of changes</td>
<td>Provision of incentives in exchange for support may be a relatively simple way to overcome the resistance</td>
<td>Often costly and can cause complaints from the other groups</td>
</tr>
<tr>
<td>Personnel changes and appointments</td>
<td>The failure of other «tactics» influence or unacceptably high costs for them</td>
<td>Resistance is eliminated rather quickly, does not require high costs</td>
<td>Threat to future projects because of mistrust of the persons concerned</td>
</tr>
<tr>
<td>Covert and overt enforcement</td>
<td>Sharp shortage of time and lack of adequate power base among the initiators of change</td>
<td>The threat of sanctions mutates resistance, enables fast implementation of the project</td>
<td>Related to risks, poses persistent resentment against the initiators, passive resistance to a possible reorientation of the project</td>
</tr>
</tbody>
</table>

**Note.** Data of the work [6].

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**External innovation resistance**

Any organization operates in an environment of other market subjects, and, of course, is affected by them. Suppliers, customers, intermediaries, NGOs, competitors all of them affect the company's operations in some way. This influence often goes into pressure and resistance, due to the fact that strategic innovations affect all of the above named subjects of microenvironment during the implementation of innovations.

There are six groups of market actors, what influence on the effectiveness of the innovation actively: financial institutions; the media, educational institutions; labor market resources; state legislative institutions; and business community [5; 311].

Nobel Prize winner H. Simon’s research [4; 492] shows that the area of management specialization influences on his attitude to environment changes strongly. Marketing, sales, product or region managers are primarily perceived change in the volume of sales and, consequently, in spite of the cost, try to raise the level of trade. Production managers are inclined to rationalism; they are more concerned with their return and profitability rather than market share.

Financial managers are strictly focused on financial flows and the availability of net assets.

Thus, firm ability to perceive environmental changes and adapt to them at the expense of innovation depends on the one senior manager who makes strategic decisions.

**Tasks of the director (of the company) to neutralize resistance to innovations**

Thus, resistance always accompany any innovation. The internal resistance stems from subjective of managers’ conservatism of employees, lack of information and a low degree of communicative between the individual levels and divisions of the company. The external resistance is provided by such entities of microenvironment, as financial institutions, business community, the media, trade unions, the education system, government agencies and others.

**The tasks of the manager** are to neutralize the resistance and directing the energy in a positive way at the stage of planning and development of innovation policy. This requires [5; 315]:

- To assess the company's ability adequately;
- To establish a coherent system for collecting and processing the information;
- To stimulate the flow of information from all functioning departments;
- To implement a system of collective decision making and collective responsibility involving managers and employees at all levels;
— To build a motivational system for encouraging the creativity and idea generation in the grass-roots levels;
— In innovation activities to focus on the social and ethical useful innovations for society as a whole;
— To create long-term relationships with lenders, suppliers and customers, and also keen to collaborate with community groups and agencies on a reciprocal basis, involving them in the innovation process.

References

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Инновационные основы процессов и методы нейтрализации сопротивления инновациям

Компаниями особенно активно изучаются инновации как явление, зарождающееся, растущее и влияющее на процесс производства. Процесс инновационных действий происходит на фоне экономических потоков, которые могут быть как положительными, так и негативными. Имущество компании, которое является основой инновационного процесса, подвергается влиянию со стороны рынка, на котором оно находится. Инновационные процессы являются основой для создания новых продуктов, услуг и технологий, которые могут быть использованы в различных отраслях.

References