

Animation 14.1

Both invention and innovation are concerned with doing something new, but they are not the same thing. In order to understand this difference between invention and different forms of innovation we can ask two questions. First, we can consider what is the impact of this new thing – has it actually made a difference to the operation or organisation?

Second, we need to know if the new thing has actually been adopted or executed. It is possible to come up with a new idea without it being put into practice.

Clearly, if the new thing has not been put into practice, nor has had little or no impact then there is neither invention nor innovation.

However it is possible to come up with great ideas that do not get put into practice. And this is the nature of invention. There are many examples of inventions that have not been adopted for all kinds of reasons – technological, financial or lack of demand. Evidence for this is the number of patents that are filed on inventions that never become a marketable product.

Hence the main difference between invention and innovation is that innovation is about turning an invention into a business proposition ie putting inventions into practice.

There are then two types of innovation depending on the impact that it has. If the impact is not too great, this is termed incremental innovation or continuous improvement. Many operations are making small adjustments to their processes and making improvements to their products and services on a continuous basis.

Each of these things has a small, often apparently insignificant, impact, but over time the huge volume of small changes makes a significant impact on organisational performance.

Finally, there is radical innovation, which has a high impact on the operation, organisation, and even industry sector. This is the kind of innovation that most people think of – such as James Dyson's highly innovative vacuum cleaner, the digital mobile telephone, and so on.

It should be noted that firms can be innovative without being inventive. This is because an organisation does not have to come up with its own original ideas, it can borrow or copy these from others – so long as it does not infringe patent or copyright laws.

It has been suggested that as much as 90% of all innovation is not the result of original thinking, but adoption from another source.