

Innovation in Business

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Abstract—Innovation, technology and knowledge are the trilogy of impact to support the challenges arising from uncertainty. Evidence showed an opportunity to ask how to manage in this environment under constant innovation. In an attempt to get a response from the field of Management Sciences, based in the Contingency Theory, a research was conducted, with phenomenological and descriptive approaches, using the Case Study Method and the usual procedures for this task involving a focus group composed of managers and employees working in the pharmaceutical field. The problem situation was raised; the state of the art was interpreted and dissected the facts. In this tasks were involved four establishments. The result indicates that these focused ventures have been managed by its founder empirically and is experimenting agility described in this work. The expectation of this study is to improve concepts for stakeholders on creativity in business.

Keywords—Administration. Innovation. Knowledge, Management Technology

I. INTRODUCTION

THE idea of having your own business and managing it yourself encourages many people, who in turn develop an expectation of an opportunity of risk in the hard task of overcoming the impossible. One of the fascinating ventures is the pharmaceutical trade, which is the focus of this work. The fact allows empirical study, with a management approach and focus in the business innovation as demonstrated in this task, supported by the Science Management. In Cacoal City, Rondônia State (Brazil), there are fifty-four pharmacies; these pharmacies play a very important role in the economy as they generate employment and income to attend the interest of millions of consumers of industrialized remedies. Some of these pharmaceutical establishments are fitted in the market for over twenty years and have reached success. Even faced with the so competitive sector, some ventures remain in the market with perspective of growth. The complication of the object was considered for the preparation of this task. The introductory summary confirms some valid elements for the research in the field of pharmacies and chemistries, encouraging questioning, which responses can contribute to the Administration of this type of activity. In the search for innovation in the management of businesses, organizations from the pharmaceutical trade and their management operate in constant change and dynamic in challenges, as well as facing the resistance from the ones involved in new concepts. In face of the exposed, a research question comes up:

How pharmacies manage the constant innovation and remain competitive?

II. THEORIC REFERENCE

In this section, reflexing takes place in regards of the necessary concepts for the application of the case study. Following the recommendation in Cavalcanti [5], where it shows that to manage the system is necessary to deal with the question as a whole, and not alone, it was sought to arrange theory tools that came to include a whole organizational success through business strategy. The Contingency Theory was considered for the preparation of this task, with its approach involving business innovation to confront the competition in a specific activity field. This Theory, according to Chiavenato [7], arouse from the various research activities carried out to verify the organizational structure's models that were more effective. And it is emphasized that there is nothing absolute in the organizations, that everything is relative, and come to mark a new stage, as it presents an approach which is varied and coherent for the analysis of the organizational structure.

A. Management Behavior and Entrepreneurism

According to Aurélio [3], the behavior of individuals is motivated by the reason or emotion. In the entrepreneurial context is not different, as people react to stimulants to act in the business. To understand the manager's behavior is the ideal form to interpret his actions and reactions, including his motivators. Studies raised indicate that attitudes come impregnated of factors which influence the operational of a human being, such as culture, social role, life experience, personality, which can explain the expectations related to the enterprise. So much so that Skinner [16] deals with the boosters, which stimulate the behavior in a 'stimulus and response relationship', which can be transferred to the entrepreneurial environment. Chiavenato [7] advises that the manager gets to know the structure of the dynamic of groups and individuals inside the organization with the opportunity to reach objectives via efforts' coordination. Dolabela [9] emphasizes that the entrepreneurship is a cultural phenomenon. Studies show that, for an enterprise to obtain success, a series of attributes and behaviors from the entrepreneur is necessary.

B. Business and innovation strategy

According to Sun Tzu [18], it is in the various situations, forecasted or not, that you find the enemy, seizing the opportunity in each case, of a new experience, and consequently, starting a new learning. For this classic strategist, a small advantage should not be disregarded, but taken advantage of within the circumstance which may be

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useful, always being alert to all that its seen and heard, aiming to acquire necessary knowledge to conduct to success. Still according to the same author, the business is in certain aspects like a war. Random research allows to register that various authors mention that the strategy takes care of how you should fight, utilizing it to win battles; however, consideration should be taken as in the entrepreneurial context, these battles and the enemies in war are not always clear. Therefore, it is fundamental to be alert to not be taken by surprise. Ansoff [1] warns that when, in war, the ammunition ends, you must continue to fire in order that the enemy do not find out that you are in need of ammunition, what demonstrates the importance of the strategy, even the one of moral order. For the same author, the use of a SWOT analysis allows systematization of all available information to secure a transparent reading of the environment of "battle" to take a balanced decision, allowing you to weight up the points of strength and points of weakness, risks and opportunities. Oliveira [13], shows which destination must be given to the business, and how to establish it. For the author, one of the most significant procedures in the strategic process is the choice of strategy, valuing the decisions which better interact between the enterprise and the environment which it is in. Here he brings to mind detection of risks and opportunities that can draw up the destination of the venture. In this research, the situation is treated as a basic tool in the competitive strategy construction. Cunha [8], asserts that, the constant search for new businesses, the entrepreneur imagine, plan and work the good ideas to make them a concrete fact of success, seeking knowledge to make it long lasting. It is in this incessant search that new businesses arise and managers are coming to be certain of the importance of planning for the long life of the enterprise.

C. Creativity, knowledge, management, competition and quality in business

For Chiavenato [7], responses to problems or opportunities of the moment are developed through creativity. The creativity is not summarized in creating something new, a new idea, a new product, a new method or solutions of a problem; it is also to realize that something can be changed. This way, it is not necessary a big idea, but yes, an idea of good result. For the development of creativity, it is necessary to abandon the comfort zone and liberate the blockages which prevent the use of the mental capacity. According to Senge [14], with the globalized world, the knowledge is fundamental for organizations that are learning, as the information exchange between their components generate a coordinated effect in the execution of their tasks. Search carried out in the site of ANVISA - National Agency of Sanitary Surveillance [2], indicated that pharmacies and chemistries are establishments of service rendering of pharmaceutical of public interest and/or private articulated to the Unique System of Health allocated to provide pharmaceutical assistance and sanitary orientation either for an individual or collective where it is processed the manipulation and/or dispensation (which is the act of the pharmacist to guide and supply to medicine and pharmaceuticals' inputs' users) of products and correlated with

purposes of healing, palliative, esthetic or for diagnostics. The trade where it fits has some peculiarities in relation to other fields in the trade. Therefore, presenting challenges and opportunities, as well as being responsible for the distribution and supply of remedies and products of hygiene and beauty for the population, it has the responsibility of public health and employment generation as a priority.

III. METHODOLOGY PROCEDURES

To study the aspects of the business and innovation strategy in the pharmaceutical field, the technical procedures of a bibliographic research, documental and surveys which, according to Cervo and Bervian [6], what is the direct interviewing of people which behavior is desired to know. The procedure which the method was developed resulted from the survey use. It was carried out by questioning directed to managers or partner-owners in writing, with the objective of get to know the answers necessary to finalize this research. The deductive method was considered for the development of the proposed work, that the general part particularly. The approach was qualitative, however whenever possible, data collected was converted into graphics, there is a quantitative approach operating with the researcher's perceptions with the theory studies. It was addressed through a descriptive-exploratory research to describe and identify managers' behavior and having an interest in finding out the facts, looking at writing and interpreting them with the purpose of proposing management tools to improve business. To elaborate the theory's referential, it was used the method of bibliographic research, it was also adopted some procedures, which are structured in the following way in this work: firstly the search for materials, aiming to raise part of the bibliography which sustained the research through books, magazines and sites. The following moment is characterized through reading and choice of theories, after the realization of a previous reading of the collected materials. Some concepts and theories were selected adequately judged for the elaboration of this. Within which it was chosen contents responsible in guiding future entrepreneurs in the field of pharmaceuticals in the question of management and innovation strategy, based in the Contingency Theory, which consists of dealing with the theories and concepts according with objectives of the proposed task to make viable the elaboration of the case study. Four pharmacies took part of this research in Cacoal City, Rondônia State (Brazil). The selective criteria for the researched enterprises were to be in the market for more than twenty years and being managed by its founder. The choice of managers was the reason of the decisive role which is exercised in the pharmaceutical establishment; the partner-owners were chosen to exercise significant influence in the decision-making. The visits to the researched enterprises occurred via of previous contact with the managers for the terms of consent, the visits were established seeking to collect data, through the surveys with fourteen questions of multiple choice given to four managers and four partner-owner founder who have answered and returned two days after the submission. September 2010 was the period of relation with all involved. The combination of the players who participate in

this investigation was composed of individuals of both sexes and in the 18 – 50 age group. This also has been studied according to the formal education and other elements which identify the relation with the pharmaceuticals' business. With this luck, it was identified the players of A1 to A8 and the establishments for A,B,C,D, which manifest themselves through applied tools of investigative work procedures, only after attainment of the formal Term of Informed Consent. The results of the collected information were tabled; graphs were drawn, analyzed and criticized with purpose of expressing the clear manner between acquired information and the use of the surveys, the correspondent report inserted in the conclusion of the current proposed task. The conclusion was formulated according to what was dealt with, as well as the proposed suggestions for possible improvements of the enterprises in which refers to the theme of this research.

IV. RESULTS AND ANALYSIS

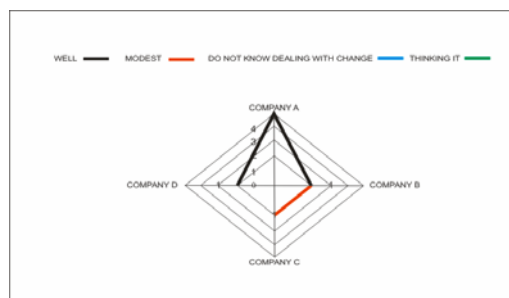
A. Identification of managers behavior in the researched field

It was seen in this behavioral identification process that researched enterprises have in their fours individuals with age group directly linked with a consistent learning period and maturity for the management of the business. This way, it was detected that, first, the individuals with the age range above thirty- six managing the business with characteristics in common: in the other hand, individuals situated in the age range between eighteen and thirty-six years old, acting in a way very diversified in relation to performance. It is registered that the first have dominance, articulation, vision, security in their decisions and abilities in taking care of the clients. The majority of these behavioral indicatives it is not observed in the other indicated age group; these put themselves as subordinates to the decisions of the most experienced and older ones, also revealing, submission, insecurity and lack of control in the management action, as well as demonstrating a paradox if the need of possible substitution is considered, as in cases of license, holidays or other occurrence.

B. Analysis of the context in regards of the use of conceptual strategy of innovation

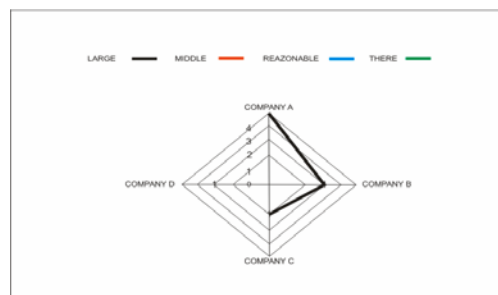
In face of the identified and having in view the focus of Conceptual Theory, it was possible an analysis about what it is considered the modern strategic management. This implies how the strategy is applied to reach objectives. The organizations of today, deal with a consistent economy in the technological innovation arena under a dynamic of information in accelerated rhythm. This occurrence reinforces the thesis of the capacity to innovate, as it is recognized by various authors, it is one of the main tools of competitive advantage. One analysis in regards of the role of the modern manager point out that the Focus Group worry with the confluent administrative process, based in the planning, decision and control, taking these as the main route to business success. Amongst the researchers, indicative evidence for the trust built with consumers, and the flexibility for negotiations as a form of capturing the client, therefore, it is not different from the concepts of Chiavenato [7]. The

enterprise is like any other specie: is born, grows and develops reason because is necessary to seek means of survival in front of the adversities, aiming to acquire knowledge to conduct the enterprise to success and consequently the long living as advised by the strategist Sun Tzu [18]. Following on is an analysis in relation to the Focus Group positioning as shown in Graphic 1. Visualizing that the enterprises' managers "A" and "D" have better capacity to deal with changes, while that managers of the enterprises "B" e "C" show inclination to fit in the conjuncture's reality in a form of disposal theory considered in this task.



Graphic. 1 The managerial capacity in dealing with changes

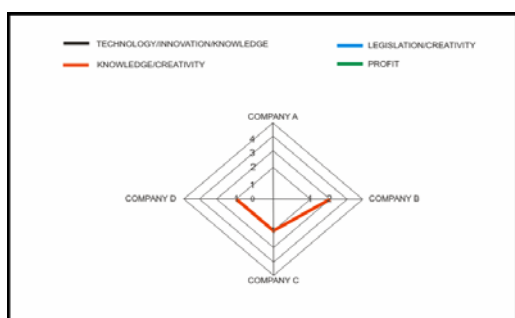
The analysis of the results allows assertion of the pressure for quick reactions determine manager's attitude, promoting competitive differential to changes; therefore, it is possible that the life experience of the individuals influence the management process, resulting on the manager's insecurity, tendency to accommodate, delayed decision making and other effects, with impact in the adoption of the required factors for the environmental change. The research also shows that the innovation impact over the productivity of the enterprise. As demonstrated in Graphic 2, managers of enterprises "A", "B" e "C" consider that innovation impact is positive for the productivity of the business; then manager of enterprise "D" believes that the impact is not significant to the business, while believing this to be a common factor to the majority of the establishments on this field, contradicting the concepts in Drucker [10].



Graphic. 2 Impact of innovation over the productivity of the enterprise

Examining the analysis in this context and considering the various proposals in favor of innovation, research detected in simple format of appeal that the managers can find in the hygiene and beauty product mix, especially those that are in fashion, an innovative solution for sales productivity.

Furthermore, studies in regards of the operational norms of the sector allow pharmacies and chemistries to trade these types of products inducing innovation of this mix, now linking to every day habit of the client worried about health and also interested in maintaining the performance of beauty while looking after the physic. The concept-theory context offers the opportunity in this task for an analysis in regards of the influences which technology impacts on the every day of individuals. This fact offers the opportunity of confrontations in the Focus Group in a way of revealing the process attached to researched organizations. As a result, appears Graphic 3, supported by the tripod technology, innovation and knowledge as factors of change in front of planned action.



Graphic. 3 Management Tools

According to Graphic 3, managers of enterprise “A” revealed that they were convinced that the technology is essential and that innovation with knowledge is what sustains their business, positioning themselves in symphony with the theory focus approached in this research. In the other hand, managers of enterprises “B”, “C” e “D” believe that only creativity and knowledge are sufficient for the success of their results, contradicting the scrutiny theory and conceptual raised in this task. There is no doubt that own competitiveness will conduct the last three and revisit their concepts to enable them to understand the importance of technology associated to innovation and to knowledge, as it is registered by Sleight [17], where the manager needs to make use of the modern world tools. Equations

C. Proposed tools for improvement of the business management

The constant changes in the entrepreneurial environment demand the building and elaboration of administrative tools, which provide information and contemplate managers for the decision making. In the context of this task, found in Serra et al [15], an applied support from theory field into practice. This is the contribution of the referred author to this case study which involve four enterprises; the scrutiny strategies’ references in four other different authors, added as valid for a possible selection in support of the decisive process. The managerial actions of these players continue precarious due to lack of strategic planning and lack of control in institutional marketing. Both appropriate indicatives in this intervention point out to the fragility to confront competitors, mainly when the opponent is affiliated to the structured business network,

which is today the new tendency of the market of the field, going towards various authors.

D. Management in the uncertain and objective action in the researched businesses

The bibliographic research assures that to maintain a business competitive, a tool can be adopted, aiming for a differential. Survey carried out in this task motivated the option through the Matrix previously designed, which is based on Ansoff [1], Oliveira [13], Bethlem [4], e Chiavenato[7], for the choice of management strategy in the uncertainty and to increase objective action valid in the researched businesses. The study has as a basic characteristic to evaluate and to determine opportunities of growth favorable to the Market Penetration, which is possible with capture of the clients, through dynamic of exposure of products of greater acceptance, as direct marketing. To maintain leadership of the market it should consider the consumer as a key piece of this process, in which it is applied direct marketing as a way of exposure of the product and/or services mix, as assures Chiavenato[7]. You can bet in the so called alternative medicine, products which are the personal hygiene and beauty products, products focused on chronic illnesses, products and services for the Third Age - according to IBGE [11], there are nearly twenty one million of people above sixty years old; therefore there is a niche to be explored. As the enterprise offers others product as a service provision of customer care, the decision for incorporation of this matrix with mix of business would be a strategy for the enterprise. The offered proposal improves the management of business, in face of the above exposed in this topic. It would be taking decisions by weighting up the uncertainty involved in future events. In this case, it should consider consumer’s behavior, competitors’ reaction, social and tax politics. Furthermore, it is necessary to focus on new entries, improve management with suppliers and the confluences of these considerations would require.

E. Procedures, processes, risks and opportunities in the business

For the results in this topic, it was opted to consider the theory focus specifically the one proposed by Oliveira [13], maintaining the planning processes, organization, direction and control, improved through a cognitive strategy of an environment under constant change. Here, it tried to identify the format adopted by managers to maximize the right decisions in face of uncertainties. For this author, one of the most important moments is the choice of strategy. Soon, it should choose the best for interaction in the enterprise. The study point out that generally the manager decides in three environments: of certainties, risks and uncertainties. As a result in this research’s report, it was focused, once more, in the referred author for the interpretation of the creative capacity of the enterprises’ managers for the creativity in the environment of uncertainty. This focus was launched under efficiency standards and its reflexes in the innovation and technology, the knowledge to act with the processes here referred to, with special attention to the costs elements for the decision making. This is when are formulated improvements which secure the development with the success of the

business. Here the SWOT Analysis comes in as the most efficient, once more allowing monitoring, identify the scrutiny monitored and measure consequences in front of uncertainty. The survey carried out through bibliographic research pointed out that the macro environment brings demographic, political, technological, legal and social variables. Another bias to be considered is the easy acquisition which the consumer has today, able to buy in the corner establishment or to get it delivered home through a data digitation in the internet or a simple authorizing telephone call to debit one product. Situations as such that not even the mix will resolve in favor of the competitive advantage. Furthermore, this research brings unusual data, according to the fiscalization report issued in 2009 by the Federal Pharmacy Advisory. It informs that there are around seventy thousands pharmacies and chemistries in the whole country, with a shop proportion of one for each three thousand two hundred of people. The World Organization of Health recommends the proportion of eight thousand habitants per pharmacy. Therefore, this number is excessive, if analyzing this context in the researched city. This is of nine thousand eight hundred, as it was detected that in the researched universe are branched fifty-four pharmacies, while the World Organization of Health establish the number of ten pharmaceutical establishments for a consumers' population of this state. However, it is registered here that Cacoal is a hub city, where the neighboring towns utilize the health services and education, providing an improvement in the local trade.

F. Essential strategy, diversification of factors and strategy construction in business

Supported by the cited author in this work, the research identified that it is necessary to develop methods to identify the performance improvement actions for the business. Once identified these actions, it should be focused in the strategy of incentive to the improvement and required changes. It is when the management of knowledge starts to have a predominant role, one opportunity is beginning and the manager creates provision alternatives on the decentralization. Like this, it is proposed here, infra-structure creation for an adequate management, what makes decisions revision essential for qualitative growth with vision directed to a generous market parcel. According to research from IBGE site, the class C is which spends the most in beauty products, consuming an average of one hundred and twenty two Reais / month. Survey carried out alongside same organization revealed that this social category is the one which most consume this type of products, being the female individuals of this class who are prone to consume more than the women positioned on the top of the social pyramid. This way, it is proposed here more incisive for marketing with these individuals focusing mainly in the social classes "C" "D" e "E", because according to the data collected in this research, they are the most promising for consumption.

G. Creativity, method and unblocking in the business management.

For Chiavenato[7], one of the main factors for creativity is the imagination, when ideas are transformed into something innovative which aggregate value to a product or service. Modern Times' innovative solutions requirements are an effect of creativity and appear as a resultant of a modified dare for abstract ideas, essential to business. Importantly, it registers that knowledge and innovation never being as imperative as it is in this millennium. So much that enterprises turned to improve innovation as an intuition for opportunity. One method can guarantee to the owner, the realization of fundamental competences for the business. However, it is imperative, have unblocked employees, what can be obtained through the human valorization. It is also necessary to investigated enterprises to come to adopt an incentive system and rewards in relation to this and for researched managers to seek strategies of assimilation for new products, mainly for the Third Age population, as proved on the IBGE [12] researches. The present study brings in an opportunity between the ascending diagraming and data collected alongside with the Focus Group placed in the researched universe. For this task's result, it was sought in Chiavenato[7], the elements to interpret collected data from questionnaires. There, the perspective of innovation through knowledge could be secured by training and capacity building of staff, promoting the flexibility and speed in quality decisions, as well as allowing implementation of new methods and useful processes in the expansion of potential niches, indispensable for the profit growth and improvement of the flexible system desired by the client interested in the novelties each day.

V. FINAL CONSIDERATIONS

To conclude this task it was possible to bring to mind a criticism in regards of what is an organization under mutation adapting to the new environment. And this is also a complex measure, because innovation through knowledge involves variables that equally modify the entrepreneurs' characteristics, situation which requires managers with dynamic behavior to enable them to follow this mutation. Through the response brought here, it was possible to prove that the objectives of this task have been achieved. Through the behavioral elements, identification of the involved managers in the studied businesses, this revealed attitudes and tendencies, making clear their behavior in face of the circumstances in the managerial process. The empiric system proved in the founders' managers of the businesses involved in this study that it is not sufficient to guarantee competitiveness in the field of trade that have been made more difficult due to mechanisms such as those pointed out in this work, such as standardized prices, complications for the elimination of costs and the clear excess of competitors, the organizations of today demand qualified managers who seek through the strategies well elaborated the competitive differential. In the other hand, by ending this research, it was possible an innovative learning in regards of the questions of this nature, what also could now improve the strategic

management via creativity, which would make possible the market's capitation, trigger the bargaining power, the expansion of new niches. This is a demand which demands professional qualification. There is no doubt that to print an initiative of this nature, efficient planning and performance monitoring is indispensable with revision in the entrepreneurial mission and reinvigorating in the manager's vision. Finally, some recommendations are conveyed derived from the reported results from this research work. Apart from the improvement tools offered in Table 3 from this task, it is recommended that professional consultancy of Administration graduate, decisive measure in the moment of the generation of new planners. It is recommended still to create a buying central point utilizing web tool, interesting enough is e-procurement modeling adaptable to management via internet, which can represent a powerful tool for this type of researched business. With this resource it will start to guarantee the bargaining power with suppliers, with reflex in the results and profit. In regards of market mutation, it is recommended to consider the generations "Y" "Z", made up of children and adolescents, as it has been decisively influencing the consumer's behavior, capitalization of these potential consumers with proposals of the mix reminded here is imperative. These are the recommendations offered in the closing of this current task.

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