

## ANALYSIS OF TYPES OF INNOVATION IN ORGANISATIONS

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**Abstract.** *In the current economic context, the only way that an organization can survive on the market is to innovate. It is therefore very important to understand the characteristics that make an organization more or less innovative and how innovation is created there. Whatever their type, product innovation, process, marketing or organizational, to adopt an appropriate strategy, organizations need to know who their innovation is.*

**Keywords:** Innovation, types of innovation, organization, product, process.

### 1. Introduction

Innovation is generally considered as the main engine of economic growth in the global economy today. By introducing innovations into practice to obtain products with better quality features, service quality, new production processes, more efficient and clean (ecological) management system, improved models of business, modern management methods of employment work. There are many reasons for companies and organizations to innovate, including: increasing market share, capture new markets, improve product quality, choice of products, replacing outdated products, reducing environmental impact. Innovation is linked with creativity (which is part of this category of article). Innovation and creativity processes are interrelated, since finding the solution to the problems in a process of innovation requires creativity. Innovation covers a practical application of a marketable invention, however, innovation is possible without a prior-invention.[1]

In the organizational context, innovation may be linked to performance and growth through improvements in efficiency, productivity, quality, competitive positioning, market share, etc. All organizations can innovate, including for example hospitals, universities, and local governments.

While innovation typically adds value, innovation may also have a negative or destructive effect as new developments clear away or change old organizational forms and practices. Organizations that do not innovate effectively may be destroyed by those that do. Hence innovation typically involves risk. A key challenge in innovation is maintaining a balance between process and product innovations where process innovations tend to involve a business model which may develop shareholder satisfaction through improved efficiencies while product innovations develop customer support however at the risk of costly R&D that can erode shareholder return. Innovation can be described as the result of some