

# Gaining Strategic Advantage Through Innovation

The past several decades have demonstrated that the axis of orthodox views in the world of economics has tilted, causing a migration from the Industrial Age into the **Information Age**.

(Holbeche, 2006)



The rules of competing in an uncertain and globalized economy are being rewritten due to the rapid convergence of big changes (Tidd and Bessant, 2005). Globalization of technology, changing markets every two to three years, internet commerce, disorder and unpredictability in a volatile economy, and an increase in customer choice have forced organizations to depend on continual reinvention of themselves in order to survive (Holbeche, 2006).

Strategic advantage over the competition is achieved through innovation which Tidd and Bessant (2005) describe as 'the ability to see connections, spot opportunities and to take advantage of them.'



Since competition ultimately will try to reduce the advantage, innovation then is about constantly creating and reinventing. The most important element for ever evolving change within any organization is the keen recognition that **people are the major force behind sustainable success** (Lles and Sutherland, 2001). Today's critical production factor has become skilled labor, or 'intellectual capital,' emphasizing that people, their ideas and creativity are vital for the success of any business (Holbeche, 2006).

