

Innovation critical for success: HP

Veronica C. Silva | April 21, 2011

Top-level executives say innovation is key to profitability, but is hampered by a lack of funding.

A global study by HP has found that executives believe innovation, driven by technology, is the key to an organisation's success in the next five years.

The study involved 312 top executives in the government and private sectors, between February and March 2011.

Ninety-eight per cent of those interviewed consider innovation as "critical" to the success of their organisation in the next five years. Ninety-five per cent of CEOs, CFOs and CIOs and their public sector counterparts said innovation is "important".

Most of the respondents from the private sector (74 per cent) said innovation is key to their organisation's profitability. For the government, innovation is important to their organisation's reputation.

Among the innovations that the respondents said their organisations need are those relating to applications and software that could provide process flexibility.

Constraints

Funding was highlighted as a chief barrier to innovation, by more than three-quarters of respondents.

Last year, HP conducted a similar study revealing that organisations felt the need to innovate but there was too much focus on running the business, particularly making the business profitable. HP called this dilemma as "innovation gridlock".

HP said the new study results further emphasise the importance of the critical role of technology and innovation in the enterprise.

The 2011 study was conducted by Burson-Marsteller and included respondents from North America (United States and Canada), Europe and the Middle East (Denmark, France, Germany, Russia, United Arab Emirates and United Kingdom), Asia Pacific (Australia, China, Japan and Philippines), and Latin America (Brazil and Mexico).

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