# Re-envisioning Innovation: From Vision to Strategy to Plan and Back Again

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**Abstract**

HMS is a Swedish company and a global market leader in the industrial communication industry. Initially, HMS was managed with a vision of a connected industry. Gradually, that vision was complemented with strategies on how to reach that vision. In line with the company's growth and acquisitions, these strategies started to substitute their vision and they began to be supplemented with much more detailed plans. As the company's offer expanded, these detailed plans began to take over as the company's primary instrument of guidance. In other words, HMS went through three phases: From a "Market Establishment" phase (with a vision as their primary guideline), to a "Market Development" phase (with strategies as their primary guideline), and finally to a "Market Maturity" phase (with detailed plans their primary guideline). In so doing, their vision became less challenging/ motivating for HMS' employees. An action research approach was used, influenced by grounded theory. The results showed that people have different mindsets throughout these phases, and going back is challenging because while HMS' employees need a vision, visions come without detailed plans and will not work unless they are supplemented by inspirational communication and passionate innovation champions who can push forward without any detailed plans.

**Keywords**: Employee needs, innovation champions, plans, strategies, visions.

**Re-previendo la innovación: de la visión a la estrategia para la planificación y viceversa**

**Resumen**

HMS es una empresa sueca, líder del mercado global en la industria de la comunicación industrial. Inicialmente, HMS se gestionó con la visión de una industria conectada. Gradualmente, esta visión se complementó con estrategias sobre cómo alcanzar esa visión. En línea con el crecimiento y las adquisiciones de la empresa, estas estrategias empezaron a sustituir esa visión y comenzaron a complementarse con planes mucho más detallados. A medida que se amplió la oferta de la compañía, estos planes detallados comenzaron a convertirse en el principal instrumento de orientación de la compañía. En otras palabras, HMS pasó por tres fases: desde una fase de "Establecimiento de Mercado" (con una visión como su directriz primaria), a una fase de "Desarrollo de Mercado" (con estrategias como su directriz primaria), y finalmente a una fase de "Madurez de Mercado" (con planos detallados como su directriz primaria). Al hacerlo, su visión se volvió menos desafiante/motivadora para los empleados de HMS. Se utilizó un enfoque de investigación-acción influenciado por la teoría

fundamentada. Los resultados mostraron que las personas tuvieron una mentalidad diferente a lo largo de estas fases y el regreso es un desafío, porque mientras los empleados de HMS necesitan una visión, las visiones vienen sin planes detallados y no funcionarán a menos que se complementen con comunicaciones inspiradoras y apasionados campeones de la innovación que puedan empujar hacia adelante sin planes detallados.

**Palabras clave**: Necesidades de los empleados, campeones de innovación, planes, estrategias, visiones.

## Introduction

HMS is a Swedish company and a global market leader in the industrial communication industry. In the past, HMS created an innovation that helped them become a market leader. Their technology allowed their customers to connect their devices into any of the many industrial networks that became widely used in the industry (Lysek, Danilovic & Liu 2016).

Initially, however, HMS was managed with a vision of a connected industry: that all automation devices would become intelligent devices, with a need to communicate and exchange data over one or several networks. In order to succeed, HMS wanted to include their core technology into everything, to be part of every industrial device that needed network connectivity. Gradually, however, that vision of a connected industry was complemented with strategies on how to reach that vision. Such strategies were still quite general in terms of goals under conditions of uncertainty, but they still pointed HMS in a specific direction. In line with the company's growth and acquisitions, these strategies started to replace their vision and they began to be supplemented with much more detailed plans. As the company's offer expanded, these detailed plans began to take over as the company's primary instrument of guidance.

In other words, HMS went through three phases: From a "Market Establishment" phase, to a "Market Development" phase, and finally to a "Market Maturity" phase (see *Table 1*). These three phases can also be related to the "revised technology adoption life cycle" model presented by Moore (2014), since the "Market Establishment" phase corresponds to the "Innovators" and "Early Adopters" phase, the "Market Development" phase corresponds to the "Early Majority" phase, and the "Market Maturity" phase corresponds to the "Late Majority" phase.

According to HMS' top management, a company's vision is mainly dominant during the "Market Establishment" phase. During the following phases, the importance of the company's vision slowly begins to fade away, but it does not totally disappear. It just loses its flare. During the "Market Establishment" phase, initial strategies and plans are also created, but they are vague and indistinct. It is first during the "Market Development" phase that strategies become more distinct, as they take over as the primary tool for guiding the company, taking the spotlight away from the company's vision. Then, during the "Market Maturity" phase, detailed plans become the primary tool for guiding the company, taking over the leading role after strategies. How long this third phase will last is uncertain. Usually, it is followed by a decline during the next phase. After all, "[e]very institution is vulnerable, no matter how great. No matter how much you've achieved, no matter how far you've gone, no matter how much power you've garnered, you are vulnerable to decline. There is no law of nature that the most powerful will inevitably remain at the top. Anyone can fall

and most eventually do" (Collins 2009, p. 8). A sign of a decline could be related to when a company's customers no-longer have a lot of requests for new features and add-ons. Alternative and/or disruptive solutions may then start to enter the market and replace a company's core offer. At this point, it might be already too late to turn around and start over again. The "Market Maturity" phase is therefore the ideal phase for investing in a new vision and new innovation opportunities. The challenge for HMS is to learn how to manage such a turnaround: how to move back from the third to the first phase.

*Table 1*:   The three phases that HMS went through, as they went from vision to strategies and then to detailed plans. Source: HMS presentation from 2018.

| **Vision** | **Strategy** | **Plan** |
| --- | --- | --- |
| Market Establishment | Market Development | Market Maturity |
| During this phase companies have a strong "in-side-out" focus i.e. they are driven by their own vision and belief of what they want to accomplish, both from an offering point of view but also from a position point of view. They listen to the market and converts input into their own words and visions. | During this phase companies have tested their ideas and got a confirmation that they are on the right track. Now it's time to listen to the market and improve/fine-tune the offer to fit customer's needs. Good balance of "in-side-out" and "out-side-in" focus is the key to success. | During this phase the market has reach a mature state with a growing business and customer base – it's time to harvest. The exotic initial offer might be seen more as a standard or even as a commodity. Focus is on keeping the offer fresh and attractive with a strong value, creating an "out-side-in" focus. |
| Ahrens (2003) – don't develop what the customer wants, develop what they don't know they need. | Ahrens (2003) – Put your ear to the ground and listen with passion to what the market has to say. Put new glasses on the customer. | Ahrens (2003) – Grow the product flower. Apply the sales cannon (aim, load, and fire). |

However, in order to explain how and why HMS went through this transition: from a vision to strategies and then to detailed plans, we need to start by explaining what these concepts actually mean to HMS. HMS defines a "vision" as the answer to the question "Where do we want to go?", "How does the market look like?", "How does it feel, smell and taste?". A "vision" should be something almost unreachable, like reaching for the stars, but at the same time, it provides both direction and inspiration for the company and its employees. HMS' first vision was to put their core technology, their innovation, into every industrial device, which they have not yet accomplished to this day, but that does not really matter. It only shows that visions, just like stars, are supposed to be unreachable, but trying to reach them nonetheless is what inspires people. HMS defines a "strategy" as the answer to the question "How do we get there?". The strategies that HMS developed were to help HMS fulfill their vision. HMS also defines a "plan" as the answer to the question "How do we get the most out of being here?" Plans are therefore not introduced until much later, when strategies have almost been fulfilled.

  Thus, since visions are fundamental in motivating employees and moving companies in the direction the want to go, the purpose of this study was to explore the expressed needs of

HMS' employees regarding innovation, and to discover whether empowering HMS' vision could fulfill those needs, especially now that HMS is in the "Market Maturity" phase where people mainly focus on detailed plans. The purpose was also to explore what challenges HMS' employees may face if they want to put a vision back into focus again.

## Method

This study used an action research approach (McNiff 2013), influenced by grounded theory (Holton & Walsh 2017; Lysek 2016; Glaser 1998; Glaser 1978).

Four full-day workshops were performed at HMS between 2015 and 2016, including a series of interviews with managers and employees. These workshops involved 34 HMS participants. The first workshop involved people from the software department. The second workshop involved people from the marketing and sales department. The third involved people from the hardware department, and the fourth involved people from the production and supply department. Each workshop was divided into three topics: 1) "What defines an innovative company" that is not hindered by barriers to innovation, 2) "What are HMS' barriers to innovation", and 3) "What solutions can we propose to solve HMS' barriers to innovation".

This case study (Dul & Hak 2008) was performed with knowledgeable individuals from HMS, including the third author, Jörgen Palmhager, who was involved in the growth and development of the company from 1992 and still is to the present day.

The 34 participants that were part of these workshops all helped to code their own data into different categories in order to involve the participant in the analysis process. However, of key concern was to allow the participants to reflect on their own interpretation, on their own needs, and to express those needs into the form of different sub-categories. The four workshops together yielded 380 aspects from the three topics of discussion, which were grouped by the 34 participants into 65 sub-categories. Because these 65 sub-categories originated from four different workshops performed at four different dates, and people often come up with similar categories, many of them were overlapping. Therefore, they were grouped once more into five main abstract concepts that captured and explained the needs of these 34 participants.

*Table 2*:    The grouping of employee aspects into five main abstract concepts.

| 380 aspects | Grouped into 65 sub-categories | Grouped into five main abstract concepts |
|---|---|---|
| 380 aspects (items) on innovation | Being hungry to win business<br>Challenging ourselves<br>Having a shared vision<br>Improving contact with customers<br>Increasing knowledge and competence<br>… | 1. Inspiration<br>2. Exhilaration<br>3. Direction<br>4. Cohesion<br>5. Education |

The results and the five main abstract concepts were later saturated by adding an additional 45 interviews corresponding to 160 A4-interview pages, plus another 113 e-mail pages, to

the data analysis. Finally, in order to include another perspective from a knowledgeable informant to the analysis, Jörgen Palmhager, the CTO of HMS, was asked to interpret the workshop results and compare them with the company's agenda for growth and innovation. Jörgen was therefore closely involved in the development of the three phases (see *Table 1*) and in interpreting the results of the study. Thus, without Jörgen's involvement, the three phases would not have emerged. Without Jörgen's involvement, a connection between HMS' three phases and the five main categories would not have been made. The existing knowledge from the literature about the value of visions was also of key importance in the interpretation and understanding of how HMS' vision could help (as a first step) in fulfilling the needs of HMS' employees.

Eisenhardt and Graebner (2007) argue however, that qualitative case studies require to have certain aspects of their study explained. Thus, while a lot of research exists around the importance of visions for innovation and people motivation, we chose a theory-building study using action research inspired by grounded theory for three reasons, 1) to improve our knowledge about how to work with innovation in a company context, 2) to identify what challenges to innovation HMS' employees in Halmstad, Sweden, are facing, and 3) to discuss and suggest certain solutions to overcome these challenges. Without such an approach, we would never have discovered these challenges, nor would we have discovered that it is not that simple as to just introduce a new vision to spark a passion for innovation in people. The three phases that emerged during this study showed us the importance of understanding the context of each phase, the dynamics of going back and forth between the three phases, and what challenges such a transition entail.

## Analysis

This study was based on data that was collected and analysed during four full-day workshops with 34 participants (HMS employees from Halmstad, Sweden) between 2015 and 2016. The workshop participants were part of generating the data themselves and categorised them into 65 sub-categories. These 65 sub-categories were then conceptualized (Glaser 2011) into five main categories, explaining the main needs of these 34 participants. While the four workshops were focusing around the topic of innovation barriers, what emerged was not affected by such preconceptions (Glaser 2013). What emerged were five main abstract concepts that explained the needs of these 34 participants when it comes to innovation. These five main concepts were: inspiration, exhilaration, direction, cohesion and education.

These five main concepts are related to each other in different ways. Inspiration belongs to the causal-consequence model and affects exhilaration. Inspiration also belongs to the interactive family together with both direction and cohesion respectively. Cohesion also belongs to the causal-consequence model and affects direction, and it belongs to the interactive family together with education. Education belongs to the causal-consequence model and affects both exhilaration and direction respectively. Last but not least, direction also belongs to the causal-consequence model, and affects exhilaration.

In addition to that, inspiration could also be seen as a concept that belongs to extrinsic motivation, while exhilaration could be seen as a concept that belongs to intrinsic motiva-

tion (Van Yperen, Wortler, & de Jonge 2016; Dysvik & Kuvaas 2013; Tremblay et al. 2009; Sansone & Harackiewicz 2000).

Self-determination theory (SDT), which focuses on three fundamental psychological needs, can also be related to some of these concepts. SDT focuses on three needs: competence, autonomy and relatedness. "People are most fulfilled in their lives when they are able to satisfy these fundamental needs. Competence motivation reflects a human need to master new challenges and to perfect skills. The need for autonomy represents an attempt to achieve greater freedom and regulation by the self, rather than by external forces. It leads to greater self-integration, feelings of personal control and self-actualization. The third basic need, relatedness, refers to the self's desire to form meaningful bonds with others. The importance of self-determination theory's three basic needs has been strongly supported by research" (Holt et al. 2012, p. 404). Competence relates to "exhilaration", "direction" and "education". Autonomy relates to "inspiration", "exhilaration", and partly to "direction". Relatedness relates to "cohesion" and partly with "direction".

The focus of the five concepts that emerged in this study, is however on the importance of having a clear vision that motivates employees and the importance of the top management's help and support in expressing that vision. After all, it is "important for the development team to have a clear and stable vision to guide them" (Tidd & Bessant 2013, p. 417). Not to mention that a vision is also important for radical innovation (Tidd & Bessant 2013).

## Inspiration: The need to be inspired and motivated

> "We want our leaders to provide us with a clear vision. We like when our leaders are hungry to win business and have a winning mindset. We like when we challenge ourselves. We want to be more on our toes. We want to know what our customers need besides what they say they want. We want to collaborate with external partners and other people outside the company's boundaries in search for innovation. We want to be encouraged to innovate and to be awarded for our efforts."

The first category that emerged from the analysis was "inspiration". The category emerged from grouping 121 out of a total 380 aspects that were generated by HMS' employees during the four different workshops.

**Definition:** Inspiration concerns inspiring people. It concerns a) providing people with a vision that will inspire and motivate them, as well as inspiring and motivating people by b) being confident and driven to win businesses, c) giving people incentives and rewarding them for their efforts, d) allowing people to be inspired by new market trends and new customer needs, e) collaborating with external partners and other organisations, and f) involving people in innovative activities.

HMS' employees stated that they do not see how HMS' vision is motivating or challenging in relation to the business of their department. But what is the underlying reason behind them wanting to have a clear vision, or even an innovation vision, to follow? Behind wanting more clearly communicated goals of where the company is going and what is ok to invest in? Behind working with long-term goals? Behind wanting to hold customer meetings that are not sales related, and increase their understanding of new technologies, new market trends, and new customer needs? Behind wanting to see that their leaders are hungry to win new businesses? Behind wanting to be offered incentives for being innovative, and

awarded for such efforts? But also, behind wanting to be part of collaborations with external partners, such as customers and universities, to learn how other organisations perform innovation-related activities?

One possible underlying reason is that having clear goals, learning about new market trends and new customer needs, as well as being provided with incentives and rewarded for working with innovation, all these things are inspiring and motivating. After all, learning from customers and capturing new opportunities that are not necessarily related to short-term profits, are both inspiring and motivating to most employees. Most employees perform the same or similar work every day, but these other activities offer them something new, something different. How can it not be inspiring and motivating? But not only that, to see their leaders move in exciting new directions is also very inspiring and motivating. In other words, people want to be inspired.

A new challenging vision could provide HMS' employees with both. "Possibly the most significant benefit of a clear vision statement is it can be motivating and inspiring. When an individual understands and aligns with the core values and vision of the organisation, they are able to readily commit to, and engage in, the organisation's efforts. Engaged and inspired personnel can go a long way in helping the organisation achieve its mission and goals." (Girdler). Thus, when wanting to inspire and motivate people, making a vision more challenging could be a good start.

## Exhilaration: The need to be exhilarated and excited

> "We have it a bit too good overall, and we want a little more urgency. We want to have a 'we can do this'-attitude. We want to try new things that are groundbreaking. We also want to lessen our heavy backpack and we want to work on product improvements."

The second category that emerged from the analysis was "exhilaration". The category emerged from grouping 102 out of a total 380 aspects that were generated by HMS' employees during the four different workshops.

**Definition:** Exhilaration concerns what work activities people find exciting and motivating. What activities they feel they can perform with excitement and develop a feeling of passion for. It concerns a) being alert and jump on new opportunities, b) being confident in one self and showing it, c) being fearless and trying out new things, d) allowing people to do improvements on a daily basis, and e) the opposite of something exciting, namely having a large workload.

HMS' employees stated that they, as a company, no longer connect to all industrial networks, but only to the largest few, when connecting to all networks was their fundamental idea from the beginning. But what is the underlying reason behind them wanting to connect to all networks, and not those that are most important and most profitable? Behind wanting to be more alert and jump on new opportunities? Behind not being satisfied with what they have already achieved and wanting to focus on things that are innovative? Behind wanting to see that their leaders have a "we can do it"-attitude, and the courage to trust their gut and try out new things? Behind being fearless, dauntless, and prone to risk-taking. Behind wanting to try out new ideas, technologies and solutions during day-to-day projects? Behind wanting to perform improvements on a weekly basis to make their jobs easier in the future, and behind wanting to perform more innovation workshops?

One possible underlying reason is their need for exhilaration. HMS' employees want to make their day-to-day work more exciting. After all, who does not want to make their work more exciting? Learning through experimenting with new technologies, and trying out new things that are not necessarily related to short-term profits, are both exciting and motivating to most engineers. A new corporate vision could help, since visions help people discover new opportunities that are exciting, but the fact remains, employees need excitement from time to time. Thus, updating a company's vision could be a good start that could lead to excitement in the future.

## Direction: The need to be supported and guided

"We need more support systems. We need a working innovation process. We need horizontal process owners that help across departments. We need a holistic view and focus. We need to define what innovation is. We need to specify goals and following up on them. We need to set clearer areas of responsibility, e.g. who is the process owner for change processes? We need a better understanding of what a minimum viable product is. We need to invest time and resources into innovation. We need to find new areas for innovation. We need to set aside time for idea generation."

The third category that emerged from the analysis was "direction". The category emerged from grouping 59 out of a total 380 aspects that were generated by HMS' employees during the four different workshops.

**Definition:** Direction concerns helping people move forward. Some people know how to keep in line with an organisation's agenda, but many people need more help on their way. One way of doing that is to be clearer that inventions do not necessarily lead to innovations and that many times an old technology, combined or presented in a new way, can create new customer value.

Sometimes people try to find their own path. If they manage to get away with it and it leads to innovation, then more power to them. However, many times people simply cannot find the path that can move them forward, because when they discover something, they realise, or they are told, that it is not in line with the organisation's agenda, and as a consequence, they will not find the support they need to move forward. In such a situation, it might be the only option to request help from the organisation. Direction therefore concerns a) providing people with a vision that will guide them in their work and help them understand the direction of the organization concerning innovation and what expectations the organisation has of them. It concerns b) helping people to manage confusion, c) helping people by providing a clear focus, and d) managing time properly.

HMS' employees discussed different things during the four workshops, including what would be their next "little thing", instead of their next "big thing"? They also argued that they need help with clearer "high-level" objectives, like a challenging and motivating vision to follow, and setting aside time for innovation. However, what is their underlying reason behind these things? Behind wanting a clearer roadmap and having clearer objectives? Behind managing the sub-optimisation and having departmental objectives rather than holistic objectives? Behind complaining that they do not understand how their own work is related to and what impact it has on the company's goals and visions? Behind having unclear responsibilities, who is responsible for what? Behind arguing that they need to clarify what innovation means, in order to lower the bar on innovation, to defuse it, and invite everyone to col-

laborate to create innovation? Behind wondering if everyone has the same view on what innovation really is, and how HMS wants innovation to be? Behind arguing that they need a common vision on what creates value and where they are heading? Behind needing a clear process for innovation management, that is supported by the top management, why, how, and what? Behind needing to introduce corporate innovation goals, for products, processes, and business models? Behind needing clearer and more challenging goals set by the management? Behind the need to get all people on the same path so that everyone knows their position and what they are supposed to do? Behind the need to have clearer areas of responsibility? Behind the need to specify clearer expectations for different types of products or business areas, where in some cases the company wants to see innovation happen, and in other cases they just want to improve the efficiency by optimisation? Behind arguing that they lack a policy, an official statement, on how to work on innovation and take ideas forward? Behind arguing that they do not know how ideas are selected and commercialised? Behind arguing that they are lacking an innovation group that helps out with innovations, with the right people to take innovation decisions and managing innovation processes? Behind wanting to have more support systems and getting help with removing the technology focus in the innovation process, and instead focusing on business models.

One possible underlying reason is their need for direction in the form of a more challenging vision. HMS' employees are very competent, but each of them is just a small piece in a larger puzzle, and they need help from other puzzle pieces to create the whole thing. Some people may be able to do it on their own, but most people need help from other people. That is why they ask, 'how do we define innovation and how should we innovate?'. They do not know, and they help. They also do not know what expectations the company has of them when it comes to innovation, and how to fulfill them. In this case, innovation is not just a matter of knowing how to go through the innovation process, but also about getting support on the way, because without support, moving forward becomes challenging. HMS' employees ask for guidance, in order to align themselves with HMS' agenda and their expectations. Innovative companies rely on both bottom-up and top-down driven innovation processes, that both co-exist together (Gaynor 2013b, Gaynor 2013a, Nonaka 1994). After all, companies can be seen as "social groups characterised by goal-seeking behaviour, so even informal social processes such as bottom-up innovation must be guided" (Sundbo 2001, p. 91).

A new corporate vision could help guide HMS' employees in what to do and in what direction the company is moving. It starts with a clear vision that acts as a compass, and then in time moves towards strategies and plans. But when one vision has been worn out, a new one needs to take its place, especially when the company is standing in front of new possibilities like the industrial internet of things (IIo). It is difficult to know what the company expects of that. "A solid vision statement acts as a guide for employee actions and decision making. For example, if there is a decision to be made to undertake a project, or how to take action on a task: simply stop and ask, "Is what I am doing consistent with our organisation's vision statement?" If it is, great, move forward. If not, or if there is any doubt, now is the time to pause, evaluate, and if need be, align the action or decision with the vision statement; or forgo it. The vision statement will provide the guidance employees need to make the right decisions." (Girdler).

HMS' employees also argued that they want time for innovation, and not have all their time used up on daily work. They want HMS to set aside time for those who have ideas which they want to try out. They want synchronised control of plans and visions to free up time for spontaneous innovation. However, if HMS would give their employees time, what would they use it for? In 2013, HMS had a programme going called "My Own Project" where people were allowed to spend one Friday per month on doing any project they wanted. After one year, nothing came out of this programme that could be commercialised, because people were not guided by any vision.

## Cohesion: The need to be involved and feel belonged

> "We want to improve information sharing and participation internally between departments. We want to improve internal communication and internal collaboration between departments, as well as spreading and sharing more information with each other."

The fourth category that emerged from the analysis was "cohesion". The category emerged from grouping 57 out of a total 380 aspects that were generated by HMS' employees during the four different workshops.

**Definition:** Cohesion concerns improving the cohesion within an organisation. It concerns a) increasing co-operation between people and allowing them to work more together, as well as b) increasing transparency and communication, especially across departments, and c) involving people more often to make them feel more part of what is happening in the organisation.

According to HMS' management, this is a challenge that concerns all growing companies. As companies grow, all employees are no longer involved in everything, and a new challenging vision that could motivate people on a department level, could make them feel more involved.

HMS' employees brought up many matters that concerned them, from increasing cross-department communication to seeing managers "walk the plant floor" more often (Peters & Waterman Jr. 2015; Peters & Austin 1986). But what is the underlying reason behind them wanting more co-operation between departments? Behind increasing exchange, by working some time in other departments, and working more together? Behind suggesting spontaneous meetings? Behind wanting to know more about what other people are doing? Behind wanting to share problems within and across departments? Behind wanting to have more activities between departments, like kick-offs, where people are "forced" to interact with each other and spend more time together? Behind wanting to share more top-down and bottom-up information, or behind wanting more transparency and increasing communication, especially across departments?

One possible underlying reason is their need for cohesion. HMS' employees want to increase the interaction between each other, to work more closely together. The only time most of them interact across departments is during after work parties, and even then, not all people participate. They want to be more involved in what other people are doing. They want more 'open doors' between departments. They want more freedom with responsibility. They want to increase their feeling of belongingness, to feel that they are one company, working together for a common goal.

A new corporate vision however, could help accomplish that, and increase their need for cohesion. People who have a common vision, struggle together to fulfill a common goal. A clear vision has a strong cohesive impact on people and binds them together. For example, a "clear vision statement acts as a unifying force, and has a positive impact on organisational effectiveness. When personnel understand and buy-in to the organisation's vision statement, it brings them together. It focuses and aligns efforts so everyone is working towards the same understood goal" (Girdler). In addition to that, cohesion through a challenging vision can be very inspiring and motivating.

## Education: The need to be educated and informed

"We want to learn more about innovation. We want to learn more about customers and customer needs. We want to learn more about how our products are used. We want to learn more about how other companies work with innovation and innovation processes. We want to increase our training, knowledge and competence. We want to deepen ourselves in expert knowledge, and we want to increase our understanding of what a 'minimum viable product' should be for our industry."

The fifth and final category that emerged from the analysis was "Education". The category emerged from grouping 41 out of a total 380 aspects that were generated by HMS' employees during the four different workshops.

**Definition:** Education concerns a) gaining more knowledge through education and training, from both courses and customer or company visits. From networking, workshops and various forms of collaboration. It concerns b) gaining more knowledge from testing out new technologies and develop leading edge competence, c) gaining more knowledge from learning about value creation, customer needs and market trends, and d) gaining more knowledge from learning about how their own products are used by their customers.

HMS' employees also brought up issues concerning gaining knowledge from both internal and external sources. But what is the underlying reason behind them wanting to go on more courses, exhibitions, seminars, and meetings with customers? Behind wanting to learn more about customer value creation and market trends? Behind wanting to learn more about customer needs and understanding customers better? Behind wanting to learn more about how their products are used? Behind wanting to widen their skills and competence? Behind wanting more internal training? Behind wanting to gain more knowledge, theory and experience? Behind wanting to take courses in innovation? Behind wanting to gain interdisciplinary knowledge and further education through networking? Behind wanting to benchmark other companies and external partners? Behind wanting to increase the exchange between departments through workshops, exchange session, etc.? Behind wanting to go on more company visits and exhibition visits, and behind wanting to learn new technologies and develop leading edge competence?

One possible underlying reason for their need to gain knowledge in to get a better understanding of their company and its ecosystem. Such knowledge is also exciting. More knowledge about how the company works increases the feeling of cohesion. It also opens up for new opportunities, which in turn is inspiring. HMS' employees want to increase their knowledge to be more involved, to feel more important to the company, and to increase their own internal motivation and self-esteem. After all, understanding customer needs

helps in fulfilling their needs, and in so doing, employees can do more good for the company and feel that they are fulfilling the company's goals and vision.

## Awakening champions with visions

> "Innovation is essentially about learning and change and is often disruptive, risky and costly. … [I]t is not surprising that individuals and organizations develop many different cognitive, behavioural and structural ways of reinforcing the status quo. Innovation requires energy to overcome this inertia, and the determination to change the order of things. … [Take for example] the 'not-invented-here' problem … We have become used to seeing core competencies as a source of strength within the organization, but the downside is that the mindset which is being highly competent in doing certain things can also block the organisation from changing its mind. Thus ideas which challenge the status quo face an uphill struggle to gain acceptance; innovation requires considerable energy and enthusiasm to overcome barriers of this kind. … 'Top management commitment' is a common prescription associated with successful innovation; the challenge is to translate the concept into reality by finding mechanisms which demonstrate and reinforce the sense of management involvement, commitment, enthusiasm and support. In particular, there needs to be long-term commitment to major projects, as opposed to seeking short-term returns. … Changing mindset and refocusing organisational energies requires the articulation of a new vision, and there are many cases where this kind of leadership is credited with starting or turning around organizations" (Tidd & Bessant 2013, pp. 109-110).

HMS' management has been essential in the past in leading HMS towards innovation. The development of HMS' NP40 microprocessor, is an example of one of their market innovations. The top management's commitment and their vision with the NP40 turned this microprocessor into a commercial success. That is why HMS' management values marketing or positioning innovations and business model innovations more than inventing new technologies. Creating commercial value in their opinion does not necessarily require inventing ground-breaking technology. Just because something is not a new technology, or it is not-invented-here, does not mean it cannot be packaged in an innovative way and turned into a commercial success. But to do so, it has to be guided by a vision.

The importance of the top management's involvement in the innovation process is stated above by Tidd and Bessant (2013). The same can be said by the five main concepts that emerged during this study, which also show how important the top management's involvement is related to fulfilling the needs of HMS' employees. After all, managers can inspire and motivate employees through a challenging vision. They can provide employees with exciting tasks, they can provide employees with the help and guidance that they require, to create a feeling of belongingness through collective inclusioning (Lysek 2016), and help employees increase their competence.

"People, when they complain, are actually showing you that they're engaged, oddly enough. … The challenge is to take those complaints and those glimmers of pride and enthusiasm and actually hear them and turn them into suggestions for change" (Spiro 2010). Thus, the first step to spark new passion into HMS' employees could be by empowering HMS' vision and directing it towards new opportunities.

## Is giving employees more time enough for innovation?

HMS' employees argued that they need more time to work on innovations. "According to research from Innovation Leader, 65 percent of companies say that their number one barrier to getting innovation is the lack of innovative behavior due to a risk-avoidant culture. … But when it comes to incentives for 'intrapreneurs': people employed inside of companies- money isn't the biggest carrot for promoting innovation. … The No. 1 employee motivator for innovation is more time, not money" (Kaplan 2018).

However, when HMS started a programme in 2013 named "My Own Project", and gave employees time to do whatever they wanted, after a year, no employee created any- thing that HMS considered could be commercialised in the future. One reason for that could be that people were not guided by a challenging and motivating vision during that pro- gramme, and that they used this project as a means for gaining new knowledge, not neces- sarily related to commercially valuable outcomes.

Thus, it is not just about giving people time, because even if time is given, people may not want to use this time to create something that is in line with what the company wants. They may choose to develop something they want, and not necessarily what can be com- mercialised. They may also not even know how to develop something that can be commer- cialized and turned into a marketing innovation. People need guidance, and a new challeng- ing vision can give them the direction they need. Not to mention that HMS also has expec- tations. Without guidance, those expectations will not be easily fulfilled, and not fulfilling expectations takes a toll, no matter how important one thinks the work is. When expecta- tions are not fulfilled, the work people do will not be appreciated, and no one likes doing a lot of work and then see how unsatisfied others are with it.

Thus, while people still had fun during "My Own Project", and it was important for their well-being, it didn't lead to fulfilling the company's expectations. Without a clear vi- sion, people will most likely use that time on things that will not be in line with the compa- ny's expectations. Expectations however, are not easily defined or explained, but one way to do it is through a vision. In other words, "everything starts with a vision. No vision, no action, no results" (Devescovi 2014).

Innovation champions however, they do not need such programmes as "My Own Pro- ject", because they often create time to do what they believe they have to do. They don't wait for permission to do something (Jefferson, Spann, & Spann 2016; Howell & Boies 2004; Hauschildt 2003).

## Can anyone become an innovation champion?

Innovation needs innovation champions. However, innovation champions are those who can create and work with visions and/or strategies without the direct need of detailed plans.

Can anyone become an innovation champion, and can everyone see the potential in a marketing innovation among employees who are engineers? When HMS started to develop their NP40, some engineers at HMS in Halmstad, Sweden, did not see the potential with the new microprocessor, because it was not new from a technological perspective. Some people were against it and did not change their minds until it became a commercial success. But other people, who could be seen as innovation champions, saw the potential in the NP40 as

a marketing innovation and pushed it through despite having others arguing against it. Innovation often requires pushing through, by having passion and following visions, despite having people who go against what you believe in, because innovation is often met with inertia and innovation barriers (Tidd & Bessant 2013).

Nevertheless, even if only a few innovation champions emerge at specific occasions, such champions can emerge from anywhere. "In the past, I have made no secret of my disdain for Chef Gusteau's famous motto, 'Anyone can cook.' But I realize, only now do I truly understand what he meant. Not everyone can become a great artist; but a great artist *can* come from *anywhere*" (Ratatouille 2007).

However, pushing through despite having people who are against your vision is the key to success. Nokia is an example of that. It took Nokia 17 years, to make a breakthrough in electronics, and during this time, many people within the organisation were against it. From "the late 1950s until the mid-1970s, Nokia's electronics was a cash trap, but years of investment, effort, and intense internal controversy ultimately turned the unit into a success. … As long as electronics failed to turn a profit, Nokia's other units perceived the unit as an expensive burden ... It was only in 1977, when most of the Nokia Group suffered from a cyclical downturn, that the electronics division began to generate cash" (Steinbock 2001, pp. 45-46).

On the other hand, innovation champions cannot work alone. They need support from other people. "Within the framework of the strategic innovation theory, the single actor is not considered as an individual (as for example in classic entrepreneur theory). Individuals participate in a social interaction structure and thus operate in different kinds of groups. The interesting thing is not the individual actor, but the interaction structure. Employees do not act in isolation; their actions and ideas are generated in a social structure where they need to interact with other people. The formalised innovation department is not an individual, and in most cases not even a hierarchical structure which speaks 'with one voice'; it is a social system with different interests, conflicts and so on. … The interaction between management and employees is also important in the development of innovations" (Sundbo 2001, p. 93).

## From vision to strategy to plan and back again

Tidd and Bessant argue that "[t]here are many examples of firms which have developed abilities for managing part of the innovation process, but which fail because of a lack of ability in others. For example, there are many with an acknowledged strength in R&D and the generation of technological innovation: but which lack the ability to relate these to the marketplace or to end-users. Others may lack the ability to link innovation to their business strategy" (Tidd & Bessant 2013, p. 86). A new clear vision however, could help make this link between innovation and the company's business strategy, and help employees see how innovation fits into HMS' growth strategy and what type innovations are most attractive to the company.

It needs however, to be pointed out, that HMS' management still sees a lot of potential in their current vision. They see it as much broader that what perhaps some other people do. But since HMS has already become a market leader, their existing vision may seem less motivating to HMS' employees. The question is, should HMS update their vision to make it more challenging, or is this a matter of explaining how HMS' management understands their vision to still be challenging?

Nevertheless, visions are powerful tools that can capture employees' imagination and direct them in a certain direction. They provide guidance and inspiration to employees. However, visions do not need to be static forever. They can be updated when needed, because from the employees' perspective, they can become obsolete.

Axis Communications AB is a Swedish manufacturer of network cameras for the physical security and video surveillance industries. In 2000, Axis' vision according to their annual report was "to increase the value of the network for all its users by enabling access to everything, from anywhere, any time". In 2005, they changed their vision to "Everything can communicate over intelligent networks" where Axis wanted to be "the driving force in bringing customers the full benefits of intelligent network video solutions". In 2012, they changed their vision again to "Innovating for a smarter, safer world", where the last vision goes beyond network cameras to security solutions.

What Axis is showing is that they are not only able to go from an "Market Establishment" phase mainly guided by a vision, to a "Market Development" phase mainly guided by strategies, and then to a "Market Maturity" phase mainly guided by detailed plans, but they are also able to introduce challenging visions and target new customer needs. Their different innovations and business areas that they have managed over the years show that they move back and forth between visions without strategies and plans, strategies without plans, and detailed plans.

HMS' journey from the "Market Establishment" phase to the "Market Maturity" phase also shows that their vision has not disappeared. It is still there. Going into the details, it shows that they went from being guided by a "vision", to having their "vision complemented by strategies", to having their "vision and strategies complemented by detailed plans", to still having their "vision, but having strategies replaced by detailed plans". In other words, what has disappeared are the strategies as HMS' employees at HMS in Halmstad, Sweden, now mainly follow detailed plans. Their vision is still there, and while HMS' management still relies on their vision, this vision has been mostly fulfilled in the eyes of HMS' employees. The challenge that the vision entailed, has been overcome to a large extent. While there is still much to do within the industrial communication industry, HMS' employees know today that HMS is a marker leader in their industry, that they are experts on industrial communication, and on connecting devices. All business however, become commodities in time, but so do visions as well. HMS' vision of connecting devices has been fulfilled to a large extent, and thus, this vision has diminished in importance in the eyes of HMS' employees. They do not see it as challenging anymore. Therefore, from an innovation perspective, HMS' vision needs to be made challenging once again. It needs to inspire people. The question is, should HMS' vision be updated, or should it be explained better? After all, HMS' management still see their vision as challenging. HMS' management knows however, that data is becoming more and more important in the industry, and therefore, their vision could be updated to capture this issue. Connecting devices does not say anything about the data. Maybe HMS' future vision could be to "empower the data value in connected devices"?

It is also crucial to remember that the transition through these three phases changes the mindset of people, and the company will not be the same as they were during the "Market Establishment" phase. As more and more people are employed, departments are formalized focusing on different specialisations (Mintzberg 1993). And when strategies are developed

for each department, they become distinguished from each other, and detailed plans push them even further apart. Such departments get used to working with detailed plans, while the vision diminishes over time, and the people within these departments may find it difficult to capture new opportunities based on new visions or unclear strategies where no detailed plans exist.

## Conclusions

HMS' employees argue that they do not have a challenging and motivating vision anymore, and that they do not fully understand in what direction the company is heading. Industrial Internet of Things (IIoT) offers new opportunities, but it is also very unclear what those opportunities might be. Such unclear opportunities are sometimes more confusing than helping. Thus, HMS' employees wonder what happened to the vision which they had in the past, and they do not see how HMS' current vision relates to their daily work and activities or to new areas such as IIoT. While IIoT seems to be an interesting target area, which many companies today are exploring, trying to find a possible fit into this area for HMS is important. However, to do so, it may require updating or renewing HMS' current vision, because while their current vision is clear to HMS' top management, each of HMS' employees only see HMS from their existing and sometimes more narrow work position, while HMS' top management actually have a holistic view on HMS. Thus, HMS' employees do not have the possibility to see other aspects of

Tidd and Bessant argue that "[i]nnovation is a process, not a single event, and needs to be managed as such. The influences on the process can be manipulated to affect the outcome – that is, it can be managed. Most important, research highlights the concept of successful routines which are learned over time and through experience" (Tidd & Bessant 2013, p. 86). Tidd and Bessant also argue that one of the things which the innovation process needs is a clear vision. When it comes to leadership, Tidd and Bessant also stated that research performed by Rafferty and Griffin showed that vision and inspirational communication have a great effect on creativity and innovation. They defined "a vision as 'the expression of an idealized picture of the future based around organisational values', and inspirational communication as 'the expression of positive and encouraging messages about the organisation, and statements that build motivation and confidence'. They [also] found that the expression of a vision has a negative effect on followers' confidence, unless accompanied with inspirational communication" (Tidd & Bessant 2013, p. 114).

Thus, going back to a "Market Establishment" phase after a longer period within the "Market Maturity" phase, can be difficult, because employees within the "Market Maturity" phase have a different mindset than what is needed for the "Market Establishment" phase. Within the "Market Maturity" phase they rely on detailed plans that act as guidelines regarding what they should do, while the "Market Establishment" phase lack such guidelines. When a new challenging vision is introduced, strategies are fuzzy at best, and detailed plans do not yet exist. However, people are still able to express a need for a new vision, or the need to be inspired and motivated, the need to be excited, the need to be supported and guided, the need to be involved and to feel belongingness, and the need to be informed and educated. And while a

new vision can help with most of these things, being able to work with a vision that is based around vague strategies at best, and without detailed plans, requires a certain passion and mindset. Creating a new vison is a start, but as argued by Tidd and Bessant, it also requires communication. And it requires innovation champions with visions (Phillips 2010), who are passionate (Sloane), and able to interpret this vision and transform it from words into action.

Through this study, HMS' top management have come to realise that their existing vision, while still important to them, does not have the same effect on their employees as it did in the past. Their response was that they need to work with their vision more in the future. However, the question is, should HMS update their existing vision to make it more challenging for their employees or is it a matter of explaining how their existing vision still has much more to offer?

Nevertheless, HMS' employees also need to understand that a new challenging vision will come with ambiguous strategies at best, and without any detailed plans. That is how it has to be, and HMS' employees will have to learn to push forward despite of that. At HMS, employees often ask, "How should we innovate?", because they want detailed plans to guide them. However, a new challenging vision will not be accompanied with such plans and developing them will be part of the innovation process. What innovation needs are innovation champions: employees who are self-driven, and who follow visions with passion. But HMS cannot just sit back and wait for innovation champions to emerge. They need to make it possible for them to emerge, and a new vision could be an important ingredient to achieve that. After all, "champions don't automatically emerge. They emerge because history and numerous supports encourage them to, nurture them through trying times, celebrate their successes, and nurse them through occasional failures. But given the supports, the would-be champion population turns out to be enormous, certainly not limited to a handful of creative marvels" (Peters & Waterman Jr. 2015, p. 224). However, if successful, passionate innovation champions could be awakened, who are capable of following inspiring visions towards innovation.

## Managerial implications

It is well known that visions are important for innovation. However, company visions have a life cycle, and old visions do not provide the same drive or inspiration as they may have done in the past. Employees are keen on seeing these changes while top managers do not. Thus, what is sometimes difficult to realise is that while a company still has its old vision in place, and while the company's top management still finds that vision important and relies on it, even visions become commodities, and in time, they can lose its power of inspiration to the company's employees, and their motivation for innovation. This happens when visions are complemented with strategies and strategies are replaced by detailed plans. After all, top managers have a more holistic view on what is doing on in the company, and how their old vision relates to everything that is going on in the company, compared to their employees who only see what is going on in front of them. Therefore, employees need a vision that is not only inspiring and motivating but also more informative. As well they need a vision that explains where they are heading as clearly as their top managers understand it. Thus, even visions need to be updated occasionally to inspire employees and show them new directions for the company.

## Future research

Future studies could look into how other companies deal with the transition over the three phases that are explained in this article, especially when companies are in a mature market and need to introduce new challenging visions for capturing new opportunities. Future research could also compare these results with Chamberlain's theory on strategy (Chamberlain 2010).

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