



VIDE-LEO: A Framework to Measure Business Innovation Success of SMEs

Ramamurthy Venkatesh, Symbiosis Institute of Digital and Telecom Management, Symbiosis International University (Deemed), India

 <https://orcid.org/0000-0003-1482-4417>

Tarun Kumar Singhal, Symbiosis Centre for Management Studies, Symbiosis International University (Deemed), India

 <https://orcid.org/0000-0002-5929-183X>

Giri Gundu Hallur, Symbiosis Institute of Digital and Telecom Management, Symbiosis International University (Deemed), India

ABSTRACT

Contemporary insights on business innovation exhibit diverse recommendations, yet lack practical frameworks for quantifying business innovation success. VIDE-LEO business innovation framework is an effort to answer this challenge with innovation metrics defined as a conflation of four VIDE dimensions, namely value, innovation, digital, and enterprise dimensions in a 360° perspective. These dimensions are triangulated as LEO dimensions such as leadership, enablement, and orchestration. Obviously, there are no previous studies available as applied to small and medium enterprises (SME). The focus of this study is to validate this framework by multiple case study analysis of select case companies from India who are from the information technology-business process management (IT-BPM) industry. Further, findings of this study confirm the practical application of VIDE-LEO framework metrics for SMEs in IT-BPM industry. Value proposition of this framework and its innovation metrics may further be extended to other vertical industries for more enhanced practical value.

KEYWORDS

Business Innovation, Business Model Innovation, Digital Transformation, Innovation Leadership, Innovation Metrics, Value Proposition

1. INTRODUCTION

Modern-day businesses are essentially driven by digital capabilities and innovative approach towards value creation and competitive advantage. Business leaders globally are challenged with myriad possibilities of establishing and sustaining business capabilities, irrespective of the size and industry. Among them, innovation is seen as topmost weapons to create, deliver and capture the business value. This implies redesigning of business models for better value creation and value delivery as a response to addressing business challenges and advocating solutions for business growth. Challenges for

DOI: 10.4018/IJeC.290294

Copyright © 2022, IGI Global. Copying or distributing in print or electronic forms without written permission of IGI Global is prohibited.

innovating business models by Small and Medium Enterprises (SMEs) are quite different compared to larger organizations. SMEs are seen as primary contributors to the economic wealth of the nations in many vertical industries in recent times. Especially SMEs with service business focus are facing challenges due to a lack of clear frameworks and metrics for practical application to measure their own innovation capabilities. Though there is no dearth of knowledge around innovation and entrepreneurship, a concentrated approach to measuring and driving business performance is not yet fully mature. One of the recent studies in this domain has come with a practical framework with four dimensions in the first order and three dimensions in the second order. As per this business innovation framework, the first order dimensions are Value, Innovation, Digital and Enterprise thus making up VIDE part and the second order dimensions are Leadership, Enablement and Orchestration thus making the LEO part (Venkatesh & Singhal, 2019). This VIDE-LEO business innovation framework provides a definitive set of innovation metrics triangulated in terms of innovation culture, engagement, collaboration, enablers and innovation metrics that can be applied to all business firms, especially in case of SMEs. To appreciate the usefulness of this framework approach, there has to be some results of validation by subjecting them to real world business cases. While attempting to this validation and its associated metrics, there are two research questions that arise.

- RQ1: How the suggested VIDE-LEO dimensions and innovation metrics are perceived and understood by SMEs in the Information Technology – Business Process Management (IT-BPM) business in Indian context?
- RQ2: What business metrics shall be more practical and important as measure of innovation performance for SMEs with managed services business model focus?

To address these research questions, this particular study has resorted to a multiple case design approach attempted to validate the different innovation metrics of VIDE-LEO model. Metrics and scores used in the context of case companies are as per VIDE-LEO dimensions as discussed in the next section. Accordingly subsequent section gives a full account of literature review that support the innovation metrics. Subsequent section deal with research methodology employed to validate this novel innovation framework with reasoning for the choice of multiple case design approach. Discussions and conclusion that follow describes in detail the results of within case and cross case analysis of twelve case companies in three groups for further inference and application. Theoretical and practical implications are covered in the concluding sections with reference to what can be further taken up to improve the suggested framework.

2. THEORETICAL BACKGROUND AND CONTEXT OF THE BUSINESS INNOVATION CONCEPTUAL MODEL

Recent studies on managing innovation performance in terms of business model elements and arranging them as an integrated framework are indicating how innovation can bring business resilience (Buliga, Scheiner & Voigt, 2016; Bican & Bren, 2020). Contemporary innovation frameworks mostly approach the innovation from research & development mindset and the innovation metrics are more related to new product development with the use of new generation technologies. VIDE-LEO business innovation framework proposed by Venkatesh and Singhal (2019) stresses on the significance of innovation metrics triangulated in terms of innovation leadership, enablement and orchestration. This framework is argued to be first of its kind to describe and articulate business models and business innovation in a comprehensive and practicable manner. However, generalization and practical application of this framework need to be supported with a structured validation. Accordingly, this study is an attempt to validate VIDE-LEO business innovation framework by multiple case design.

17 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: www.igi-global.com/article/vide-leo/290294

Related Content

The Study of FinTech: Way of Resolving Indian Banking's High Non-Performing Assets Through Emerging Technologies

Narinder Kumar Bhasin and Kamal Gulati (2022). *Virtual Technologies and E-Collaboration for the Future of Global Business* (pp. 50-67).

www.irma-international.org/chapter/the-study-of-fintech/308187

A Hybrid PSO-ACO Algorithm to Facilitate Software Project Scheduling

Praveen Joe I. R., Malathy E. M., Aishwarya S., Akila R. and Akshaya A. (2022). *International Journal of e-Collaboration* (pp. 1-12).

www.irma-international.org/article/a-hybrid-pso-aco-algorithm-to-facilitate-software-project-scheduling/304039

Design and Execution of Dynamic Collaborative Learning Experiences

Nicola Capuano, Sergio Miranda, Pierluigi Ritrovato, Giuseppina Rita Mangione and Anna Pierri (2013). *International Journal of e-Collaboration* (pp. 26-41).

www.irma-international.org/article/design-execution-dynamic-collaborative-learning/75211

Research on the Influential Factors of Bilingual Teaching Based on Colin Baker Model Case Study of Macroeconomics

Wen-Jing Fan and Pan Xian (2023). *International Journal of e-Collaboration* (pp. 1-15).

www.irma-international.org/article/research-on-the-influential-factors-of-bilingual-teaching-based-on-colin-baker-model-case-study-of-macroeconomics/316823

Neogeography

Judith Gelernter (2010). *Handbook of Research on Social Interaction Technologies and Collaboration Software: Concepts and Trends* (pp. 439-450).

www.irma-international.org/chapter/neogeography/36051