Tarik Veloso Dal Molin
Universidade Presbiteriana Mackenzie
CCSA, Mackenzie, Brazil
E-mail: tarikvdalmolin@gmail.com

Luiz de Freitas Ayres
Universidade Presbiteriana Mackenzie
CCSA, Mackenzie, Brazil
E-mail: luiz.ayres@mackenzie.br

Leila Pellegrino
Universidade Presbiteriana Mackenzie
CCSA, Mackenzie, Brazil
E-mail: leila.pellegrino@mackenzie.br

MANAGEMENT OF INNOVATION PROCESS IN SERVICES: MICRO AND SMALL ENTERPRISES OF THE METROPOLITAN REGION OF CAMPINAS

JEL classification: L22, L26

Abstract

This study aims to explore the management of the innovation process in a context for small services businesses. Innovation is not a new concept, but its perception as a process, detached from randomness, it is. Understand innovation as a process is what allows its management as a tool to improve results, competitiveness and to the perpetuation of the company. The study is a qualitative research that consists in the content analysis of structured interviews held with companies with services in their portfolio, using innovation-focused National Quality Foundation (FNQ) questions. The following categories were identified during interviews: Innovation Understanding, Innovative Ambience, Innovation Process Management and Learning during Process. Also, objective aspects of innovation, such as planning, goals and KPIs, and subjective aspects, such as creativity, learning environment and a support structure were explored, for the 02 aspects, when integrated and successfully managed with multidisciplinary tools, are the key to take a company to the next level.

Keywords: innovation, innovation process management, services

1. INTRODUCTION

This work is a study focused on the management of the innovation process in small service sector companies, specifically in micro and small businesses in the metropolitan region of Campinas. Innovation is not a current concept, since there has always been innovations in human history, but its management, it is (TIDD; BESSANT; PAVITT, 2008), and thereby understand how this management of the innovation process takes place in a new global context (CASSIOLATO; LASTRES, 1998), where organizations are inserted, is highly relevant to the perpetuation and prosperity of companies (GORNI; DREHER; MACHADO, 2009). Still according to Gorni, Dreher and Machado (2009) and in other words, manage and invest in innovations can enable organizations to remain competitive and active in a market increasingly complex.

In the service sector, there are additional characteristics to be considered during this innovation process management (SUNDBO, 1997), for example, the ease of imitation, as it is not possible to register or patent a service innovation, as pointed out by Voss et al (1992, cited Sundbo, 1997). In this sense, it is even more important to understand innovation as a continuous process, acting as a channel of inexhaustible potential ideas and, therefore, continue generating innovations to keep the company in a favorable competitive position (SEBRAE, 2009). There is a gap of knowledge regarding how to systematize all aspects of innovation to make it the company routine (SUNDBO, 1997).

1.1. Description of the problem

The world is not the same as 50 years ago (CASSIOLATO; LASTRES, 1998), such that the line between goods and services is increasingly tenuous and the emergence of new enterprises, generally small and that mix both, grows every day. Among that context, emerges the following research question: How are the processes of innovation perceived and managed in micro and small service sector companies in Campinas?

1.2. Objectives

This study has the general objective to verify how managers and employees of small businesses in the service sector understand, identify, map and manage the innovation process. It aims, in particular, to verify how managers and employees of this type of company understand, how and with which methodologies or tools manage the innovation process in their company. It also aims to understand how managers and employees identify and manage the innovative ambience in this type of company. It is hoped to obtain this information that complement the research problem with the study of micro and small businesses in the metropolitan region of Campinas.

2. THEORETICAL

2.1 Concept of Innovation

According to Tidd, Bessant and Pavitt (2008), an idea consists in proposing something new, different from what already exists. The construction of this idea into matter or something tangible makes it an invention, because it takes the idea out of the abstract field and enters it in the physical realm. Finally, the application of this invention, when converted into results for the company can be defined as innovation, that is, involves the sale and subsequent acceptance of consumers as to the novelty (AFUAH, 2003).

There are two types of innovation, the first may be classified as discontinuous innovation, radical rupture or even designated as a breakthrough moment, since in this case the changes are designed to take businesses from a certain level of results to another, higher than the first one (TIDD; BESSANT; Pavitt, 2008). The second type of innovation can be classified as continuous innovation, evolutionary or even continuous improvement and that is often associated with Japanese practice named Kaizen, which are small improvements made systematically and consistently on processes already established and for which the perception of improvement in the outcome is incremental (TIDD; BESSANT; PAVITT, 2008).

In any case, the concepts presented above have been formulated with an initial focus on products. Although important for understanding the innovation in a systemic perspective, considering the new global context in which the organizations are inserted and also in which the importance of the service sector prevails, Sundbo and Gallouj (1998) presented four possible types of innovation in services:

a) Service Innovations: creation of a new type of service, previously not provided by the market.

b) Process innovations: new ways to provide a service to the client, in production processes or customer service directly.

c) Organizational Innovations: new ways to manage the organizational routine. It is noteworthy that it counts as innovation only if it generates measurable changes in the results, as stated by the Oslo Manual produced by the OECD (1997).

d) Market Innovations: new markets yet undiscovered.

Service companies can work simultaneously with more than one type of innovation presented above as they are not exclusive.

2.2. Innovation and the Paradigm of Strategic Innovation

Sundbo (1997) proposes a new stream related to the marketing aspect of innovation, and named by him as the Paradigm of Strategic Innovation. Unlike other existing mainstream concepts of innovation, the Paradigm of Strategic Innovation applies to the service sector, for it emphasizes that the main determinant for innovation is the company's own strategy, in other words, innovation is not useful to a company if it does not help in achieving its vision and strategic goals (SUNDBO, 1997).

2.3. Innovation Process

There is no single approach to ensure success, since innovation can be developed from a number of different models in order to meet in the best possible way the needs and culture of each company (SUNDBO, 1997). All methodologies reviewed, however, follow the same line of thought for the innovation process, presented by a central model proposed by Tidd, Bessant and Pavitt (2008) and that counts with 4 steps: search, select, implement and learn.

The first step, search, aims to seek and analyze internal and external environment of the organization, looking for threats and opportunities for change, for example, benchmarking between businesses or programs that encourage employees to propose new ideas. The second step is to select, which aims to understand which of the ideas collected in previous step are feasible, taking into consideration technical aspects such as cost and time, and the organization's strategy.

The third stage is intended to implementation of the selected ideas, turning them into projects, which usually follows concepts related to project management and engineering. Last step, named learning, derives from the process as a whole, for the particularities, and especially the difficulties encountered on the way to bring something new to reality generate many lessons, to be learned and used in future innovation processes.

The model proposed by Tidd, Bessant and Pavitt (2008) is endowed with a certain generalism as it regards both products and services in its preparation. Sundbo (1997) also presents a representative model of the innovation process that follows the same logic, but drawn from research exclusively with service companies. It is also divided in 4 steps, same as the previous one, and these steps are: generate ideas (similar to the search phase of the previous model), transform the idea into an innovation project, development and implementation, the latter two being similar steps to the implementation of the previous model (SUNDBO, 1997).

The Sundbo model differs from the other at a crucial point, that is, the learning step, which can be prejudicial if it contributes to perpetuating the erroneous idea that there is no systematic learning innovation in services. For

that reason, it is considered important that both are presented in this study.

These models help to consolidate the path pursued by organizations nowadays, which is performing innovation in a repetitive and systematic manner to make it a process that filters ideas and generates outputs like a pipeline to create new products and services, detached from randomness. (SEBRAE, 2009).

2.4. Innovation Process Management

Within the literature, there are several definitions of innovation management. Thus, from the innovation process, each company uses the tools that best fit their reality to manage it. In other words, there are no exclusive tools to manage innovation, as innovation should be rooted in the organization as a whole, across all different areas. The tools used are multidisciplinary.

Innovation management is well done when it integrates objective characteristics, such as goals and result measurements with subjective characteristics, such as creativity (PACHECO; GOMES; SILVEIRA, 2013). Finally, innovative companies are those who routinely practice the management of innovation, in both aspects, separating it from an aleatory event (TIDD; BESSANT; Pavitt, 2008).

To better describe the concept of management of the innovation process in view of the present work, the following figure was prepared:

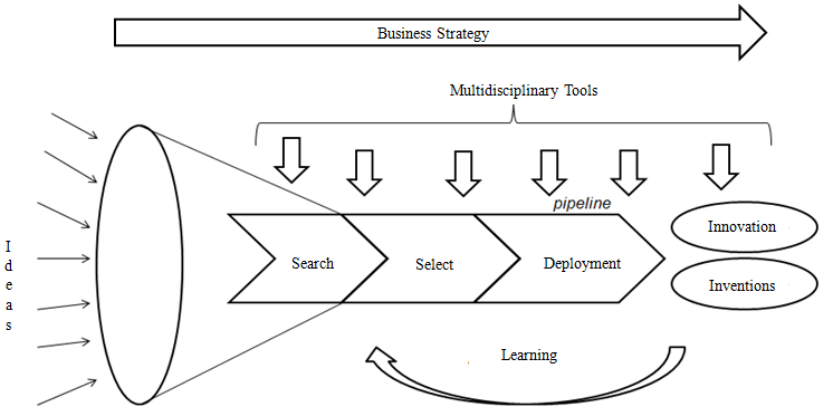

Figure 1 Innovation Process Management

Source: prepared by the author based on the concepts of Tidd, Bessant and Pavitt (2008), Sundbo (1997), Sebrae (2009) and Pacheco, Gomes and Silveira (2013).

In main terms, the first item to be considered is the search phase, in which the organization operates like a large funnel, collecting ideas from diverse backgrounds. This is followed by the selection of ideas according to criteria predetermined, so that in the third stage, they can be implemented with prototypes and market testing.

The outputs of this process are innovations and inventions in an uninterrupted pipeline, translated into new services offered, processes, markets and routines in the service organization. If the process output generates results for the organization, then it is considered an innovation, otherwise it is only an invention. Both generate learning for future cases.

Throughout the process of innovation, a variety of multidisciplinary tools assists in planning, control and measurement of results, for example, the PDCA cycle and the matrix that assists in developing a consistent action plan, called 5W2H, among others. It is noteworthy that the vision and strategy of the company should direct the whole process and that, at all stages, especially in the first ones and the structure of the organization and its routines act as promoters of innovation, to provide a creative and of easy-interaction environment.

3. METHODOLOGY

The research is considered qualitative, because it proposes a thorough investigation of reality, taking into account the scenery and experience of those interviewed as part of the responses obtained (BARDIN, 1977). It is exploratory, as it aims to provide familiarity with a certain problem and make it more accessible and known. During the interviews, the same questions were asked to all respondents, characterizing thus the process as structured. For the analysis of the results, within existing techniques of content analysis, it was decided to proceed with the categorical analysis, which proposes splitting the text into categories, found from similarities in different responses and that are relevant to the response of the research problem (BARDIN, 1977).

3.1. Profile of Respondents Enterprises and Respondents

This research refers to micro and small businesses in the metropolitan region of Campinas, state of São Paulo, working with the marketing of services within their portfolio. The profile of selected respondents is made up of 10 people with different positions working in 05 different companies, which were selected based on meeting the proposed criteria, convenience and the ease of access of the researcher to the necessary data and people.

The chosen tool for data collection was a structured interview in which the same 08 questions were asked in the same order and the same manner for all respondents. The interviews took place during September and October, 2014 and the average time with each respondent was 40 minutes. The questions asked

were adapted from the material that the National Quality Foundation (FNQ) uses to identify the micro and small Brazilian companies with excellence in innovation management, and are part of their questionnaire constructed with the methodology of model of excellence in management (MEG). Out of the 13 questions proposed by FNQ in the questionnaire subsection "Innovation", 07 were selected and 01 more was increased by the author, following the response criteria to the question problem and the objectives proposed by this study.

3.2. Data Analysis

Within the content analysis, it was decided to proceed with the categorical analysis. After literal transcription of audio interviews, NVivo version 10 was used for consolidation and data analysis. The test version of the software is available for download at the official software website.

The process of categorical analysis occurs following 03 key steps, as proposed by Bardin (1977): coding, categorization and inference.

The encoding step took place with the perusal of all verbatim transcripts of interviews and, from that, the full import into the NVivo tool, and organization by question and relevance.

In the second step, categorization, it was necessary a new detailed reading of all answers obtained, but this time already organized by questions asked. From this, mooring were created with the help of NVivo tool, grouping similarities in the speeches of respondents in key points, also found in bibliography. The analysis was carried out *a posteriori*, since the categories for grouping were defined only after reading and familiarization with the responses.

Finally, in the inference step, it was necessary to in-depth analyze information obtained in order to connect it to the theoretical aspects studied previously. In other words, analyze to identify key similarities and differences between reality and literature. The correlation matrix tool was used to help link the main theoretical aspects found in the literature with the specific objectives of the study and with the questions made to the respondents (and responses obtained from them).

Next, it will be presented the analysis of the data obtained, as well as excerpts from interviews conducted to serve as the argument proof of evidence.

4. RESULTS ANALYSIS

Two general approaches were identified, and from them, 02 relevant categories were selected in each, following the steps proposed by Bardin (1977) in the categorical analysis. Approaches and identified categories are described in the table below.

Table 4

Definition of approaches and categories

Approach	Categories
Subjective Features of Innovation	Understanding of Innovation Concept
	Innovative Ambience
Objective Features of Innovation	Innovation Process Management
	Learning in Innovation Process

Source: prepared by the author from survey data

4.1. Approach 1: Subjective Features of Innovation

Two main approaches were identified to help answer the research question, within the theme of innovation management process, because the integration of these two approaches is essential for its successful management.

The first relates to the subjective characteristics of innovation (PACHECO; GOMES; SILVEIRA, 2013), which elements have also being worked with the nomenclature of informal interactions system by Sundbo (1997) and strong support structure with effective organizational routines to support the execution of innovation by Tidd, Bessant and Pavitt (2008). This approach is depicted in this study by the two categories below.

4.1.1. Category 1: Understanding of Innovation Concept

Regarding the understanding of innovation, we observed that even without being familiar with the concepts espoused in the studied literature, respondents understand what is innovation. Most tend to perceive innovation as something that escape the routine and that is linked to results for the company, as advocated by Tidd, Bessant and Pavitt (2008) and noted below:

C5E9: "Innovation I think that's when we can develop something that has not been thought out and has a utility. It's not just develop something new, but useless. Something that will help people's lives ... will facilitate, a service or product with a certain utility. "

It is worth highlighting that for the respondents of 02 companies, innovation is perceived only as something radical, that would necessarily provide a great leap of results for the company. Also in these companies, innovation was identified with reactive context, that is, required only upon crisis. The excerpts below prove this argument:

C3E5: "So the crisis itself makes you innovate, pursue new things, new

techniques ... To be even more profitable."

C4E6: "Innovation is a pioneer action in the segment share, which is what makes you pass in front of your competitors."

This category proposed by the author and called "understanding of innovation concept" can be justified by the positioning of Tidd, Bessant and Pavitt (2008), that innovation is the application of an invention that is converted into results for the company, whether incremental or radical. The Oslo Manual (1997) corroborates stating that, even if addressed to organizational changes, it is only considered an innovation if there is measurable improvement in the results.

By the fragments presented and strengthened by the excerpt below, it emerges that respondents understand the concept of innovation, but they do not see it as a daily process, disconnected from randomness.

C4E6: "I'm always analyzing the sales area, asking them how the market is reacting ... Yeah, and acting and from there, we ... Exchanging ideas, decisions are made. [...] This is done informally, according to the progress of the work we talk and inform each other".

4.1.2. Category 2: Innovative Ambience

This category indicates how the innovative ambience is administered within the companies studied, given their importance to the innovation process. Innovative ambience characterizes the subjective aspects that indirectly stimulate innovation as a constant practice in organizations.

In this sense, it was identified in the speech of respondents 03 key elements which fall into this study window. The first is the favorable environment for the emergence of new ideas, followed by experimentation environment that tolerates error and the latter is the recognition of the employees involved in the innovation process. Each will be worked individually below.

About the first one, an environment that enables the emergence of new ideas, it is noted that most of the answers obtained in the studied companies highlights the stimulating interaction and cooperation among employees on a daily basis, important elements for the construction of that environment, as advocated by Scherer and Carlomagno (2009) and Gomes, Pacheco and Silveira (2013). The excerpts below demonstrate this observation:

C5E10: "I think the environment itself. Here everyone can put on their ideas and everyone has open doors here with us. We have a fully participatory management, they are involved in most matters of the company. [...] They participate and I think that's what we really want, this collaborative environment, because we also get a lot from their opinion. "

It should be mentioned that in 02 of the 05 companies studied, the favorable environment for the emergence of new ideas is not encouraged among

company employees, as the activity of thinking new ideas is centered on the high leadership of the company.

C2E4: "Normally it is always from the management to the operational. Rarely, an idea from operational people gets to be discussed at the board, among the executive directors ".

Regarding the second element identified in the speech of respondents - the experimentation environment with tolerance for error – it stood out in the responses again the presence of the cooperation element, defended by Gomes, Pacheco and Silveira (2013) as a factor that encourages this type environment.

C1E2: "Then you get the product and markets it and expect it to work, and it is not always so. Sometimes we launch a product or service ... We do it all, plan, invest ... I already invested 400, 500 thousand dollars on a product and it is kept in the drawer because it does not survive in the market. Even the people testing it and using it before, it might reach a point where it just stops, you never know why. "

One of the respondents pointed out understanding the importance of a tolerant environment to error, but showed that she finds it difficult to establish it due to lack of technical sources, as advocated by Tidd, Bessant and Pavitt (2008) as one of the basic elements for successful innovation. Technical sources are part of the support structure, as pointed out previously in this study, and provide tangible evidence to the execution of innovation, for example time, money and adequate equipment. In this case, the issue indicated refers to the limited number of employees and departments in the company, which impacts on the time available for activities such as testing innovations.

C3E5: "So unfortunately there's no time to stop and talk ans say let's think about this. Because we don’t have departments for this, what would be the correct [...] No, everything has to be from one source only, which slows the process. "

Considering the last identified element - recognition of employees involved in the innovation process - it was possible to clamp data from only 04 companies because one of them has only 02 employees. Of these 04 companies, only 02 have adopted formal practices in this regard, as excerpt below.

C1E3: "If one had an idea and is working in this idea, and it works, he will become a partner of the company. There is no better recognition than that. In sales, the person who gave the idea will have the bonus attached to it. Sometimes there is cake too, little parties and celebrations. There is always a celebration to recognize the person or team, but there is always some sort of bonus for them too. "

As stated earlier, the other two companies do not adopt recognition practices and concentrate the whole conception of new ideas in the senior leadership of the company.

C2E4: "There is no financial recognition for leaders. I think the only recognition is that management and the board may allocate more confidence to the professional who is there, really engaged, wearing the company's shirt, seeking for a breakthrough. But regarding to financial bonus or any prizes, no, that does not happen. "

In general, it was concluded that the studied companies expend energy and time keeping a good focus on the subjective aspect of innovation, that is, investing resources in supporting elements that stimulate primarily the generation of new ideas. This finding relates to the conclusions reached in the analysis of the first category, which stated that innovation is understood as concept, but not seen as a process. By not being seen as such, it is evident that the main focus of businesses is on prioritizing the emergence of new ideas. However, as pointed before, this is the step of innovation that is least possible to manage.

4.2. Approach 2: Objectives Features of Innovation

The second approach identified regards to the objective characteristics of innovation, also studied with the nomenclature of strategic management system by Sundbo (1997) and complemented by SEBRAE (2009) with the possibility of using multidisciplinary tools relevant to each stage of the process innovation and the measurement of results obtained with this process (PACHECO; GOMES; SILVEIRA, 2013).

4.2.1. Category 3: Innovation Process Management

In this category, it was selected in the speech of respondents evidence to show the tools used to manage each step of the innovation process.

Regarding the innovation process, Tidd, Bessant and Pavitt (2008) defend a central model consisted of 04 steps: search, selection, implementation and learning. Sundbo (1997) complemented with his model identified exclusively to the services sector and also consisted of 04 steps: generate ideas, transform the idea into an innovation design, development and implementation. The learning stage of the first model will be discussed in a different category due to its importance and to the fact that is not a step considered in both models.

Considering the first step, the search or generate new ideas that can be converted into innovations, 02 companies presented in their routine, a structured time to discuss ideas.

C5E9: "We decided to invest in these Fridays, which is precisely to take the people off the routine, the day to day, and leave them free for a period so they can talk, work on what they like and have ideas. It is fully open, everyone can talk and suggest. [...] I think it's a matter of practice, this process. Each time

more they release themselves, loosen up and start giving ideas, suggesting ".

Companies perceive this aspect as much harder to manage, as advocated by Sundbo (1997). The suggestion proposed by the author is to structure the process, detaching it from randomness (HAMEL, 2007), for instance, like the company mentioned above, that structured a formal time weekly to discuss and suggest new ideas.

As a complement, all companies studied described that they seek ideas from internal and external sources to the organization:

C3E5: "That's what I said, going to fairs, opening our minds. In fairs you see many new things, all that is new in market trends in design in the world happens in the fairs, so there you know everything that is happening. And the media shows that, in decorating magazines, for instance. So you have to be always catching up, always updated on the market to have new ideas. We even search it. "

Regarding the next stage of the innovation process - the selection of new ideas or transformation of the idea into an innovation project - most respondents indicated not having a formal procedure established with clear selection criteria, which differs than what is defended by Sundbo (1997) concerning the paradigm of strategic innovation as a driver for innovation. The companies studied stated that they work on the critical analysis of ideas, which corresponds to the formal stage of the model proposed by Tidd, Bessant and Pavitt (2008), but the periodicity of meetings is by demand and criteria used are mostly subjective, not considering the organization as a whole.

C4E6: "[The selection of ideas] is studied case by case. Sometimes it is by trial and error, but is generally decided case by case."

C2E4: "In reality the ideas are discussed. An idea comes and is asked of the leaders that they review each and from there, ideas start to emerge, the pros and cons in the view of each. It is usually made a report with the opinion of all leaders and then it is re-evaluated individually. Each leader will see his or her points, their ideas, what is really doable, important. What is really relevant or not. Then the matter is discussed again until such time when it becomes a project. "

The two service companies related to technology developed in their routine the concept of prototype or MVP (Minimum Valuable Product) to test their products and services on the market before releasing them. This relates to the implementation stage in Tidd model, Bessant and Pavitt (2008) and development stage on the model of Sundbo (1997).

C5E10: "Then you begin to schedule in-person meetings to show the prototype to see the interest of the person, to see if they really want it, if they would like to have the product and especially if they would pay for the product. [...] Of course, we've learned already that it does not help to make the investment

to find out later that it was not quite what the market wanted. So this is a process that is clear to everyone here. First let's test and see if there is interest, to see whether it is worth continuing the investment. "

Still on the third step of the innovation process - implementation - other companies follow the implementation of innovations without formal measurement tools or monitoring. This is done only by the feeling generated by the released innovation, years of marketing experience and conversations with employees working with innovation.

C2E4: "Monitoring is still centralized in the executive management. So how the project will always be divided between areas, as I already explained, each leader will monitor the performance of their staff in implementing that innovation in the way he feels is appropriate. "

Regarding the measurement of the benefits of innovation, Tidd, Bessant and Pavitt (2008), Afuah (2003) and others quoted throughout this study, argue the necessity to exist direct or indirect financial results for the company, accomplished through the novelty for it to become an innovation. In this regard, it was noted that most companies studied only measure the impacts of innovations in a reactive perspective, that is, only when there is a necessity. None of the companies routinely calculates what percentage of total sales comes from innovations, for example.

C4E6: "We try to analyze the result, not necessarily financial, it could be increase of contacts, more sales, margin increase. Each innovation has its pro. The last times that results were analyzed, it happened by necessity, but we are now trying to structure and improve it, but haven't started yet. There are tools that an IT company is developing and can be used to measure those results to us."

Only one of the companies studied measures the benefits of innovation formally and acts upon it.

C2E4: "This measurement is made through the financial area. They go get the financial net result of this investment and also the customer satisfaction survey. The staff of marketing area, which is a contractor, do the survey after each implementation, there is a systematic for it. Usually these results are passed along at a meeting in a more informal manner. "

Thus, it can be concluded that service companies find it difficult to structure and formalize the steps of the innovation process so that it is connected to their daily lives, as proposed by Hamel (2007). There are specific practices aimed at some specific stages of the process and it is clear that companies that work with technology are a bit more advanced in this respect, but in general, we found a gap between literature and reality at this point. Management practices are few, isolated and instinctive. This conclusion is also related to the observed fact that the companies studied do not see innovation as a process, which blurs to them the real need to use tools to make its management.

4.2.2. Category 4: Learning in Innovation Process

This category reflects how the learning happens in micro and small companies studied, from the point of view of the innovation process. Therefore, the analysis considers two main elements identified in the speech of respondents, which are the possession of knowledge, including information sharing and interactions across the enterprise, as well as the active involvement of the same when regarding the internal innovation process and the learning management from lessons learned during the different attempts to innovate.

The first analysis was made in relation to the arrest of knowledge, defended by Scherer and Charlemagne (2009) as part of an organizational structure that can inhibit innovation if there is. Tidd, Bessant and Pavitt (2008) confirm the importance of engaging the entire organization in the innovation process because the support structure plays a critical role in the success of the process.

In this sense, within the studied companies it was found that most of them have information-sharing practices with the team, even if informal. The excerpts below prove this conclusion:

C5E8: "The advantage of being a small business is that communication is very easy here, man. Even verbal, you know, we can exchange one idea with the staff here and even the partners are very close to us. So you can, for example, present an idea in reserved periods. "

Two of the companies interviewed have the knowledge only at the top of the organizational chart, which impacts on the involvement of the organization as a whole and the timing available for innovation, one of the difficulties of innovation already pointed out by Scherer and Carlomagno (2009).

C2E4: "Leaders do not receive a report with printed results, not financial nor operational. We are only told that the new program worked out and eventually if it got some notation or improvement pointing in that project, and when is possible, we do the improvements suggested if it is still in the budget projected for implementation. "

The following analysis took into account the learning management, that is, how companies deal with the lessons learned along the attempts to innovate. In order to learning to happen, innovation needs to be treated as a process and, according to SEBRAE (2009), the focus of successful management of innovation, both for products and for services, should be learning.

In this respect, it was found similarity in the way the companies studied (and that share information, as it is a prerequisite for this second analysis) address this point and what was found by Sundbo (1997) in the literature. According to him, the process of innovation in services is still based on trial and error. There are attempts to learn, but this is done informally, with the experience of time in the segment, for instance, and not how it should be done, that is,

systematically and efficiently (Sundbo, 1997).

C1E2: "I spoke to you that we have the know-how of development because we have been through several processes and several launches, so we know what works and what does not. [...] Like any cultural process, it is informal. Learning happens naturally within the group. "

5. CONCLUSION

5.1. Conclusions on Innovation Process Management in Service Companies

A detailed analysis of the categories identified in the speech of respondents of this study and presented in Chapter 4 highlights the 04 main elements discovered: (i) the studied companies understand the concept of innovation, but not visualize it as a process; (ii) there are isolated management practices to the theme, but they are instinctively realized and not in a structured manner; (iii) companies are concerned to promote practices that encourage innovative ambience, mainly related to the generation of ideas and (iv) learning occurs informally and unstructured over time, there are no practices or tools that encourage management of the knowledge obtained from the innovation process.

On the first consideration (i), it is understood by the transcribed excerpts, that the companies surveyed know what an innovation is, but concerning the efforts to guarantee it, is noticeable that there is no systematic and continuity assured.

By the second consideration (ii), it is clear that the companies interviewed whose field of activity is linked to technology, can lead some parts of the innovation process in a structured way. When all the companies surveyed are considered, however, it is noticed that the practices linked to the management of the objective part of innovation happens instinctively, mostly according to the personal perception of those responsible for it, accompanied or not by the opinions of employees.

Regarding the third point (iii), it is evident from the presented transcripts that service businesses realize the importance of the support structure for successful innovation and thus, demonstrate the concern to maintain a work environment conducive to innovation. Furthermore, it was noted that there is preponderance of the approach taken by companies to the subjective part of innovation, more related to the generation of ideas, even if there is no systematic effort to bring these ideas to life in a structured way.

Regarding the last element (iv), it is evident from the transcripts of the interviews that there is a concern in keeping the knowledge gained, but it is clear that the understanding of respondents is that this can only be done instinctively and naturally. In other words, from their point of view, it is not possible to formalize this process. It is also clear that innovation often happens in a trial and

error process. This point differs from the literature, which clearly shows that learning is a key element for a successful process of innovation and can be stimulated in the day-to-day.

In this sense, and in response to the first specific goal set for this study - see how managers and employees of this type of company understand, how and through which methodologies manage the innovation process in your company - we note that there are still difficulties in managing the objective aspect of innovation, for example, in establishing tools and clear criteria for selection of ideas, implementation and measurement of innovation benefits, which relates to the fact that small service businesses understand the concept of innovation, but do not perceive it as a ongoing process detached of randomness (Hamel, 2007).

Aspects such as learning and measurement of the benefits of innovation are deficient in service companies as a whole.

Regarding the second specific goal - aims to understand how managers and employees identify and manage the innovative ambience in this type of company - it is noted that there is in service businesses a concern for establishing practices that encourage the emergence of ideas, as a collaborative environment, interaction, experimentation and recognition. This translates as the subjective aspect of innovation, also called support structure, and defended by Tidd, Bessant and Pavitt (2008) as a key factor in the successful management of the innovation process. In this aspect, it was observed in the study similarities to the literature, except in one case which highlights the lack of technical sources, the number of people is insufficient to provide an environment oriented to innovation.

In this way, problem question and the goals of this study are answered.

5.2. Contributions and Limitations of the Research

Considering the presented conclusions and answers obtained for the proposed objectives initially, it can be said that this study contributed to the expansion of the academic content of the theme of the management of the innovation process in service companies, since this topic is still little explored, especially in Brazil.

The practical contribution of this study is that it allows company managers and employees the opportunity to learn more about innovation and compare their reality with theory and also to the reality of other similar companies. It gives a data based perspective on innovation, instead of only abstract concepts. In addition, the results presented may contribute as a trigger to a change of mindset on managers and employees, which could hopefully lead to the execution of real change in different incorporations, by the adoption of a culture of managing innovation process as a routine and as a strategy to leverage results.

Finally, still regarding the practical contribution, the results presented contributed to the companies studied, as it revealed relevant data on the subject. This could have instigated an interesting reflection on the companies studied regarding their current practices in innovation process and future perspectives.

However, one can point out the limitations to this research: the first relates to the diversity profile of the chosen respondents. Since they are from different acting branches, connected only by the element of having services in their portfolio, the results of the analysis can be considered generic; the second element refers to the number of respondents, which was limited to 10. In this case of a low number of respondents, inferences cannot be made to the Campinas metropolitan region as a whole from the obtained results, so in a future analysis, it would be interesting to repeat the interviews with a larger sample. Finally, all respondents are located in Campinas, then before generalizing conclusions, it would be appropriate to repeat the analysis in other locations.

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