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Author: Ms. Christine Joseph
Massachusetts Institute of Technology (MIT), United States, cjoseph1@mit.edu

Dr. Danielle Wood
Massachusetts Institute of Technology (MIT), United States, dradams@alum.mit.edu

FOSTERING INNOVATION VIA AMBIDEXTERITY IN AEROSPACE ORGANIZATIONS

Abstract

How can incumbent organizations that are caught in Christensen's Innovator's Dilemma not only survive the threat, but become leaders in Disruptive Innovation? To what extent does organizational ambidexterity – the simultaneous pursuit of seemingly contradictory actions and objectives – determine outcomes? How does the imperfect market of public sector industries such as space give rise to new strategies? This working paper discusses an on-going study that examines the role of organizational ambidexterity associated with the pursuit of Disruptive Innovation by incumbent organizations in the space sector. The study pursues evidence of the approaches used by organizations to pursue balance between the paradoxical tensions. To remain world leaders in their fields, these organizations must balance the opposing needs to both explore future opportunities and exploit current strengths. They must also balance the need to establish both integration and differentiation among organizational units. Many authors have theorized how organizations might achieve such balance and some have produced empirical data to show how rare firms have survived a disruption.

This study analyzes cases from the space sector as an example of a public service sector. Other public service sectors include education, health care, energy and water management; in each of these sectors government agencies or regulators play a strong role. We theorize that the unique interaction between firms and government within public service sectors may lead to different empirical patterns regarding innovation dynamics. We further theorize that well-established organizations may harness ambidexterity to simultaneously explore and exploit or to integrate and differentiate. The research question asks, how do well-established organizations in the space sector harness ambidexterity as part of their innovation strategy? This study reviews literature from organizational studies and innovation theory and proposes a framework by which to analyze the innovation behavior of incumbent organizations in the space sector. Specifically, the framework asks how organizations exercise ambidexterity in the areas of organizational architecture, culture, technology, policies, processes and communication.

The study conducts case studies of space organizations that are pursuing an intentional organizational design with the goal of increasing innovation. Data is collected via interviews with organizational representatives, documents and observation. The data analysis will organize the cases using narratives and process tracing. The expected conclusions will provide new evidence to explain how high performing incumbents pursue Disruptive Innovation. The team will also work to improve theoretical frameworks in the innovation and ambidexterity literature.