

## ECONOMIC DEVELOPMENT OF THE ENTITY THROUGH COMMUNICATION STRATEGIES

**Jorovlea Elvira Leon**

*Associate Professor, Doctor of Economics,*

*ORCID: 0000-0001-8184-9951*

*ASEM, ase.md, Republic of Moldova,*

**Abstract.** *The practice of corporate communication can benefit from the research findings, defining communication objectives and actions within the innovation management process. Moreover, the skills required in order to inform about innovations are acquired individually. Therefore, this can be set as a common task for the Communication and Human Resources Departments.*

**Key words:** *communication, innovation, technologies, success, economics, strategy, organization, service, goods, processes.*

### **Introduction**

Today, there is no doubt that innovations have a positive impact on the development of the organization and its employees, that they are key factors in the business success and that they are the most important asset in increasing the profitability of the company. New technologies, processes and products are essential factors for the economic survival. However, the efforts made by some companies striving to implement innovations tend to be ineffective. A number of researchers from various countries point to the lack of professional communication of innovation as a cause of inefficiency. One of their goals is to define the role of **innovation communication** in the modern societies through the notions of **new technologies, processes and products as key factors of economic success** and regard **innovation communication** as an integral part of **strategic communication**.

### **Main text**

**The term innovation** refers to something new, something that did not exist before and which has a strong influence on the daily life and the economy. Some examples of innovations are: *Bell's invention of the telephone, the first car by Benz and Daimler or the first PC by IBM.*

In his work on the theory of economic development, published in 1911, the Austrian economist Joseph Schumpeter emphasized that the inventions become innovations only when they are successfully implemented and they generate economic value. Today, the concept of innovation has a much broader definition than Schumpeter's. The innovation, therefore, refers to a wide range of manifestations: product and service innovations, for example, the *24/7 banking*, are well known, as they benefit both the organization and the customers. On the other hand, the process innovations, such as the introduction of the assembly tape in the vehicle manufacturing industry, have a direct effect only on the process of production. Generally, process innovations are not visible within the organizational environment, but they affect the employees and, therefore, constitute a special challenge for the strategic communication.

To date, many researchers and practitioners believe that innovations develop linearly, starting from the basic research and the applied science up to the

experimental stage and prototypes, followed by placing them on the market and their penetration. This process is regarded as rational, taking place within the boundaries of the company and its partners. In this case, communication plays only a minor role. However, in an era of globalization the innovation processes are no longer linear, thus, companies no longer create ideas in well-guarded laboratories, kept secret until ready for the marketing sector, and finally, most inventions are no longer worked on by a single company. Today, systematic communication and cooperation with the companies and companies involved in the process of inventions becomes essential. Thus, innovative ideas can be launched at national or regional level and in this way, the bilateral relations with the public develop, and they can be controlled through communication, through specialized magazines, for example.

However, it was the social theory that revealed the most important link between innovation and communication, as, innovation occurs only when social practices change. New technologies and processes cannot be rationally defined and implemented by a single company or inventor. On the contrary, they have to be accepted and incorporated into a wide network of beneficiaries. Moreover, the users can associate a completely different meaning to an invention. An example is *the use of SMS messaging on mobile phones. They were initially intended to notify the user of a new voice message. In the meantime, a whole new culture of communication, which was totally unanticipated by the original inventors, has emerged especially among teenagers.*

Therefore, innovations arise only as a result of the interaction between different social actors. It is important to be mentioned that innovation is more about creating meaning than producing things, and this points to the fact that communication must also be an integral part of the innovation process, supporting each stage, from generating ideas to penetrating the market, building relationships with the employees, research and development partners, customers, competition, organization policies, non-governmental organizations, and journalists.

From a strategic point of view, leadership communication is crucial to the success of any organization. It is printed in the actions and in the already established social relations, thus allowing complex discussions and common perceptions. Moreover, employees are among the most important stakeholders in the innovation process. Data from a study, conducted by German researchers, indicates that 90% of the public relations practitioners included in the survey consider that employees are a very important target audience for innovation communication and thus, it should be addressed to employees in the production sector from the early stage of development of new goods and services. Moreover, the management theory shows that employees can be an important source of ideas when initiating the innovations process, for example in the production processes. On the other hand, they are the first to be affected in case of ineffective innovations. As a result, the organizations should explore the leadership and communications potential in order to tackle the communications provocations, benefits and traps of leadership and innovations.

### **Summary and conclusion.**

Thus, *the innovation communication* is a new field of *strategic communication*

and, at the same time, a very promising one. Innovation communication can play a new role in the development of innovation management, and this can be achieved through *a new perspective on leadership communication*. Any manager should be responsible for the training, within the social relationship with his subordinates, the meaning of new ideas, technologies, processes, products and services.

The practice of corporate communication can benefit from these findings by defining communication objectives and actions within the innovation management process. Moreover, the skills needed to inform about innovations are acquired individually. Therefore, this can be set as a common task for the Communication and Human Resources Departments.

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