

Which comes first: Technological or management innovation when disseminating the awareness of the green port urgency?

Ismi Rajiani

STIAMAK Barunawati Surabaya, Indonesia

Technological innovation with related notions such as product development, radical versus incremental innovation as well as diffusion and adoption has dominated innovation research. However, falling trade barriers, decreasing transaction costs, stagnating developed markets and overheating of emerging markets are forcing firms to look for other areas to innovate as a means of gaining and maintaining competitive advantage. Management innovation is changing the nature of management within organizations by for instance, adapting organizational structures, processes and practices to generate a valuable source of competitive advantage. Scholars have started emphasizing that in order to capture the full benefits of innovation, technological innovation needs to be combined with management innovation. Ironically, despite the recent surge in academic interest, management innovation remains an under researched topic. To fill the gap, in this paper we will conceptualize management

innovation to clarify understanding of management innovation, its underlying dimensions, antecedents, impact on performance as well as the contextual factors that affect management innovation. As most innovations are related to product development, this study highlights management practice as a process innovation in responding to the current trend. While there is a growing body of indepth qualitative research that provides insight into the sequence of events that occurs during process innovation, these highly context dependent studies have not systematically analysed the organizational capabilities related to fuel management innovation. This way, structural equation modelling (SEM) is used to spot the terrain for further study. Finally, the model is expected to support The Indonesian Port Cooperation in determining the policy to support the government agenda to reduce carbon emission as pledged in 2009 G20 Summit.

ismi.rajiani@stiamak.ac.id