

Exploring the role of innovation capabilities in fostering organisational performance in a state-owned enterprise: A qualitative research study

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ABSTRACT

State-owned entities (SOEs) are essential drivers of economic growth and social transformation in the South African economy, and they contribute significantly to the private sector. To address concerns around sustainability and performance, it is necessary to research and leverage the capabilities of SOEs. Innovation has been identified as a key attribute for increasing business performance, and to create and maintain sustainability, SOEs must understand and leverage their core competencies and capabilities through deliberate actions, processes, and outcomes of innovative capabilities.

This study examines the current state of innovation and the capabilities that accompany it among middle and senior managers, as well as executives of a single case SOES organization. Qualitative research methods were used, and sixteen semi-structured interviews were conducted. The results of the study provide insights into the culture, mindset, and processes that either facilitate or hinder innovation capabilities. The managerial levels expressed concerns regarding cultural and employee aspects, technology adoption, innovation processes, and the need for a holistic understanding and interrelationships of levels within the organisation. The research highlights the importance of fostering a positive culture, streamlining operations, and enhancing cross-functional collaboration. The findings reveal that the case SOE embraces innovation in an informal manner. However, significant barriers that stifle innovation were cited both internally and externally across the managerial tiers.

A summary of the contextual aspects is also provided that may be compared to other SOEs.

Keywords

SABC, SOE, Innovation Capabilities, Managerial Tiers

Plagiarism Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Anesh Sooklall

31st October 2023

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1. Chapter 1: Definition of problem and purpose

1.1. Introduction

State-Owned Enterprises (SOEs) are identified as essential drivers of economic growth and social transformation in developing countries (Willemyns, 2016). These entities are variously referred to as “*government corporations, government business enterprises, government-linked companies, parastatals, public enterprises, public sector units, or enterprises*” (PwC, 2015, p. 8). SOEs are responsible for providing critical infrastructure and essential services that are necessary for the country to be productive.

In post-1994 South Africa, SOEs are viewed as economic vehicles to ensure growth, development, and poverty eradication (Kikeri, 2018). By addressing market failures, SOEs also address societal challenges such as inequality by providing access to essential services and ensuring quality service for its citizens. Unlike private enterprises that are primarily driven by profit maximisation, SOEs focus on addressing market failures and fulfilling their public service obligation (Willemyns, 2016)

The most significant share value of SOEs in OECD countries is typically found in the telecommunications, power generation, and rail sectors. Meanwhile, SOEs in the financial sector, such as specialised financing, constitute the second-largest share value (Christiansen, 2011). SOEs can be classified into commercial and non-commercial entities. Commercial SOEs consist of incorporated and non-incorporated entities that are further grouped in accordance with the Companies Act. These include state-owned companies (SOC), state interest companies (SIC), statutory corporations (SC), and financial intermediaries (FI). Non-commercial entities, such as research, regulatory, and advisory bodies, carry out public functions (Kikeri, 2018). Commercial entities are arguably the most important in terms of their contribution to South Africa's gross domestic product (GDP).

SOEs play a vital role in driving economic growth and social transformation, and their significant contribution to the South African economy and the private sector is undeniable. SOEs that support these functions include ESKOM for electricity generation, TRANSNET for logistics, SAA for commuter transportation, and

TELKOM for telecommunications (Kane & Christiansen, 2015). These entities enable economic growth through productivity and competitiveness by delivering on their mandates.

However, SOEs in South Africa have been experiencing poor financial performance, with cash deficits accounting for 1.1 percent of the gross domestic product per year between 2004 and 2020 (IMF, 2022). While corruption and mismanagement of taxpayers' funds have also contributed to poor performance (Muzapu et al., 2016). Other reasons for the poor performance and lack of sustainability have been attributed to organisational mismanagement and inefficiencies, including the lack of governance processes, accountability, and transparency.

To address sustainability and performance concerns, research on leveraging capabilities of SOEs is necessary. Innovation has been identified as a key attribute for increasing business performance (Lawson & Samson, 2001; Rajapathirana & Hui, 2018). Innovation involves introducing new ideas to the organisation, developing an individual mindset, and establishing an organisational innovation culture (Kahn, 2018). Collaboration among different sectors and stakeholders is essential to identify opportunities and address complex issues (Castañer & Oliveira, 2020; Ernest&Young, 2017).

In developing countries, SOEs play a critical role in driving economic growth and social transformation. However, their financial performance has been poor, and they suffer from operational inefficiencies, lack of governance processes, accountability, and transparency, which have hindered their ability to fulfil their mandate. Therefore, is a need to investigate the innovative capabilities of SOEs, including their ability to innovate, which may lead to improved performance and sustainability. This research is crucial for ensuring the continued success of SOEs and the development of the countries they serve.

1.2. Research Problem

Classified as a schedule 2 commercial entity and serving to address social and development aspects of the country (Kikeri, 2018), the South African Broadcast Corporation (SABC) is tasked with informing, educating, and entertaining the citizens

of South Africa (SABC, 2022). As the only free-to-air broadcasting and media SOE, the SABC is a vital player in the country's social transformation process. However, in recent years, the SABC has faced challenges due to changing customer behaviour and the adoption of new technology platforms that provide local content at cheaper data costs (SABC, 2022). This has led to a decline in revenue from sponsorships and advertisers on the free-to-air platforms leading to a poor financial standing. As a result, the SABC has received a bailout from the South African government to continue its operations.

To improve its financial performance, the SABC must reconfigure its available resources and strategy. The strategic approach based on dynamic capabilities, supported by the resource-based view (RBV), seems to be a critical factor for the organisation's success (Pablo et al., 2007). The RBV considers the valuable, rare, inimitable, and organizability (VRIO) configurations of resources that facilitate value creation and competitive advantage. Based on these combinations, strategic factors and dynamic capabilities emerged (Muenjohn et al., 2021; Strønen et al., 2017; Teece et al., 1997). The lack of innovation initiatives in addressing the major impediments, in conjunction with changes in the business landscape, needs to be investigated to understand the SABC's innovation capabilities.

Innovation is vital for the SABC to adopt with respect to the evolving challenges facing the free-to-air broadcasting industry. Changing audience behaviours dictate a preference to consume content whenever customers wish, negatively impacting traditional linear broadcasts. Therefore, the SABC must adapt its business models to address these challenges. Embracing innovation offers a path to success, enhances business performance, and anticipates the future dynamics of content consumption.

To illustrate dynamic capabilities Strønen et al. (2017) used the Sony example within the product development space. Sony, being a leader in portable cassette and CD players, was challenged by the MP3 format. Apple subsequently captured and dominated the MP3 market. Sony then used its capabilities to later dominate the camera markets increasing market shares held by names such as Canon and Olympus. This example serves to demonstrate how Sony focused on resources, competences, market insight, managerial and R&D activities applied over a period

to particularly demonstrate dynamic capabilities for higher order adaptation. Essentially, it is important for companies to continually adapt, innovate, and leverage their dynamic capabilities to thrive in a competitive landscape.

Innovation in an organisation is a systematic approach to creating value and increasing business performance through dynamic capabilities (Ghardashi et al., 2019). While ordinary capabilities are understood as the capacity to fix problems, innovation capabilities are necessary to drive organisations forward.

1.3. Purpose of Research

Dervitsiotis (2010) offers a comprehensive framework for achieving holistic innovation excellence. The author suggests that for an organisation to excel in terms of business performance, it must explore fundamental innovation capabilities such as leadership, organisational culture, innovation strategy, employee, customer, supplier participation, and innovation process effectiveness. (Prajogo, 2016) agrees with this view and classifies internal control factors such as leadership, technological capabilities, and organisational culture along with external factors like market demand and competitors.

Therefore, the purpose of this qualitative research is to conduct an empirical study of SABC being a SOE to investigate the innovation enablers, barriers and understand how innovation capabilities can be leveraged to improve business performance. This study will also contribute to the existing knowledge of innovation and innovation capabilities that can be applied to other non-financial SOEs in South Africa, which face similar internal and external factors, deliberately focusing on societal transformation and competitiveness.

1.4. Business Rationale

To remain competitive, both private and public sectors need to constantly monitor the business environment. Due to technological advancements and the demand for cheaper, faster, reliable, and high-quality services and products, it is necessary for companies to encourage, create, implement, and measure new ideas. To maintain competitiveness, businesses must understand and leverage their core competencies and capabilities through deliberate actions, processes, and outcomes of innovative capabilities.

1.5. Research Rationale

Quantitative research studies are commonly used in the field of innovation management. However, the purpose of this study is to conduct empirical qualitative exploratory research. According to Rajapathirana and Hui (2018), intentionally managing an organisation's innovation capabilities leads to better innovation outcomes and translates to increased firm performance. A report by McKinsey&Company (2022) supports this view and argues that businesses that innovate tend to see better profits and business performance than those that do not harness innovation capabilities. Understanding and exploring an organisation's innovative capabilities is therefore crucial for competitiveness, productivity, better financial outcomes, and overall business performance. Furthermore, addressing any barriers to innovation will result in higher levels of performance. This will further make significant contribution and enhancements to the innovation body of knowledge.

1.6. Scope of Research

This research study focuses on four constructs of innovation capabilities, namely innovation strategy, innovation outcomes, innovation processes, and innovation mindset within managerial levels. It is an exploratory study conducted within a single SOE and limited to SOEs in South Africa where regulations such as the Public Finance Management Framework, Companies Act, and Treasury regulations are strictly enforced (National Treasury, 2006). This study therefore has its limitations due to these regulatory and legislative requirements.

1.7. Organisational Context

The SABC is the only state-owned free-to-air broadcaster in the country. According to its SABC (2022) Annual Report, the SABC is classified as a schedule 2 legal entity and is therefore subject to legislation that governs its operations. The Broadcasting Act ensures that the SABC is obligated to comply with the regulations of the Independent Communications Authority of South Africa (ICASA). Each of the SABC's television channels and radio services are licensed by ICASA, with specific license conditions (SABC, 2022).

The SABC is further categorised into two services within the Broadcasting Act. These are the Public Broadcast Services (PBS) which has fifteen radio and two television services, and the Public Commercial Services (PCS) which has three radio and one television service. However, the SABC has a "unitary business model that governs its services" despite these distinctions (SABC, 2022, p. 10).

Furthermore, the PBS and PCS are mandated by regulations, policies, and licensing conditions, including the National Treasury Regulations, SABC Editorial Policies, and Delegation of Authority Framework (SABC, 2022). The SABC's overarching mandate is to inform, educate, and entertain the citizens of South Africa. The SABC has been in existence for more than 87 years and is committed to producing and promoting local content that celebrates South Africa's rich diversity while providing platforms for emerging artists and producers.

Figure 1 below illustrates the relationship and links to each level within the context of the SABC and South Africa.

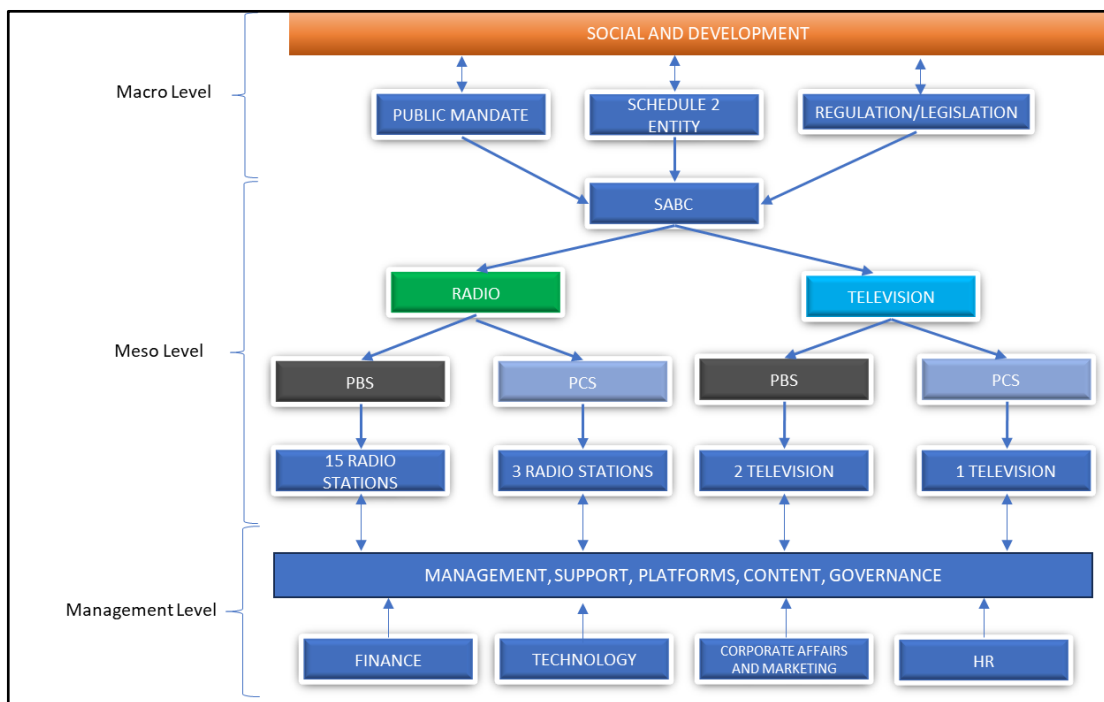


Figure 1 - Public Media Broadcast and Levels (Source: Author)

In March 2021, the SABC concluded the section 189 process, resulting in 621 employees leaving the organisation (SABC, 2021). This led to an immediate reduction in labour costs and an improved balance sheet. However, despite this, the

SABC reported a significant loss in the SABC (2023) Annual report. Over the past five years, the SABC has navigated a complex landscape that has revealed both its strengths and vulnerabilities. One of its major strengths is its maximum communication reach in terms of radio and television services, providing accessibility to the vast majority of South Africans, including those in rural communities. The SABC has also shown a commitment to produce and promote local content, preserving and celebrating South Africa's rich diversity while providing platforms for emerging artists and producers (SABC, 2022).

The SABC has undergone numerous changes since its inception. Each stage of its transformational journey has contributed to shaping and reshaping its current identity. While there have been significant developments in other areas, such as television, FM radio services have seen a slower rate of change. Nonetheless, radio remains the most widely used communication channel in South Africa, with content provided in all 11 official languages. Television has transformed from traditional linear broadcasting to video-on-demand and over-the-top broadcast.

With the global shift towards access of digital media content, the SABC has undertaken initiatives to embrace digital broadcasting and online streaming platforms, ensuring its presence in the digital sphere. However, it has faced severe financial hurdles over the years, oscillating between periods of solvency and financial distress (SABC, 2022, 2023).

Allegations of administrative inefficiencies, corruption, and political interference have periodically marred the corporation's reputation, affecting its credibility (Public Protector South Africa, 2014). Concerns about the SABC's editorial independence have also been raised, with some alleging undue political or commercial influence over its content. The rapid proliferation of alternative digital platforms and streaming services has led to changing consumer preferences, and the SABC has had to compete in an increasingly crowded market.

In some instances, the SABC has struggled to keep up with technological adoption, resulting in outdated infrastructure and broadcasting equipment. It is crucial to recognise the SABC's critical role in South Africa's media landscape, balanced against the multifaceted challenges it has encountered over the years.

1.8. Outline of document

In Chapter 2, the theoretical framework of innovation capabilities is presented. The aim of this chapter is to analyse and explain the key concepts, terminologies, and models that have influenced the knowledge of innovation capabilities using existing academic literature. The goal is to give a comprehensive understanding of the evolution, nuances, and relevance of innovation capabilities in today's dynamic business landscape.

Chapter 3 sets out the research question and objectives. It defines the research question that guides the entire study and explains the significance and overall objectives.

Chapter 4 covers the research methodology and limitations of the study. It explains the scientific approach used, breaking down the methods, tools, and techniques used to gather, process, and interpret the data. The chapter also acknowledges the inherent limitations of the chosen methodology, allowing for a clear understanding of any constraints or biases that may have influenced the results.

Chapter 5 presents the results and findings based on the raw data collected defined in the research methodology, which was transformed into tangible and important insights. This chapter provides a structured and coherent representation of the data, emphasising themes and noteworthy deviations. Visual aids, including graphs, tables, and analytical narratives, are used as empirical information for this research. This chapter serves as a foundation for Chapter 6.

Chapter 6 provides a discussion on empirical research findings from Chapter 5, drawing from the theoretical literature in Chapter 2. The intention is to compare the research insights with established literature, identifying any convergences, divergences, and gaps in the academic discourse. This chapter provides a contextual understanding of the research implications by weaving the research findings into the larger fabric of innovation capabilities literature.

Finally, Chapter 7 provides the conclusion and recommendations, offering a holistic overview of its contributions, revelations, and significance. The conclusion blends

the research journey, key insights, and their relevance in the broader context and contribution to the innovation body of knowledge. Moreover, this final chapter also provides recommendations for future studies, highlighting gaps that the author ventured into, with the hope of promoting further research and contribution on the topic of innovation and innovation capabilities.

1.9. Conclusion

Chapter 1 of this research introduces the reader to the research problem, which is related to the poor performance of SOEs in South Africa. Additionally, it highlights the limited understanding of innovation capabilities, adoption, and implementation in the context of SOEs. Furthermore, it introduces the SABC that is the organisation that will be investigated under the academic lens of innovation.

Chapter 2 will focus on the theoretical aspects of innovation capabilities and their implications on organisational performance. It will provide a critical evaluation of the current academic literature on this topic and offer a comprehensive analysis of the existing research, theories, and concepts related to innovation.

2. Chapter 2: Theory and Literature Review

2.1. Introduction

In this chapter, the author examines the current state of innovation capabilities and explore how they relate to business performance. The literature on innovation is extensive, as it is recognised as a key factor in developing a competitive advantage for organisations. Innovation capabilities are believed to drive growth and performance within an organisation. Drawing on Chapter 1, we discuss several aspects of the literature that help in addressing the research problem.

2.2. Innovation Strategy and Organisational Performance

Business strategy and innovation strategy are two crucial concepts in the business environment that are essential for improving organisational performance (Teece, 2010). Pursuing these strategies is crucial for organisations that aspire to be market leaders and stay relevant over time. Although the two concepts are interrelated, business strategy and innovation strategy focus on distinct objectives within the organisation (Teece, 2010).

Business strategy focuses on the overall plans that an organisation formulates to achieve a sustainable competitive advantage in the marketplace (Teece, 2010). This involves leveraging core competencies, scanning, and understanding market dynamics, and positioning the company effectively against competitors (Porter, 1980). On the other hand, innovation strategy focuses on the methodologies employed by the organisation to promote new ideas, products, or processes (Teece, 2010). This is crucial for ensuring its continued relevance in a rapidly changing business environment. Bessant and Tidd (2007) argue that managing innovation and fostering entrepreneurial spirit is essential in this context. The interplay between these strategies is evident when considering that a robust business strategy should inherently embed innovation to adapt to changing market circumstances. Conversely, a successful innovation strategy should align with broader business goals to ensure its innovative ventures achieve market traction and drive growth (Teece, 2010).

While innovation strategy is fundamental to ensuring financial performance (Ezzi & Jarboui, 2016). Building, and maintaining the capacity to innovate is difficult, and

failure in execution is usually cited as the reason. However, Pisano (2015) argues that the alignment of innovation strategy and the organisation's innovative efforts is where the failure lies. This is due to organisations primarily focusing on generating innovative ideas but lacking an innovation strategy of developing and creating a system that allows for continuous adaptation and organisational growth. Therefore, organisations must have a business strategy on how to drive innovation through an innovation strategy. Furthermore, generating ideas is only one side of the same coin; the effective execution and integration into the organisation's business are equally important. Pisano (2015) suggests the innovation strategy matrix, which allows the organisation to choose the degree that is either a new or existing business model and new and existing technical competence. These choices should be decided based on the strategy's intent during the strategic formulation process.

Underpinning a business and innovation strategy is the paramount role of an organisation's leadership characteristics in consistently innovating and effectively shaping and amplifying these capabilities. Leadership is crucial in setting organisational direction and creating a culture that advocates innovation. The way the leadership of an organisation behaves sends a strong signal to employees. However, while executive management is in favour of innovation as a driver of organisational performance, many do not lead or manage it (Barsh et al., 2008). This is primarily since innovation requires change, absorbs resources, and takes attention away from short-term performance (Barsh et al., 2008).

Effective leadership approaches have a significant impact on organisational innovation. They can influence innovation directly or indirectly by shaping the organisational environment, guiding the actions of employees and leaders, and affecting other organisational factors such as knowledge exchange and learning. Some leadership styles have a dual effect on organisational innovation, both directly and indirectly (Alblooshi et al., 2021).

Transformational leadership, characterised by its ability to inspire and elevate followers to exceed established standards and think creatively, is instrumental in nurturing an innovation-friendly organisational milieu (Khalili, 2016). It is further suggested that transformational leaders prompt a sense of purpose, stimulate curiosity and champion novel approaches. Under their guidance, organisations tend

to foster environments where creativity is not just allowed but actively encouraged, and the status quo can be readily challenged (Khalili, 2016).

The role of leadership in resource allocation directly impacts the tangible support available for innovation. Leaders dictate the focus of research and development, and their commitment to innovation often determines the time, money, and human capital channelled into innovative endeavours (Amabile & Khaire, 2008). Their decisions around investing in training, cutting-edge tools, or collaboration platforms can significantly enhance or hinder the organisation's innovation capabilities.

Emotional intelligence in leaders further accentuates the innovation capabilities of an organisation (Suliman & Al-Shaikh, 2007). Leaders equipped with high emotional intelligence can discern the nuanced motivations and potential barriers faced by their teams and the organisation (Coad et al., 2016). By understanding these dynamics, they can foster an environment of trust. In such trust-rich settings, team members feel safe to share embryonic ideas, experiment without the overwhelming fear of failure, and collaborate more openly, all of which are vital for innovative outcomes.

Moreover, leaders play a pivotal role in institutionalizing processes that enhance innovation. This can range from establishing cross-functional teams and promoting diversity which has been linked to richer ideation to setting up clear processes for idea evaluation, piloting, and scaling. Their vision in establishing innovation hubs or labs, or forging external partnerships for co-innovation, can provide structural advantages for the organisation's innovation journey.

The people culture of the organisation must also be aligned with the business strategy because, without a culture that supports and encourages innovation, failure is inevitable (Barsh et al., 2008; Pisano, 2015). Innovation is categorised into various types such as incremental innovation, disruptive innovation, and radical innovation (Kamal et al., 2023; Pisano, 2015). Damanpour (2017) expands further on these types to include product, process, technological, and non-technological innovation across the organisation. The business strategy in conjunction with a solid innovation strategy that embeds the type of innovation must be aligned (Kamal et al., 2023). Each type requires different processes, structures, and cultures to support them.

Prajogo (2016) further argues that while internal organisational factors such as leadership and culture serve as crucial paradigms for innovation, external factors linked to organisational strategic fit informed by environmental dynamism and competitiveness are equally influential in determining business performance. For instance, new product development thrives in a dynamic environment, whereas competitiveness is reinforced by process innovation (Prajogo, 2016). Both internal innovation capabilities and external factors have a direct positive impact on organisational performance (Hoang & NGOC, 2019). In the service industry, innovation capabilities result in product, marketing, and organisational innovation activities (Rajapathirana & Hui, 2018). These are critical for developing innovation activities in the firm.

Kaliappen and Hilman (2017) suggest that while the organisational strategy formulation process allows the organisation to choose where to play, innovation strategies on process innovation and service innovation related to the competitive strategy of either cost leadership or differentiation must be aligned. An organisation needs to have a deliberate vision, mission, and objectives with innovation in mind. Organisations need to be able to seize opportunities that arise in the rapidly changing business landscape, which is a typical part of a company's strategy (Dervitsiotis, 2010). To increase the probability of successful business outcomes, it is important to have a clear strategic goal and alignment of internal capacity during implementation. According to Kahn and Candi (2021), adopting an innovation strategy, regardless of the size of the institution, has a solid correlation to improve organisational performance.

Nagji and Tuff (2012) offer a strategic lens that suggests total innovation capabilities can be represented as a strategic portfolio that spans three distinct horizons: core, adjacent, and transformational. It is recommended that organisations balance their core, adjacent, and transformational innovation ambitions carefully. Core innovations stabilise the current market position by refining existing products for the current customer base, while adjacent and transformational innovations explore breakthrough opportunities, venture into new areas, and expand the company's reach. This diverse approach to innovation underpins a company's resilience and adaptability. Leadership must embed appropriate culture, structural, and performance measures tailored to each horizon, as suggested by other scholars

related to the framework (Barsh et al., 2008; Borins, 2002; Hanaysha, 2020; Hughes et al., 2018). However, the framework does not consider the systematic view related to the impact of a rapidly evolving sector and the external market shifts that may create strategic blind spots. Therefore, adaptability based on individual organisational context is crucial in the dynamic business environment.

Real-world applicability of theoretical constructs presents complexities. As indicated by the literature, an organisational strategy without having innovation in mind and the alignment across the organisational structure will lead to undesired business performance.

2.3. Innovation Capabilities and Organisational performance

Innovation capabilities refer to an organisation's ability to generate and implement new ideas and products. This requires the organisation to reconfigure itself with the right skills, tools, and business models that allow for change while remaining competitive in the market and linked to growth and value for the customer (Hoang & NGOC, 2019).

According to Kahn (2018), "innovative," "innovativeness," and "innovation" are not the same. "Innovative" is an action word, while "innovation" is a noun. "Innovativeness" is also a noun but refers to the organisation's capabilities and capacity for innovation (Kahn, 2018). Process, outcome, and mindset must be interlinked to ensure innovation is possible within an organisation (Kahn, 2018). Using the dynamic capabilities theory, Lawson and Samson (2001) suggests that organisations should prioritise transforming creative ideas into market competitiveness by utilizing limited resources and the right sequence combination.

Process innovation refers to new methods or mechanisms that create improvements and efficiencies. Innovation process refers to the steps that an organisation follows to facilitate innovation (Dervitsiotis, 2010). Outcomes refer to what the organisation expects, for example, product innovation.

Determinants of innovation capabilities provide the basic ingredients for increasing innovation and competitiveness. For instance, Mendoza-Silva (2021) argues that

managerial focus, corporate strategy, resources, work climate, organisational structures, technology, collaboration, know-how, individual activity, and network characteristics are determinants of innovation capabilities. Managerial focus includes management styles and leadership in which innovation is driven. Leadership traits also influence innovation and the performance of a firm (Hughes et al., 2018; Muenjohn et al., 2021).

Organisations could strengthen their innovation capabilities by adopting an actor-oriented scheme. Managerial tiers have the agency to create, dissolve, and manage relationships and networks within the organisation (Di Toma & Ghinoi, 2021). It is argued that an actor-oriented scheme can lead to more flexible, dynamic, and adaptable organisational processes, as opposed to rigid, top-down, hierarchical structures. Essentially, individual initiative and collaboration in organisational processes and outcomes are important.

Top managers are required to demonstrate a positive attitude and support for organisational initiatives (Mendoza-Silva, 2021; Wang & Dass, 2017). Top management serves as an important conduit in ensuring that the organisation adopts and facilitates innovation initiatives, resulting in organisational sustainability and performance (Wang & Dass, 2017). In addition, managers can promote innovation by aligning employees' goals and actions with their inner values through transformational behaviour (Khalili, 2016). However, when managers directly control innovation activities, it hinders alignment and innovation (Gerpott et al., 2022).

Furthermore, organisational culture and human resource practices also positively contribute to innovation capabilities and increase business performance (Ikeda & Marshall, 2016).

SOEs are not immune to the rapid changes in the business environment and are also required to innovate to remain sustainable and competitive. Public institutions require bureaucratic traditional models to ensure governance processes are not violated. Using the appropriate rigor for approvals and decision-making, these bureaucratic models also seem to negatively impact innovation initiatives in public institutions (Alblooshi et al., 2021). However, leadership support in the public sector provides a climate for innovation. Traditionally, strategic decisions for the adoption or innovation

strategies are linked to top management leadership provided by the chief executive officer and board of directors. Nevertheless, many innovations emerge from the lower level of senior to middle management (Borins, 2002).

According to Alford and Greve (2017) public organisations are not driven by profit maximization. Instead, the management in these entities should concentrate on creating and enhancing the value proposition for the public by involving stakeholders and citizens in the process. While government ownership is not the direct cause of inefficiencies in SOEs, as argued by Belloc (2014) other factors such as culture, legislation, and politics contribute to such issues. Furthermore, government ownership can have a positive impact on SOE innovation through research financing, a higher risk tolerance, and easier collaboration with other entities, without the pressure of profit and revenue expectations (Belloc, 2014).

Kahn (2018) argues that outcomes include either incremental or radical change. Incremental innovation, for instance, is a change in an existing product by incorporating innovative new features or functions. Apple with the iPhone is a great example of small incremental additions to the product offerings. In terms of radical product innovation, it is associated with new product development and launch. Other aspects of product innovation would be incremental or radical cost reductions in manufacturing or service delivery. This strategic approach would support a company in being a differentiator in the market.

Borins (2002) argues that public sector organisations, especially those in challenging environments, tend to exhibit stringent central control and employee performance management systems that promote stability. However, these systems often penalise public attempts for unsuccessful innovation attempts rather than rewarding them for successful innovations.

Organisational ambidexterity promotes an exploration and exploitation orientation within the organisation. Top managers who are involved in the deliberate innovation process of the organisation are more biased towards exploration (Wang & Dass, 2017).

Damanpour (2017) argues that organisational innovation has three main parts.

Firstly, the contextual part focuses on external antecedents such as new technology, changes in customer behaviour, and competition. Secondly, the organisational part deals with internal antecedents, including organisational structures and resources that encourage teams to share creative ideas and experiment without fear of failure. Finally, the managerial antecedent relates to the leaders of the organisation who help teams think creatively and provide necessary tools. For an organisation to be truly innovative, it must understand and align with all three dimensions. The last two can be further dissected into organisational level, team-level, and individual level that enhance innovation capabilities. Organisational level factors such as leadership, culture, structure, knowledge, and networks have a significant impact on team-level innovation capabilities (Tikas & Akhilesh, 2017). Therefore, it is essential to consider the link between organisational level, team level, and individual level to determine individual innovation capabilities, including attributes such as motivation, individual differences, interpersonal skills, and problem-solving. The importance of cross-functional collaboration is well-known. Employees who reach out to colleagues with complementary knowledge outside their department tend to learn faster, and enhance their skills more rapidly (Casciaro et al., 2019).

Based on a comprehensive literature review, it is evident that innovation capabilities play a pivotal role in enhancing business performance. While established frameworks in academia, such as the Dynamic Capabilities Framework and the Innovation Ambition Matrix, provide insights into assessing innovation capabilities, no single framework is universally accepted as exhaustive. Therefore, more holistic approaches are needed that can capture the diverse nuances of businesses, industries, and geographical contexts when evaluating and assessing innovation capabilities. The approach of this study therefore will focus on the managerial tiers to gain insights into innovative capabilities. This literature review serves to synthesise the literature considering these crucial contextual aspects and, more specifically, the managerial tiers in driving innovation.

2.4. Literature Synthesis

Kahn (2018) posit that to maximize and reap benefits of innovation, it should be recognised in three distinctive sets these are:

- Outcomes – this refers to what output is expected from the organisation such as product innovation, organisational innovation, marketing innovation and process innovation.
- Process – refers to the “way” innovation in the organisation is setup to promote innovativeness. This is in direct alignment with innovation related to outcomes above, and finally,
- Mindset – where innovation is embedded in the organisation with regards to innovation culture, leadership, and internal support structures.

The innovation excellence framework by Dervitsiotis (2010) and the three aspects above by Kahn (2018) are superimposed, considering innovation enablers and performance outcomes.

Furthermore, specific research that links to each aspect of the enablers is recorded in Table 1 below. This will be the basis of this research with consideration to holistic innovation in evaluating the single SOE in conjunction with research questions.

Table 1 – Innovation capabilities and business performance

	Sets	Innovation Enablers	Managerial Level influence	Source
INNOVATION CAPABILITIES	Strategic	Innovation Strategy	Executive Management	(Dervitsiotis, 2010; Kahn, 2018; Kahn & Candi, 2021; Prajogo, 2016)
	Outcomes	Process Innovation	Senior Management, Middle Management	(Kahn, 2018; Rajapathirana & Hui, 2018)
		Organisational Innovation	Executive Management, Senior Management	
	Process	Employee Participation Process	Senior Management, Middle Management	(Dervitsiotis, 2010; Ikeda & Marshall, 2016)
		Customer Feedback Process	Senior Management, Middle Management	
		Supplier participation process	Senior Management, Middle Management	

		Innovation Process	Executive Management, Senior Management	(Dervitsiotis, 2010; Kahn, 2018)
	Mindset	Organisational Culture	Executive Management, Senior Management	(Ikeda & Marshall, 2016; Kahn, 2018)
		Individual Mindset	All Levels	
		Leadership	Executive Management	(Dervitsiotis, 2010; Hanaysha, 2020; Ikeda & Marshall, 2016; Mendoza-Silva, 2021; Muenjohn et al., 2021)
		Innovation Resources	Executive Management, Senior Management	
ORGANISATIONAL PERFORMANCE	External	Customer Impact	All Levels	(Dervitsiotis, 2010; Mendoza-Silva, 2021)
	Internal	Employee Impact	Senior Management, Middle Management	
		Organisational Impact	Executive Management, Senior Management	
		Overall economic Impact	Executive Management	

Using the literature synthesis, the following model is developed. Figure 2 shows the linkage of internal organisational capabilities that is part of strategy, outcomes, process and mindset.

The link between innovation capabilities and organisational performance is bi-directional. The understanding is that with the increase of innovation capabilities results in an increase organisational performance and vice versa.

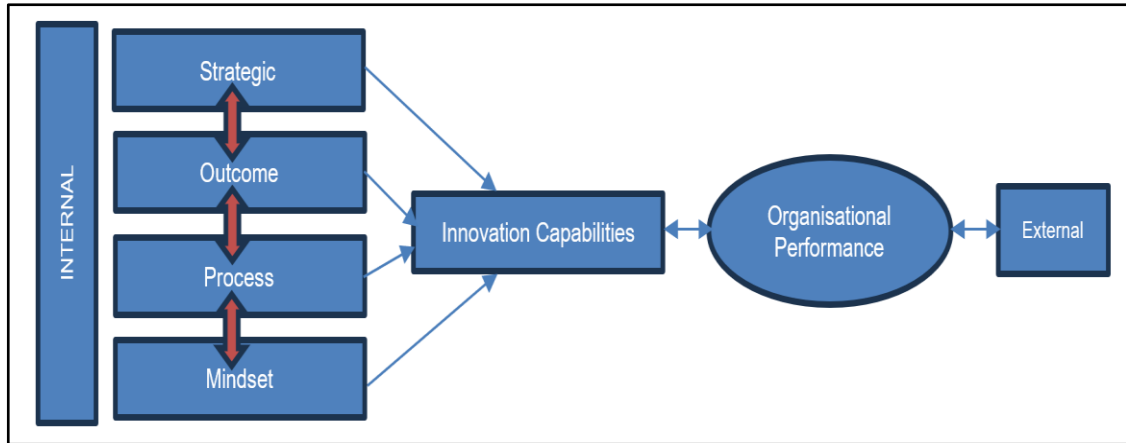


Figure 2 – Theoretical model of Innovation Capabilities and Organisational Performance (source Author)

2.5. Conclusion

In this chapter, the author introduces the literature review that is linked to research problem. The evaluation of the key concepts and theories in the literature provides insight into the key aspects of innovation capabilities and its link to organisational performance.

Furthermore, stemming from the literature review the author provides a synthesis of literature in Table 1 that supports the enablers linked to organisational performance.

The next chapter provides the research questions.

3. Chapter 3: Research questions

3.1. Introduction

In today's competitive business landscape, companies face increasing pressure to continuously innovate in response to customer demands and rapid technological changes. SOEs are no exception to this rule, and the SABC must adapt to a rapidly changing free-to-air broadcast media market while addressing social and developmental issues. An organisation's perception of its ability to innovate can significantly impact its strategic direction and operational decisions. Furthermore, different levels of management may have varying perceptions of innovation capabilities, each providing unique insights based on their perspective. This study aims to explore the perceptions of SABC's managerial team on their innovation capabilities, potential barriers to innovation, and strategies to reinforce this crucial business function.

3.2. Research Question 1

- What is the degree of understanding and application of holistic innovation and capabilities that exist amongst middle, senior managers and executives?

Managers at different levels of an organisation have unique roles, responsibilities, and perspectives. Executive managers are responsible for making decisions, and they have access to comprehensive information that they use to provide insights into the strategic importance of innovation. They align innovation with the broader vision and strategic objectives of the organisation.

Senior managers, on the other hand, have a broad overview of the organisation and are more attuned to strategic imperatives and external market dynamics. Their perception of innovation capabilities is often influenced by the organisation's strategic objectives, shareholder expectations, and external benchmarking.

Middle managers, who are positioned between executives and operational individuals, play a vital role in translating strategic visions into actionable plans. They offer insights into the practical challenges and opportunities of driving innovation at the operational level. In summary, the perceptions of all three types of managers provide a holistic view of an organisation's current position related to innovation.

3.3. Research Question 2

- How does the similarity or differences of above, relate to innovation and capabilities with respect to the innovation approach to outcome, processes, and mindset?

Understanding the factors that drive innovation is crucial in developing effective strategies to create a more supportive environment for innovative solutions. By examining the perspectives of managers at different levels, this research aims to gain an in-depth understanding of the internal and external barriers that may either facilitate or hinder innovation. The objective is to gain a comprehensive understanding of the drivers of innovation, such as organisational culture, that can either promote or impede creativity.

3.4. Research Question 3

- What are the barriers and the ranking of barriers to holistic innovation?

The aim of this research is to identify and prioritise the barriers that prevent holistic innovation within the SABC. By doing so, organisations can address the most significant obstacles first. The research will also examine whether these barriers are rooted in internal or external factors such as organisational culture or market conditions. Additionally, by gathering perspectives from various managerial levels, a comprehensive understanding of the challenges can be developed.

3.5. Conclusion

In today's turbulent business landscape, innovation plays a critical role in determining success. For SABC, it's crucial to understand the perceptions of managers across different tiers to gain valuable insights into the organisation's innovation posture. By exploring perceived barriers and proposed strategies, SABC can develop a comprehensive roadmap that fosters innovation, ensuring continued relevance and success in the broadcasting industry. This study provides a starting point for such introspective analysis, offering a framework for future strategic decisions.

4. Chapter 4: Research methodology and design

4.1. Introduction

This chapter explains the research design and methodology that align with the research questions and objectives. It expands and provides the justification on the selected research methodology, providing details on data collection and analysis, furthermore outlines the controls and limitations inherent in this study.

4.2. Research Design

The main goal of this study was to delve deeper into the innovation capabilities of the SABC, considering the importance of contextual nuances. The research is based on Kahn (2018) framework, which focuses on the organisational context of innovation processes, outcomes, and mindset.

The study draws on qualitative exploratory research carried out by Dana et al. (2023) and Ungerer and Buys (2021), with the aim of gaining a comprehensive understanding of the innovation dynamics across different management levels and departments within SABC. This research is significant not only because it analyses SABC's distinctive innovation landscape but also because it aims to contribute significantly to the innovation body of knowledge.

4.3. Philosophy

For this study, an in-depth investigation was conducted into the business context, complexity, and uniqueness, which required a research philosophy that could cater to these requirements. Saunders and Lewis (2017) have identified five major research philosophies applicable to business and management science. Out of these five philosophies, interpretivism, as defined by Saunders and Lewis (2017, p. 109), is "*a philosophy which advocates the necessity to understand differences between humans in their role as social actors.*" Therefore, to understand the phenomenon in which social actors bring meanings, this study followed an epistemology in interpretivism philosophy, considering the research questions and objectives.

The research aimed to investigate the social complexity regarding innovation capabilities, which could not be as simple as looking for verification and extension of academic theory. Therefore, this philosophical approach provided an understanding

of the meanings that managerial employees in the case organisation attached to their experiences and how they were shaped by social, cultural, and historical contexts.

4.4. Approach to theory development

The purpose of this study was to collect data and investigate the phenomenon to identify themes and patterns related to innovation capabilities within the SABC. The inductive approach was used in this study, which moved from specific instances to broader generalizations. The data collected was then analysed to identify patterns or themes, considering aspects such as logic, generalisability, use of data, and theory, as outlined by (Saunders et al., 2016).

4.5. Methodological Choices

This research made use of a single data collection technique, hence leveraging a mono-method qualitative research technique (Saunders et al., 2016). Semi-structured interviews were conducted across senior, middle, and executive managerial positions throughout the SABC. These interviews, rich in contextual data, served as primary data.

4.6. Purpose of Research Design

Semi-structured open-ended questions were tailored to unearth in-depth insights into the innovation capabilities within the SABC, focusing primarily on the "what" and "how" of ideation and execution (Saunders et al., 2016).

4.7. Strategy

Qualitative research was necessary to capture the nuances of SABC's ecosystem and explore factors shaping innovation capabilities.

Saunders et al. (2016) argues that using a case study strategy provides rich empirical insights of the phenomenon within the context, which in this study is the SABC. This is a similar strategy used by Lawson and Samson (2001) and Ungerer and Buys (2021).

4.8. Time Horizon

Considering the study's constraints, a cross-sectional design was adopted. In conjunction with the mentioned strategy, semi-structured interviews was conducted over a short period (Saunders et al., 2016). This efficient approach considered data

from different managerial tiers, gathered at a single instance, reminiscent of the methodology used by Dana et al. (2023).

4.9. Population

The study's population encompasses the managerial employees (executive, senior, middle levels) across the SABC, these employees are integral to innovation-centric activities. The intent was to probe the challenges and opportunities encountered by these individuals. By focusing on this population, the study aimed to gain insights into the broader innovation landscape of the SABC. These individuals had a comprehensive understanding of the SABC's innovation practices, barriers and potential solutions.

4.10. Unit of Analysis

The individuals in managerial positions across the SABC, engaged in shaping and implementing innovation strategies, served as the primary unit of analysis. Furthermore, to understand their perspectives on holistic innovation within the public broadcaster. Table 2 provides the alignment with the population, research question and unit of analysis.

Table 2 - Unit of Analysis (authors own compilation)

Research Question	Target Population	Unit of analysis
1. What is the degree of understanding and application of holistic innovation and capabilities that exist amongst middle, senior managers and executives?	Generalized managerial tiers across the SOE	Middle, senior and executive individuals
2. How does the similarity or differences of above, relate to innovation and capabilities with respect to the innovation approach to outcome, processes, and mindset?	Generalized managerial tiers across the SOE	Middle, senior and executive individuals
3. What are the barriers/opportunities to holistic innovation?	Generalized managerial tiers across the SOE	Middle, senior and executive individuals

4.11. Sampling Method and Size

A purposeful criterion sampling strategy was adopted, individuals from different managerial positions involved in innovation initiatives were approached. The research population provided sufficiently diverse characteristics, furthermore, patterns and themes emerged. Heterogeneous purposes sampling was used and therefore the target was to engage a minimum of twelve interviewees concerning when data saturation is reached (Saunders & Lewis, 2017). Sixteen individuals formed part of this study.

4.12. Measurement Instrument

Semi-structured interviews, with a list of themes and key questions was covered. In consideration of the nature of the questions and discussions, data was recorded as suggested by (Saunders et al., 2016). The data was transcribed and processed using ATLAS.ti 23, as the primary data analysis tool. This data was subsequently coded and categorised into themes.

4.13. Data Gathering Process

To gain an in-depth understanding of the research objectives, semi-structured interviews with the target population was conducted as suggested by Saunders et al. (2016). Semi-structured one-on-one, virtual using Microsoft Teams, interviews with the participants was conducted to gain contextual insight, experience and perspectives related to innovation capabilities concerning innovation outcomes, innovation processes and innovation mindset at the SABC.

Codes were categorised into themes. Due to concerns related to the reliability and dependability of a standardised question, the interview guide was pilot-tested to determine alignment and time allocation before conducting the data-gathering process. All participants were informed beforehand about the recording and the required signing of the inform consent form. The audio recordings were solely used for the purpose of transcription for analysis. Transcripts were also made available to participants if they wanted to verify the accuracy or make any amendments.

Participants' anonymity and the confidentiality of the information they provided was maintained. The transcripts were uploaded to central repository provided by GIBS.

Each participant was assigned a unique identify code, and their names were not disclosed in any research outputs.

4.14. Analysis Approach

This research employed thematic analysis in the patterns, themes and categories that were structured in the data.

The data analysis approach adopted the qualitative analysis in Figure 3 –Analysis of Qualitative Data (Neuman, 2014, p. 488)Figure 3 as proposed by Neuman (2014). The focus of the data analysis was on the examination, categorising, evaluating, comparing, and synthesizing of the raw data.

Data 1 gathered from semi-structured interviews with the individuals. Data 2 audio recordings and field notes. Open coding was used where the data was analysed into codes and patterns based on theory and then grouped into similar codes. Axial coding was then used to group themes systematically. Selective coding was used to revisit the previous axial coding to select the data in the categories. Data 3 was the basis for the research and findings.

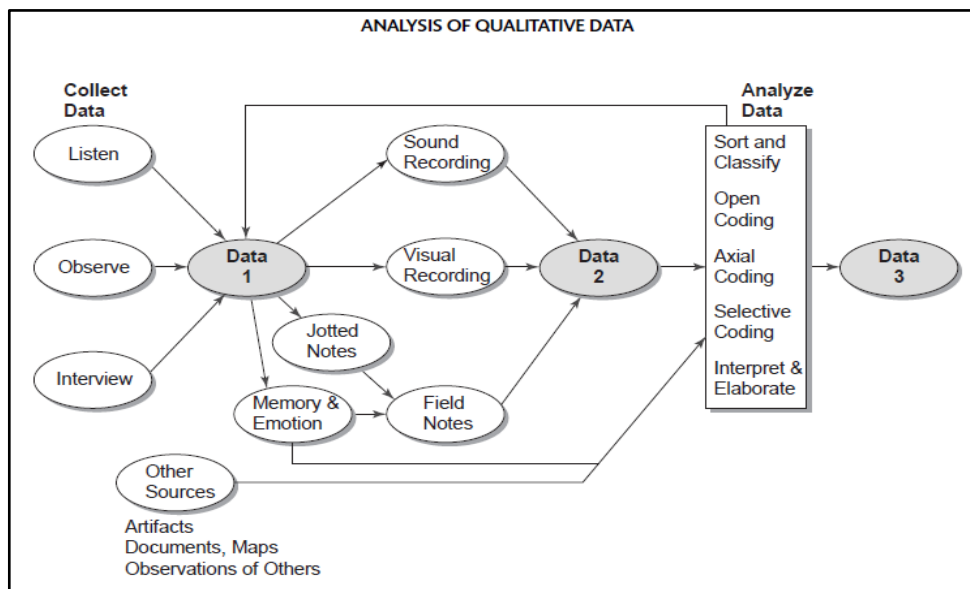


Figure 3 –Analysis of Qualitative Data (Neuman, 2014, p. 488)

4.15. Data Storage Method

The storage and protection of collected data related to the audio recordings and transcriptions was stored on a secure, password-protected repository. All raw data was uploaded for the final submission and will be retained for a period of ten years.

4.16. Quality Controls

As indicated by Saunders et al. (2016) to ensure the quality of data concerning qualitative research that is related to semi-structured interviewers are noted below.

Table 3 - Quality controls (adapted from Saunders et al. (2016, p. 396)

Research quality criteria	Quality issues	Strategy to outcome quality issues
Reliability /Dependability	Lack of standardization interview basis and subject to change	The strength of semi-structured interviews provided flexibility to explore the complexity of this research. Articulated research design, data gathering, and data analysis are provided to ensure findings are dependable
Generalisability/ Transferability	Only a single SOE is used - the employee's organisation.	Interviews was conducted across a wide cross-section of participants. The research was related to existing theories to demonstrate the broader significance of this study. Questions, designs, and context were part of this final report to be used for similar research

Validity /Credibility	Research bias or views may influence data validity	<p>The research used triangulation to validate data including secondary data.</p> <p>Data Triangulation By collecting data from managerial personnel across different tiers and departments, multiple viewpoints will be captured to enhance the depth of analysis.</p> <p>Method Triangulation Besides the primary semi-structured interviews, secondary data sources (like internal organisational reports, and publications on innovation capabilities) was analysed to provide a complementary perspective.</p>
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4.17. Limitations

This research has limitations in terms of its generalizability, as it was conducted within a single case SOE organisation. Therefore, the findings of this study may not be applicable to other studies as business dynamics in macro level might be different in other SOE's. Another limitation is the possibility of researcher bias, as mentioned in the section above. This bias could be a result of the researcher's relationship with the participants or in the interpretation of the data. This is especially true when the researcher holds preconceived notions about the case organisation that could influence the analysis of the data. Finally, when conducting interviews, the subjective nature of participants may also affect the validity of the data collection.

4.18. Conclusion

It is important to note that the findings of this study, which was conducted in a single SOE organisation, may not be applicable to other studies due to limitations in generalisation. The researcher's bias, which can result from their relationship with

the participants or their interpretation of the data, can also be considered a limitation. This is especially true when the researcher has preconceived notions about the case organisation that can affect their analysis of the data. Additionally, the subjective nature of participants during interviews can also affect the validity of the data collected.

5. Chapter 5 – Key Finding

5.1. Introduction

This chapter presents the findings of sixteen interviews conducted with managerial participants as part of a study within the SABC. Each finding is presented in conjunction with the research questions outlined in Chapter 3. The results of the qualitative methodology and analysis from the semi-structured interview transcripts are also illustrated and aligned to the research questions as provided in Annexure A of this research study, providing empirical evidence of the innovation capabilities within an SOE with the SABC as the case organisation.

The findings also provide key insights into innovative perceptions at various hierarchical levels of the organisation and link the role of media in its innovative and transformative journey as a global phenomenon. Media agencies are continuously being challenged to reinvent themselves, led by the exponential digital technological evolution. Public broadcasters, especially SOE, representing the interconnection between public mandates, education, information, and entertainment, are finding themselves in a particularly vulnerable position. This study focuses on the SABC, South Africa's only public broadcaster, dissecting its innovative endeavours. The chapter first provides context and participant descriptions, followed by the results of analysis in a structured approach.

5.2. Participants and Context

For data collection, semi-structured interviews were chosen as the primary method due to their balance of direction and freedom. The interviews were conducted virtually using Microsoft Teams, within the months of August and September 2023. Each interviewee was scheduled for a one-hour session, but some sessions exceeded the time limit. All sessions were recorded for reference.

To ensure ethical protocols were followed, virtual invites included the informed consent form and a permission letter from the SABC Group CEO. All participants signed the informed consent prior to or after conducting their interview, and all necessary permissions and levels of confidentiality were observed. None of the selected participants declined to participate.

All participants were permanent employees of the organisation, with tenures ranging from one to twenty years. To gather a wide and diverse set of data, participants

represented various managerial levels, divisions, and business units, in accordance with the research question and methodology. Table 4 provides a summary of the participants and other relevant information for this study.

Table 4 - Summary of Participants

Participant Levels	Brief Description of Role and Responsibility related to Innovation	Participant and Unique Identifiers
Executive Level	Reporting to C-suite Communicate a clear innovation vision aligned with SABC's goals, allocate resources, foster a pro-innovation culture, and set performance metrics while partnering with external entities.	Participant 1 Participant 2 Participant 3
Senior Management Level	Reporting to Executive management Translate executive vision into tangible plans. Lead teams and foster inter-departmental cooperation. Manage risks and organize training.	Participant 4 Participant 5 Participant 6 Participant 7 Participant 8 Participant 9 Participant 10 Participant 11
Middle Management Level	Reporting to Senior Management Coordinate team roles, streamline processes, and update seniors regularly to oversee daily innovation project tasks and address challenges.	Participant 12 Participant 13 Participant 14 Participant 15 Participant 16

The study of innovation at the SABC, in collaboration with Chapter 3, aims to understand complex phenomena that can't be easily quantified. Therefore, the author explored the detailed perspectives, experiences, and behaviours of managerial individuals. To accomplish this, vast and unstructured data was collected through interviews. The data was then coded and grouped into themes using ATLAS.ti 23.

This approach facilitated easy indexing of the data associated with a specific code. Table 5 provides a summary of the number of codes and their grouping into themes.

The author also categorised the themes as internal and external. External themes refer to codes that exist outside the level of influence of the organisation and managerial levels. For example, public mandate, regulation, and legislation exist externally from the managerial level's perspective within the SABC. In contrast, internal themes refer to aspects that are concerned with a higher degree of control such as technology adoption, culture, communication, and collaboration.

Table 5 - Summary of codes and Themes

Number of Codes	Themes
54 codes (developed from quotes frequently stated and indexed in the transcripts using ATLAS.ti 23)	<p style="text-align: center;">15 Themes</p> <ul style="list-style-type: none"> Internal- Organisational Structure & Strategy Internal- Technology & Digitalization Internal - Cultural Aspects & Employee Dynamics Internal- Barriers & Challenges Internal - Communication & Collaboration Internal - Innovation Processes & Approaches Internal - Operational Aspects Internal - Leadership & Management Internal - Performance Metrics & Evaluation Internal - Resources & Infrastructure Internal - Motivators & Incentives Internal - Knowledge & Learning External - Environmental Change & Transformation External - Regulation and Compliance External - Market & Customer Insights

As part of the research into perceptions of innovation among managerial tiers, semi-structured interviews were conducted with selected participants. To ensure consistency, the same questions were asked to all interviewees. The findings are presented in Chapter 3. The results for the executive management level are presented first, followed by a Pareto Chart depicting the codes and themes. The

Pareto chart highlights the themes that drive or hinder innovation the most, by showing that 80% of the effects come from 20% of the causes. The accompanying tables show the frequency of the themes. The important themes are prioritized using the Pareto chart, while the less frequently mentioned themes are less significant. After the executive results, the senior management level results are presented, also using the Pareto chart. The middle management level results are then provided and, finally, the holistic results are presented, which include the complete set of codes for all three managerial tiers.

5.2.1. Executive Management Perspective

For the SABC study on exploring innovation, the most significant themes related to the frequency of the themes considering the proportion of the executive responses are provided.

The following themes are therefore considered centred around Table 6 below.

- Internal - Cultural Aspects & Employee Dynamics
- External - Market & Customer Insights
- External - Regulation and Compliance
- Internal - Barriers & Challenges
- Internal - Technology & Digitalisation
- Internal - Leadership & Management

Table 6 - Themes and Frequency - Executive Level

Themes	Executives Frequency
Internal - Cultural Aspects & Employee Dynamics	41
External - Market & Customer Insights	28
External - Regulation and Compliance	27
Internal - Barriers & Challenges	19
Internal - Technology & Digitalization	16
Internal - Leadership & Management	14
Internal - Operational Aspects	13
Internal - Innovation Processes & Approaches	12

Internal - Communication & Collaboration	10
Internal - Performance Metrics & Evaluation	9
Internal - Knowledge & Learning	6
External - Environmental Change & Transformation	3
Internal - Motivators & Incentives	1

Shown in Figure 4 below, the executive level management noted culture aspects and employee dynamics as primary drivers for innovation. The least significant themes were motivators, incentives, organisational structure and strategy.

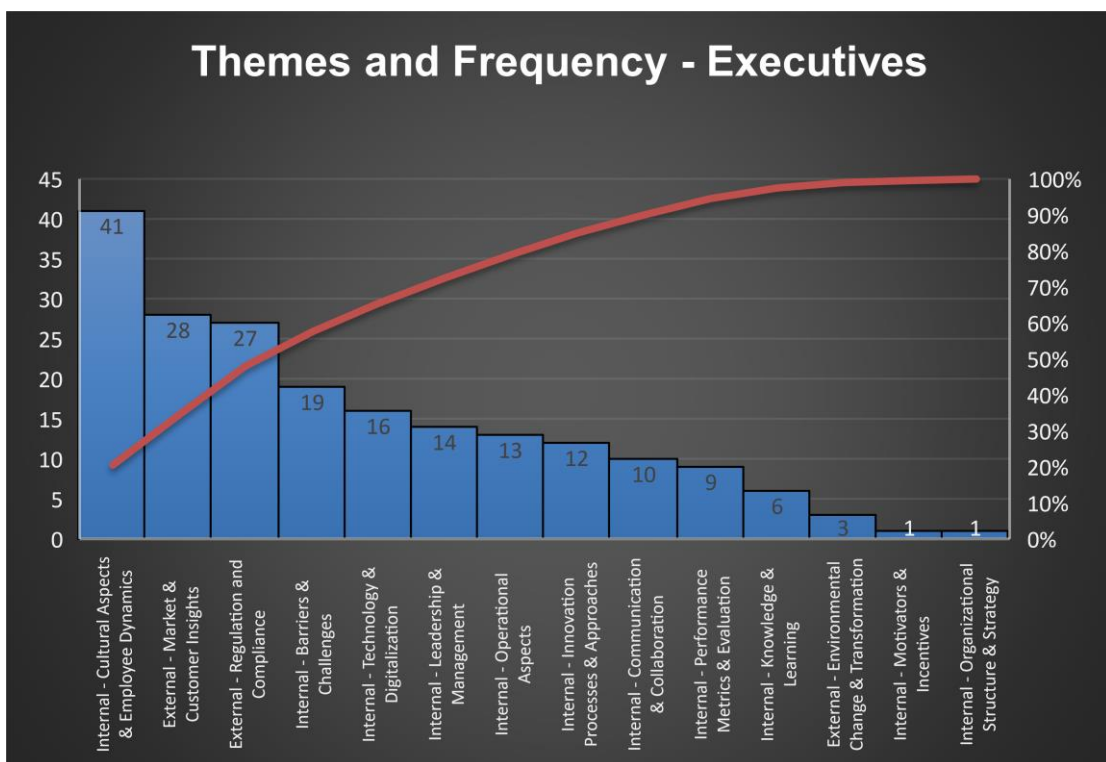


Figure 4 - Themes and Frequency Executives Pareto

Cultural and Employee Dynamics

All selected executive participants stated aspects of cultural and employee dynamics as a potential factor for innovation. For instances, Participant 2 stated “..that innovative spirit has to be something that is cultural and within an organisation where you are allowed to be innovative and you are allowed to make mistakes and mistakes are not punished, when nobody will be punitive towards you”.

In this context, the executive emphasises the crucial role of having an innovation-friendly organisational culture at SABC. Nurturing a culture where mistakes are viewed as learning opportunities rather than setbacks is vital for the corporation, given its dual mandate of public service and business performance in a rapidly evolving digital landscape. To achieve this, leadership must foster trust and encourage the innovative spirit in employees. They must feel secure in their creative endeavours, free from the fear of punitive repercussions.

Participant 1 stated “ *you've gotta show examples of success and you lead by that you don't lead by you knowing this...is my position so you've got to listen to me and you support below in that you clear obstacles out for your teams to be successful and the more they understand and the more they see success the more you entrench a certain kind of culture in the team so if the team sees that there's somebody in the team that always has a nice idea or always has an idea and is always given a platform to express the idea and the support is it's not shut down then the rest of the team start to gravitate to that behaviour but if you shooting down ideas all the time*”

Participant 1's insight sheds light on the team's tangible successes in innovation. The participant is seen as an enabler who plays a vital role in removing obstacles and fostering a culture of creativity, which guides the team's innovative endeavours. The narrative highlights the ripple effect of recognition, showing that consistently giving individuals a platform where their ideas are valued is vital in creating an environment where creativity thrives. Conversely, constantly dismissing, or undermining ideas can dampen the team's innovative spirit. In essence, the participant emphasizes that nurturing innovation is not only about generating ideas but also about fostering an organisational culture that values, explores, and celebrates them.

Another interesting insight was shared by Participant 2, who suggested that organisational culture is more important than strategic planning. The statement “*culture trumps strategy every day*” indicates that although strategies can provide a roadmap and options, it is the embedded culture of an organisation that drives behaviours, decisions, and ultimately, outcomes. By positioning innovation as a “culture” rather than a mere “strategy”, the participant emphasises that innovation cannot be compartmentalised into a set of strategic actions or directives. Instead, it should be viewed as an intrinsic organisational ethos that applies at all levels of the organisation. To foster genuine and sustained innovation, the SABC must prioritise inculcating an innovation-centric culture over merely drafting innovation strategies.

Participant 3 stated the following, *“there is and also we talk about structure we cannot obviously forget the culture which is the biggest thing, very intangible.”*

“But it's very difficult to change culture.”

“I mean, we can push boundaries, but then again, people then fall back to the original culture sometimes to say oh no, we're not allowed to do that.”

The importance of organisational culture is often overlooked in organisational studies. While the structure, hierarchies, workflows, and communication paths play a significant role in the functioning of an organisation, it's the shared beliefs, values, and behaviours that bring it to life. Culture is intangible and elusive, making it harder to grasp or quantify than structural components. Therefore, it's the deeply embedded cultural aspects that will determine the true success and sustainability of innovative endeavours, despite the structured processes and mechanisms put in place by the SABC.

From an executive perspective, the cultural aspects of innovation at the SABC pose a complex system of opportunities and challenges. Although the potential for disruptive innovation is immense, the journey requires strategic vision, adept leadership, and a deep understanding of the organisation's unique position in the media landscape.

Moreover, this theme also highlighted employee dynamics, where culture, employees, and shifts in mindsets intersect.

Participant 1 stated *“...and show us how and when we implement it, not when will you start getting it, that's how the culture of innovation looks like in other areas. Hence, I'm saying that expose people to innovative organisations.”*

Participant 2 suggested *“We need to be very agile and responsive to what the business is looking for.”*

The participants suggest that exposing employees to innovation practices and imitating innovative activities and actions can enhance a culture of innovation, while also fostering agility.

Market and Customer insights

In order to maintain relevance and sustainability, the media and broadcast industry must adapt to the dynamic shifts in customer behaviour. Understanding customer

demands and behaviour is crucial for staying competitive. It is important to gain insights on how consumers interact with products or services, what drives their needs and decisions, and how external factors - such as socio-economic changes or technological advancements - influence their choices.

With the rise of digitalisation and globalisation, customers are more informed and empowered than ever before. They demand high-quality products and services, personalised experiences, ethical production, and transparent business practices. Agility and the ability to anticipate market needs and pivot quickly in response to changing demands are crucial for success in the media industry. For SABC executives, blending market and customer insights into their decision-making processes is crucial for long-term success and relevance in the industry. They understand that innovation goes beyond technological upgrades or trend-chasing, but rather it is rooted deeply in addressing the evolving needs and aspirations of their diverse South African audience base.

Participant 1 “ in the past people used to just only be dealing with audio, which is you don't see the person on the other side, you just listen to their voices. But now you see a lot of demand for audio visual where people are interacting with their, you know, favourite personalities that are on radio and you want that experience.”

Participant 2 “So media as an industry is in a constant state of motion. And that state of motion is increasing in terms of speed and complexity as technology advances... we [executives] looked at what our audience wants and firstly there was this need for a sport service, a dedicated sport service”

Executives emphasised the need to drive organisational innovation within the SABC by leveraging limited resources to meet evolving customer demands and behaviours.

Regulation and Compliance

The executives at the public broadcaster prioritise regulation and compliance in their approach to innovation. These regulations are imposed externally and must be followed by the public broadcaster. The executives understand that regulation and compliance are not just mere checkboxes but are fundamental pillars that guide the organisation's ethos and operations. Hence, they have the crucial responsibility of ensuring that the public broadcaster adheres to these regulatory frameworks and

thrives within them. The executives are aware of the severe consequences of regulatory missteps, such as reputational damage and potential legal and financial repercussions. Hence, they are often at the forefront of liaising with regulatory bodies, understanding new directives, and ensuring that the entire organisation aligns with them.

Participate 1, *“we are in competition with mainly private sector competitors who don't, you know waste time in implementing some of their innovative ideas on our side”*

“we do have a bit of a regulatory constraint”

“Now we playing in that space as well as the our public broadcasting, because that's where people want to be”

“And therefore we always have to try and you know and catch them where they are”

Participate 2 *“that to the SABC environment, what limits us today is legislation and regulation that we are actually not a public broadcaster, we are a commercial broadcaster delivering a public mandate”*

Participate 3 *“So you actually need to first of all have a thorough understanding on what governs as all these different prescripts and those different pieces of legislation”*

Outdated policies and public mandates are no longer in line with current technological advancements and audience behaviours. This is hindering their capacity to remain competitive, especially in the digital broadcasting space. The SABC's mandate includes broadcasting national sports events, but acquiring the rights to do so has become increasingly difficult. The rising costs of these rights, combined with competition from private entities such as DSTV, make it challenging for the SABC to achieve its dual goals of financial sustainability and widespread public service. It is therefore crucial to review regulations and develop strategic manoeuvres to ensure the SABC remains relevant and accessible to all South Africans.

Barriers and Challenges

The executive levels face several challenges and barriers to innovation, including compliance and governance processes, which are often lengthy and restrictive. This

can result in missed opportunities for innovative approaches. The use of advanced technology and its adoption can also create constraints for the public broadcaster, as compliance and regulations require rigorous adherence. While technological advancements offer opportunities for growth, they also pose challenges in terms of investment, adaptation, and training. Additionally, being a state-owned enterprise, the SABC operates within a regulatory framework that, while necessary for maintaining standards and ethics, can hinder agile decision-making.

Participant 1 *“The constraining factors and the biggest one is around the regulations where in order to implement that idea, you find that you have to follow a certain process while you still busy following that process, the idea is stolen by your competitor and then your competitor now will sound like they are the most innovative.”*

Participant 3 *“And we only always look at these pieces of legislations and they're there to truly just paralyze us”*

At the SABC, changing entrenched systems and processes can be difficult, hindering adoption of innovative strategies.

Technology and Digitisation

At the executive management level, it is recognised that technology digitisation is not just an operational shift, but a strategic transformation that has the potential to redefine the public broadcaster's future. Decision-makers are fully aware of the changes that digitisation can bring and the ripple effects it can have across the organisation. They also acknowledge that the digital era demands more than just technological upgrades; it calls for a renewed vision, revamped business models, and a reimagining of how the broadcaster interacts with its audience. This theme encompasses data-driven decision-making, technology adoption, and digital transformation.

Participant 2 *“it is about understanding your business and understanding how to achieve or to solve a problem for your client or your customer”*

Participant 3 *“You don't have enough data analytics to give you any areas of weaknesses at this point”*

The shift towards understanding the customer and the value of the business to the customer, coupled with digitalisation, presents significant data. This data must be analysed in a way that is meaningful for executives to make decisions. Digitisation can enhance content accessibility, enabling the SABC to reach wider audiences across different platforms, from smartphones to smart TVs. Insights into viewer preferences, habits, and feedback can be gained from the data, which would be beneficial for short- and long-term planning. Moreover, digitization can streamline operations, reduce costs, and enhance collaboration across departments.

Leadership and Management

During the discussion, the executives emphasised the importance of leadership-driven innovation. For the SABC executive team, leadership and management are crucial components that carry greater significance. These individuals are not only responsible for putting strategies into action but also act as visionaries who shape the broadcaster's future. They believe that leadership and management are the key factors that determine the success or failure of the organisation's innovative journey.

5.2.2. Senior Management Perspective

Senior management's perception of innovation capabilities ranked cultural aspects and employee dynamics as key drivers, with resources and infrastructure being the least important. Table 7 shows the themes and frequency as mentioned by the interviewees.

Table 7 - Themes and Frequency – Senior Management Level

Themes	Senior Management Frequency
Internal - Cultural Aspects & Employee Dynamics	60
Internal - Innovation Processes & Approaches	51
Internal - Technology & Digitalization	42
Internal - Operational Aspects	38
Internal - Communication & Collaboration	30
Internal - Leadership & Management	29
Internal - Organisational Structure & Strategy	29

Internal - Barriers & Challenges	27
Internal - Performance Metrics & Evaluation	26
External - Market & Customer Insights	17
External - Environmental Change & Transformation	16
External - Regulation and Compliance	14
Internal - Resources & Infrastructure	13
Internal - Knowledge & Learning	7
Internal - Motivators & Incentives	3

Senior management provide the Pareto chart Figure 5 - Themes and Frequency - Senior Management ParetoFigure 5, that shows the 80% point, these are listed below.

- Internal - Cultural Aspects & Employee Dynamics
- Internal - Innovation Processes & Approaches
- Internal - Technology & Digitalization
- Internal - Operational Aspects
- Internal - Communication & Collaboration
- Internal - Leadership & Management
- Internal - Organisational Structure & Strategy

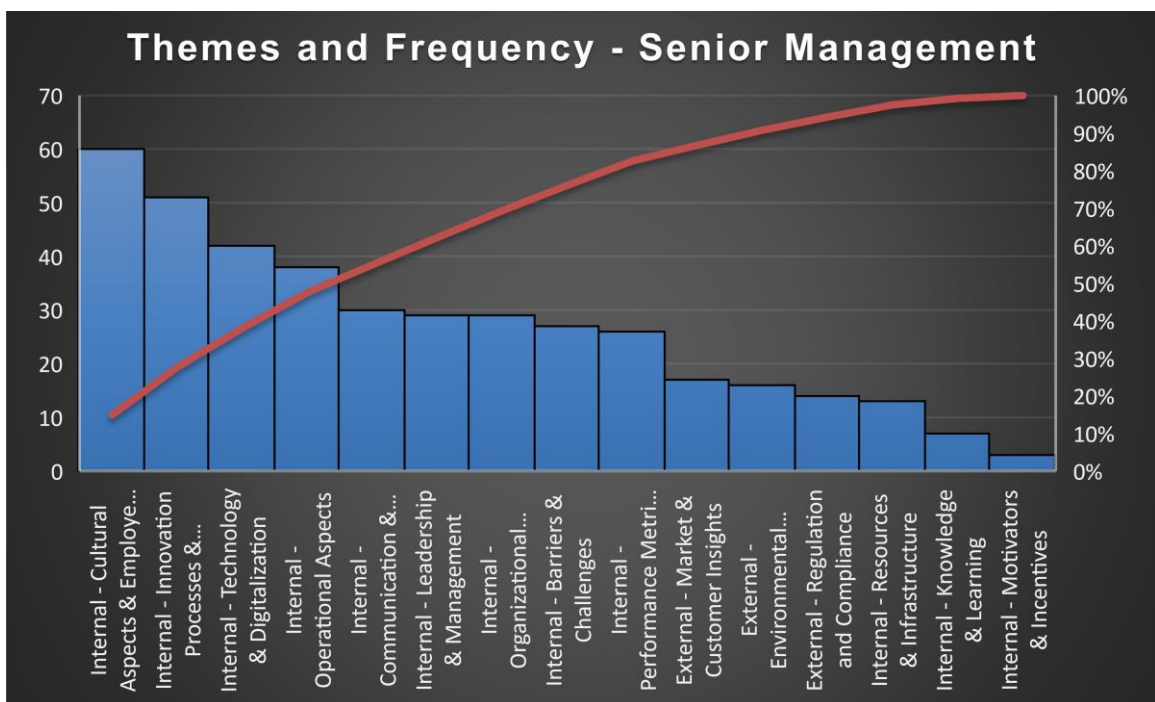


Figure 5 - Themes and Frequency - Senior Management Pareto

Cultural aspects and employee dynamics

Senior management perceived cultural aspects and employee dynamics as crucial. Similarly, motivators and incentives at the executive managerial level were of least significance.

Participant 4 *"you know, because they [middle management to lower level] never brought the idea to me and the problem with anything like that and with any other department that's the same problem, if they [middle management to lower level] don't come forward, we won't know about it, but to start closing that gap, I think it is the culture, organisational level intervention, and I'm talking from a people perspective, making sure we [senior management] open up the floor and make people feel comfortable to come forward and say, look, I've got this idea even if there are shut down, nothing happens"*.

Participant 5 *"So the point here is that if there is not a culture created for that kind of thinking, they won't be that kind of thing."*

Participant 6 *"I believe is more on culture, you know where we take too long to finalize the project and as a result, by the time is finalized, it's no longer, you know, umm, we are buying it at the most expensive price"*

Participant 9 *"...with the weaknesses and it's as for staff and maybe culture umm as well that we have at the SABC"*

Participant 10 *"cause there's a culture that, that, that, that, that, that, that you need to force that and inculcate and if innovation is the culture that you want to foster and develop, it will be amongst this group of people, right."*

Participant 11 *"We don't have a culture of in the SABC of looking at technological innovation"*

When asked for reasons behind the limitation, participants noted a lack of culture of presenting innovative ideas to decision makers. Participant 4 stated *"...there's definitely consequences that people are looking to consequent manage people and these are big focus on it"*.

In the context of the SABC, individuals who propose ideas or solutions that subsequently fail to deliver the promised return or meet the desired expectation will be held accountable through a process referred to as consequence management. Unfortunately, this approach can deter individuals from providing ideas, thus limiting potential opportunities.

The perspective of senior management regarding the culture and employee dynamic at the SABC plays a critical role in shaping the trajectory of innovation. When individuals from diverse backgrounds come together, they bring a wealth of perspectives, ideas, and approaches to problem-solving. Senior managers should understand that fostering a culture that celebrates these differences can lead to more comprehensive and creative solutions, thus reflecting the diverse audience the broadcaster serves.

Innovation Processes & Approaches

Innovation processes and approaches are crucial for senior management level as they serve as the foundation for transforming abstract ideas into tangible outcomes. This theme encompasses various aspects such as compliance, governance, idea generation, improvement, testing, experimentation, and utilising innovation.

Participant 4 *"I mean, if you look at the history of over the last 10 years, what happened within the SABC governance there's definitely consequences that people are looking to consequent manage people and these are big focus on it."*

Participant 5 *"So if you are going to walk into a situation whereby you know, because everybody then goes into witch hunt mode".*

Participant 6 *"There is lot of approval levels you know for you to get to where you are going, you need to go through so many levels and by the time you get to the final level and you attend, bag is like you've wasted the whole year"*

"People are scared to say, look, we've lost money because now this is gonna be a wasteful expenditure thing."

Participant 9 *"A level of doubt and fear and uh guys think they'll they'll be the victimized or managers thinking the guys are doing anything wrong". "Demonstrate*

to me for as little money as possible that this idea works, but the idea works with the idea works”

Other interviewees proposed implementing a creative hub where ideas can be evaluated and taken through an innovation process to ensure execution by an innovation-centric unit within SABC.

Participant 7 *“Where you pulling key people from the various business areas and you form that creative hub because again, I think we have the capacity from a human resources point of view and people with brilliant ideas to take this forward.”*

Participant 10 *“In innovation, for me it's the ability of an organisation or entity or individual within a particular entity to be able to create a systems that are there to better or improve existing processes within an organisation.”*

Technology & Digitalisation

While both senior and executive management acknowledge the importance of technology and digitalization, senior management views it as even more important than executive management does. The discussion around technology and digitalization encompasses data-driven decision-making, technology, and technology adoption. In a world where there has been a significant shift towards mobile applications and online platforms, data provides a means for public broadcasting to adopt technology and leverage insights from data. According to the interviewee, using data-driven decision-making would be highly beneficial in the realm of innovation and innovation capabilities.

Participant 4 *“Data analysis and audience insights” “Now we currently are collecting data not at all the levels unfortunately, but we're not analysing it and I think as soon as you start analysing it both from your audience perspective, getting their insights into your decision making, but also your internal processes, all these disparate systems imagine if you have one database where you can pull all these data and start pulling.”*

Participant 8 *“As an organisation, we do not have an integrated data. And metrics and tools to measure these orients insights an then at a positively to weigh all this data can be banned and can be analysisd” We are far behind when it comes to digitization. Across the entire organisation and you know, just looking at the digital*

libraries there, the, the SAN project, all those projects that would make this organisation fully digital”

Participant 10 *“Common trends right now, now technologically is that a building understands its occupants.”*

Digitalisation is increasingly viewed as an essential enabler of innovation. In a rapidly evolving broadcasting landscape, where audience preferences shift with technological advancements, staying abreast of digital trends has become paramount. Leveraging the latest technologies can offer the SABC a competitive edge by enhancing content delivery, streamlining operations, and opening avenues for new formats and platforms. The use of digital technologies can help the SABC keep pace with the dynamic market, and provide its audience with the best possible user experience.

Operational Aspects

Operational aspects refer to various elements such as departmental silos, policies, operations, and process efficiency. The challenge of organisational silos can significantly affect the speed and quality of innovation. Silos are isolated teams or departments that operate independently and often lack communication with others.

They can impede the flow of ideas and collaborative efforts that are essential for innovative endeavours. In the broadcasting industry, where technological advancements and viewer preferences constantly change, agility is crucial. Silos can slow down the SABC's response to market changes, making it less competitive. To become a more resilient and innovative player in the broadcasting landscape, the SABC needs to break down these barriers and foster a culture of cross-departmental collaboration.

Participant 4 *“I mean, there's so many processes within the SABC that these still happening in silos”*

Participant 5 *“And then secondly, this project that we were implementing would have meant that because there's less human resource required, it would have significantly reduced the budget of the SABC because then you don't have people a with eyes 24/7.”*

Participant 7 *“But at the end of the day, and yeah, technology provides technology, technological solutions and and again we do it in isolation More efficient, what's the next steps and that's how you make sure you keep innovating”*

Participant 8 *“...I think it's the culture and it's the culture of silo mentality”*

Operational excellence is a fundamental pillar that supports the SABC's ability to innovate successfully, according to senior management. The operational aspect of the organisation handles day-to-day activities, ensuring the smooth functioning of various departments, such as content creation, broadcasting, human resources, and finance. Efficient operations guarantee that the SABC remains flexible, responsive, and capable of executing innovative strategies flawlessly.

Communication & Collaboration

Effective communication and collaboration are essential for the success of any organisation. At SABC, communication and collaboration involve a common objective approach that bridges the gaps between departments, roles, and hierarchies. With multifaceted and diverse teams, clear communication ensures everyone works together towards shared goals, leading to innovation and success.

Participant 6 *“Yeah, I think, yeah, I think one of them is, you know, I'm lack of alignment, you know, and lack of understanding the bigger picture, you know to say I can't remember the last time we actually even if you can walk around in the SABC if you had to ask people to say what is the vision of SABC and I don't think people didn't know what their vision of the SABC is”*

Participant 7 *“I think you know when people are forced into a in crisis mode, it it, really stimulates create creative thinking and it really gets people to work together and breaking down the silos.”*

It is suggested that clear expectations foster alignment, communication, and iteration of ideas.

Participant 8 *“It would add value and vision would be the key component there because if it's not there then everything else sort of like falls away and the ability to listen to your clients to you know, uh and be able to put it out in a way that everybody gets inspired as well in that comes to the proper leaders that I'm talking about that you need to put in those places to push such ideas”*

In a large organisation, effective communication requires strong systems, tools, and protocols. Senior managers play a vital role in guaranteeing that information is accurate, timely, and relevant while also ensuring that it flows freely. The primary challenge is to prevent information overload while making sure that important messages reach their intended recipients.

Leadership & Management

The theme of leadership and management is the same as executive management.

Participant 4 *"But and I think our team like that is important with the realistic view with the enterprise level view not just looking at the a specific department and that's something that SABC probably need to bring in, they haven't done for a really umm but I think within the teams that responsibility reminds them every leader need to look at what is department can do more frequently, more frequently and if there's anything that's adoptive they need to find a way to identify those and bring it, bring it down board"*

During a previous executive leadership, it was emphasised that understanding the business and creating an innovative strategy are crucial for effective leadership.

Participant 7 *"He [the previous executive] was quite in touch with what is happening on all these levels and regularly interactions with platforms to try and understand."* *"you need that centralized theme of innovation and that cuts across all layers of the organisation"*.

Effective management of resources, both human and financial, is crucial for maximising return on investment (ROI) on innovation.

Participant 9 *"And these ideas what I've said to my guys is I understand that and some of the toys or ideas that you want to play with cost money and I'm saying I do not want you guys to wait for projects or big projects, feel like you're being innovative, you're being used and adequately and you can come up with new processes"*

Participant 10 *"I would say it is starts with the leadership because if you look at the bottom, yeah, people are comfortable doing what they want and those who are brave enough to come up to say I've got an idea, I ate their told it is not within our corporate plan or corporate strategy."*

Effective leadership is more than just providing guidance. It involves inspiring and motivating individuals, and establishing a clear vision that instills a sense of purpose and innovative drive within an organisation. Senior management, on the other hand, is responsible for ensuring that this vision is translated into actionable strategies with clear plans, resources, and timelines in place. The ultimate goal is to create a cohesive and efficient team that works together towards achieving the organisation's objectives.

Organisational Structure & Strategy

Senior management frequently raises concerns about organisational structure and strategy. Participants take a comprehensive approach to enterprise-level business processes. However, there is a widespread lack of alignment and awareness regarding the company's vision, which poses a threat to cohesive innovation efforts.

Participant 4 *"Now your business process normally looks at the enterprise level, all the processes flowing into one another and they start measuring those"*

Participant 6 *"...lack of alignment, you know, and lack of understanding the bigger picture, you know to say I can't remember the last time we actually even if you can walk around in the SABC if you had to ask people to say what is the vision of SABC and I don't think people didn't know what their vision of the SABC is".*

Although the current structure is sound, it lacks essential connections for idea flow.

Participant 8 *"Oh yes, so the structure is actually not that bad, but it missing mixing that linking component"*

Interestingly, there is a decentralized approach to innovation, empowering lower levels to innovate. Participant 9 *"Know that I have given the lower levels of cut blanche when it comes to innovation."*

Participant 10 *"Strategy that, that, that, that innovative thinking or or creative thinking is it never reaches the top and that is lacking within the SABC."*

Although there is a lot of potential for innovation at SABC, there is a significant barrier that prevents innovative ideas from reaching the top levels. This suggests that communication barriers and a lack of a unified vision might be hindering the full realisation of the innovation potential at SABC.

5.2.3. Middle management Perspective

Middle management perceives organisational structure and strategy as key drivers of innovation, while communication and collaboration are viewed as less critical. Middle management provide the Pareto chart Figure 6, that shows the 80% point, these are listed below.

- Internal - Organisational Structure & Strategy
- Internal - Technology & Digitalization
- Internal - Cultural Aspects & Employee Dynamics
- Internal - Communication & Collaboration
- Internal - Innovation Processes & Approaches
- Internal - Operational Aspects

Table 8 - Themes and Frequency Middle Management

Themes	Middle Management Frequency
Internal - Organisational Structure & Strategy	43
Internal - Technology & Digitalization	37
Internal - Cultural Aspects & Employee Dynamics	35
Internal - Barriers & Challenges	33
Internal - Communication & Collaboration	30
Internal - Innovation Processes & Approaches	30
Internal - Operational Aspects	26
Internal - Leadership & Management	23
External - Market & Customer Insights	21
Internal - Performance Metrics & Evaluation	21
Internal - Resources & Infrastructure	13
External - Environmental Change & Transformation	10
External - Regulation and Compliance	9
Internal - Knowledge & Learning	7

Internal - Motivators & Incentives	4
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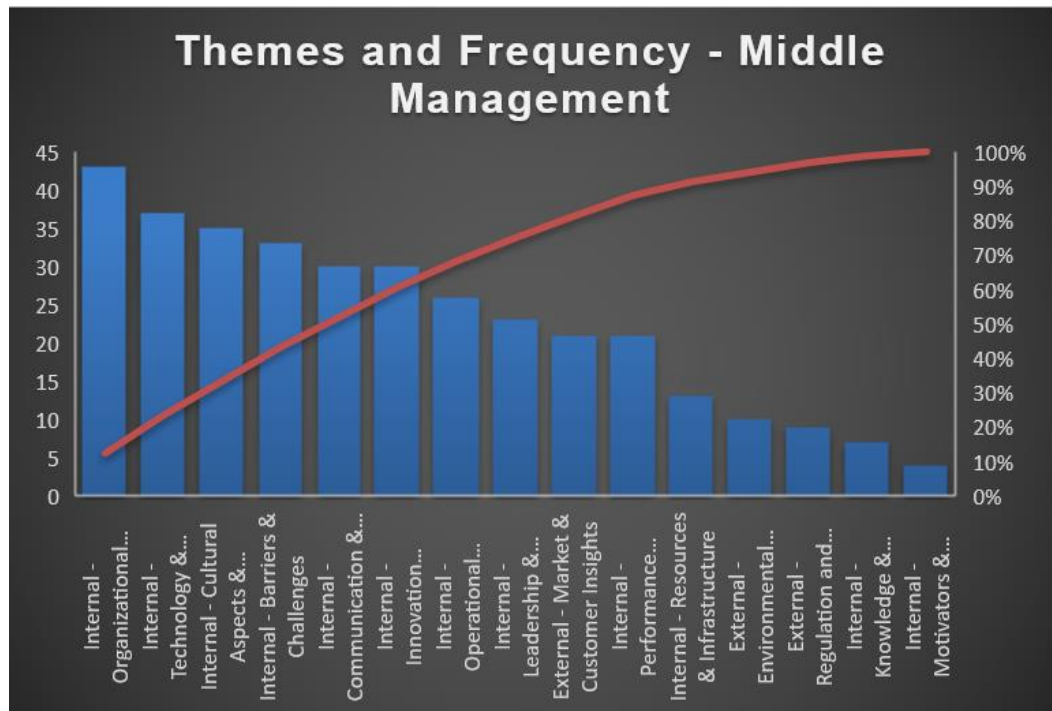


Figure 6 - Themes and Frequency - Middle Management Pareto

Internal - Organisational Structure & Strategy

Middle management mentioned that the public broadcaster's organisational structure and strategy were the most significant aspects of its innovation capabilities. Key elements include departmental silos, organisational structure, and business alignment.

Participant 13 “So it's again at a level of a I think for me and this is my own analysis, my personal analysis, right and where, where, where, some, some other people would, would, would find it difficult to accept and feel fear in terms of accepting other people's innovation because it's simply mean if the innovation is steering towards your direction, you would have not done anything”

There is a difference in the level of understanding and agreement between different hierarchical levels. While lower-level management appears to be on the same page, there is a tendency for higher-level management to have a more limited focus. This could indicate that senior management may not have a comprehensive understanding of the innovations happening in all departments.

Participant 14 *“So on that level the line management and align management between them understand what's in place.” “If you move one level up, they might have some kind of understanding across the assistant departments, but if you move up to gym the only they only focus on certain areas.”*

It is crucial to combine business strategies with technological plans in order to streamline the innovation process. However, the focus on immediate tasks and key performance areas may be causing long-term innovation efforts to be pushed aside, even though they require dedicated time and resources.

Participant 15 *“And also, you know bring closer or bring direct link between business strategies and business plans with the technology plans” “So focusing, focusing primarily on their KPA and what their key objectives for the day are and something like innovation takes time.”*

The middle management believe that the current structure inhibits cross-departmental collaboration and stifles innovation.

Participant 12 *“But you also have and staffing of innovation because of the structure that we were working in and because everyone works in their own vertical and that that's my responsibility and that's what I do type of thing”*

Participant 13 *“Our challenge here is the harnessing of those innovation to become one solid port, where they then expose the level of the silos that we have and the other element as well.”*

Participant 13 *“they do protect their they departments, their sections there.”*

Participant 12 *“I think structurally we are still a banking environment and top down approach and the future will look more of a matrix organisation and.”*

Participant 14 *“That is the structure that we have in the moment and that's the way it goes.”*

Participant 16 *“...like I said, we don't have the structures in place”*

Based on these insights, it appears that while innovation is considered important, there are certain structural and cultural challenges within the organisation that are preventing it from reaching its full potential. Siloed departments, a top-down approach, and potential territoriality all appear to be significant barriers. To truly

foster innovation, SABC may need to adopt a more integrated, collaborative, and forward-thinking organisational structure and culture.

Technology and Digitisation

During the survey, middle management frequently mentioned the role of technology and digitization in their organisation. However, there was less discussion around data-driven decision making. One participant highlighted the shift from analogue to digital technology in the last decade as a major milestone in innovation.

The emphasis was on the importance of not just adopting modern technologies from external companies, but also innovating with them to derive maximum value. This insight underscores the significance of utilizing technology effectively to drive innovation and growth in the organisation.

Participant 12 *“In a innovative ideas to come through, and I think if we cast our minds back over the last decade, one of the primary shifts in technology has been from analogue to digital.” “Presence of how technology works for you so whilst it might have been an external company that's given us the capability to do these and playing these modern technologies, we still need to innovate with them.”*

Innovation is a constant process of reinvention, particularly in the face of rapidly evolving technology. The following participant stresses the significance of keeping up with technological advancements and being responsive to customer needs and demands. This observation highlights the interdependent relationship between technological innovation and customer-centric innovation, which are both crucial for an organisation's success.

Participant 13 *“So yes, innovation is important because we need to always reinvent ourselves in terms of adoption of where technology is going as well as enabling the the many queries and requirements that our clients post to us”.*

Participant 15 *“Yeah, the MCR router is that or can we put the entire TV production to the cloud?”* Cloud technology has the potential to revolutionize TV production, and this comment emphasises on that. The suggestion to move the entire production process to the cloud indicates a forward-thinking approach that explores decentralization and flexibility in production. It represents a desire to leverage cutting-edge technology to innovate traditional broadcast methods.

Cultural aspects and employee dynamics

Middle management at the SABC considers cultural aspects and employee dynamics theme as crucial factors in driving innovation. As the intermediaries between senior leadership and the broader workforce, middle managers play a pivotal role in shaping and navigating the cultural nuances and interpersonal dynamics that underpin the organisation's innovative capabilities.

It is essential to have a culture of innovation that permeates every layer of the organisation, not just specific departments, or levels. This insight highlights the idea that for genuine innovative practices to be realized, the culture of innovation must be ingrained and championed by everyone. Participate 12 *“But it needs to start with a culture and the desire to do it and that is that starts at every level, but it also feeds forward through our organisation”*.

Participate 13” *This is talking again to the culture, the negative culture, because if we had a positive culture, people would be in an acceptance space where they see the they see this thing towards a bigger picture rather than fear that you're going to now go into my space and you are now going to be bringing these things and this is how I'm seeing it going to impact me in terms of going forward.”* The statement discusses how a negative culture can have negative consequences. A culture that is negative or resistant can prevent innovation by making people feel defensive about their roles and reluctant to accept change. The speaker emphasizes the significance of maintaining a positive and accepting culture where individuals view innovation to contribute to the bigger organisational picture rather than as a threat to their individual roles.

Participate 14: This comment further reinforces the importance of corporate culture. A shift in corporate culture is essential for the overall success of innovation strategies. The insight suggests that existing cultural norms might be inhibiting the innovative potential of the organisation, and a cultural transformation is imperative”

It is crucial to understand the significance of corporate culture. For innovation strategies to succeed, there needs to be a change in the corporate culture. This means that the current cultural practices might be hindering the organisation's ability to innovate, and therefore, a cultural transformation is necessary.

Participant 15 “So yeah, those things, it's like it's like the various, it's the culture the barriers that are brought by no improvements in culture and stuff like that.” The participant points out the barriers that arise due to a stagnant or negative culture. A culture resistant to change can erect multiple barriers, making innovation difficult. The insight underscores the interconnectedness of culture and innovation, suggesting that one influences the other.

Shift in mindset, suggesting the need to think and act differently, the participant highlights the potential of evolving thoughts and practices to drive greater outcomes.

Participant 12 “...I do believe that if we start to actually think like that because we try and like that and we can get further than we want to and even in our own team there's some great discussions going on”

The reference to “great discussions” among team members suggests that a shared shift in viewpoint can have a profound impact. This insight implies that cultivating an innovative mindset and fostering open dialogue can result in remarkable progress and achievements within an organisation. In essence, it's not only about taking innovative actions but also about creating an environment that supports and values innovative thinking.

Communication and Collaboration

Communication and collaboration are essential elements for any organisation. They involve common objectives, as well as vertical and horizontal communication, which means communication between different levels of hierarchy and departments. Integrating innovation into organisational processes, like management meetings or interdepartmental dialogues, is crucial. To achieve this, the “cultural web” approach can be taken, which involves fostering innovation as a part of the organisational culture. However, implementing this approach is challenging, and requires the guidance and support of key drivers or champions who can push the innovation agenda forward.

Participant 12 “It's then addressing the innovation through the different processes that we have that's including our formal management meetings and in the in the dialogue that we have with each other and that becomes part of the cultural web and that we we've tried to implement and at on many stages and formally Even so, but it didn't really there were no key drivers behind it.”

Participate 13 *“The extent of positiveness and the output that is found in into those organisations because of the culture that has been created, the culture in the sense that it's a balance of all the aspect that attains to a person.”* The main idea here is to highlight the benefits of having a balanced and holistic organisational culture. The participant has pointed out that a well-balanced culture that considers all the aspects related to an individual can lead to increased positivity and productivity. The text also suggests that an inclusive culture that encourages creativity and new ideas can result in better organisational outcomes.

Maintaining a unified identity can be challenging for employees when there are multiple individual brands or units within an organisation. The SABC's fragmentation is evident with *“25 different ones”* operating with a sense of autonomy. This approach may hinder a cohesive and unified approach to innovation. The participant emphasizes the challenge of gaining a holistic understanding of the entire business across all its facets. This understanding is crucial for genuine innovation to take root.

Participate 14 *“Everybody will want their own unique identity instead of having one brand, you have 20 brands or however many are sitting at 25 different ones and yes, although we are individual channels and radio services and so on, we supposed to be 1 brand and isn't it that today.”* *“in my section and that's the that's the biggest challenge we have as well that we nobody in all the areas are and SABC radio, TV IT and someone understands the whole business.”*

Participate 15 *“But when I came through in the SABC needed to speak to different areas of the business to find out what people are doing because they remember enterprise architecture has got a lot to do with how can we link business and [business unit] to make sure that [business unit] is doing what's correct for business.”*

The participant highlights the critical connection between business and the business unit. They draw from the concept of enterprise architecture and stress the importance of aligning IT initiatives with business objectives. The focus here is on collaboration, suggesting that innovation can only be effective and meaningful if there is a bridge between different domains of the business. This ensures that technology pursuits align with, and are driven by, overarching business goals.

Innovation processes and approach

There is a potential gap in the way innovation is approached, and it seems that there may be too much focus on generating ideas, also known as "ideation" without a proper process to follow through with those ideas. While creativity is encouraged, the lack of a structured approach to bring those ideas to life may be hindering the actual output of innovation. Participant 13 "*There's more focus on ideation rather than an ideation process*"

Participant 14 "*Yes, yes, you must just put the if you can get all of them that has that way of thinking of a problem in the same room on a monthly basis and you and you actually listen to them.*" The importance of collective problem-solving is highlighted by this participant. The idea is to bring together individuals with an innovative mindset to collaboratively tackle challenges. The fact that these meetings are held regularly on a monthly basis and that the opinions of these thinkers are given importance, emphasises the need for consistent engagement and active incorporation of their insights into the organisation's strategy or operations.

Participant 15 "*There should be an area that focuses on exploring new ways of doing things, innovative ways of doing things, and there should be another functions that delivers the new way of doing things and do their proof of concepts and introduce new ways of doing things into the operations.*" The participant proposes a well-organized strategy for innovation. They suggest a two-part system: one that concentrates on brainstorming and developing innovative techniques, and another that verifies these methods through proof of concepts and then incorporates successful innovations into operations. This indicates a preference for a step-by-step approach to innovation, beginning with idea generation, progressing to testing, and finally to operational implementation.

Operational Aspects

Participant 13 "*...SABC is well governed if you ask me and I'm saying well governed because you would, you would understand and you'll hear from me when I say we had, you know, when I go to an operational level, you know that all of us understand the importance of us meeting the deadlines...*" The participant recognises that the SABC is well-governed, indicating that the company follows a structured and systematic approach in its operations. They emphasise that meeting deadlines is crucial for maintaining efficiency and achieving desired outcomes. The collective

understanding of the importance of deadlines at the operational level suggests that the company has streamlined its operational process and that everyone is aligned with the expectations and repercussions of delays.

The participant has mentioned the idea of checks and balances, which suggests that while certain processes may be in place, there might be a missing layer of oversight or evaluation to ensure optimal performance. The participant has also mentioned that there is a "big gap" in radio, which indicates that there is more clarity and understanding in this sector of the organisation. However, the participant has also highlighted a potential concern regarding information sharing or collaboration, describing the environment as "very closed." This could mean that departments or teams operate in silos, which can hinder the spread of innovative practices or ideas across the organisation. Participate 14 *"and that's the only thing we are missing is that checks and balances on and that's a lot of process, but on the different levels of management, I don't think there's a, there's a big gap in, in, in radio definitely not the do understand that they all they all business although it's a very, very closed environment, there's nothing being shared or what is the right word."*

5.2.4. Conclusion Holistic Themes and Frequencies

At all three managerial levels, cultural aspects and employee dynamics are the primary drivers of innovation in the SABC. Surprisingly, motivators and incentives were identified as the least critical driver of innovation. As shown in Table 9 among all the themes, only market and customer insight, which falls under the external category, ranked within the top 80%.

Table 9 - Holistic Themes and Frequency

Themes	Frequency Totals
Internal - Cultural Aspects & Employee Dynamics	136
Internal - Technology & Digitalization	95
Internal - Innovation Processes & Approaches	93
Internal - Barriers & Challenges	79
Internal - Operational Aspects	77

Internal - Organisational Structure & Strategy	73
Internal - Communication & Collaboration	70
External - Market & Customer Insights	66
Internal - Leadership & Management	66
Internal - Performance Metrics & Evaluation	56
External - Regulation and Compliance	50
External - Environmental Change & Transformation	29
Internal - Resources & Infrastructure	26
Internal - Knowledge & Learning	20
Internal - Motivators & Incentives	8

Figure 7 below shows the count and ranking of each count as provided from the analysis.

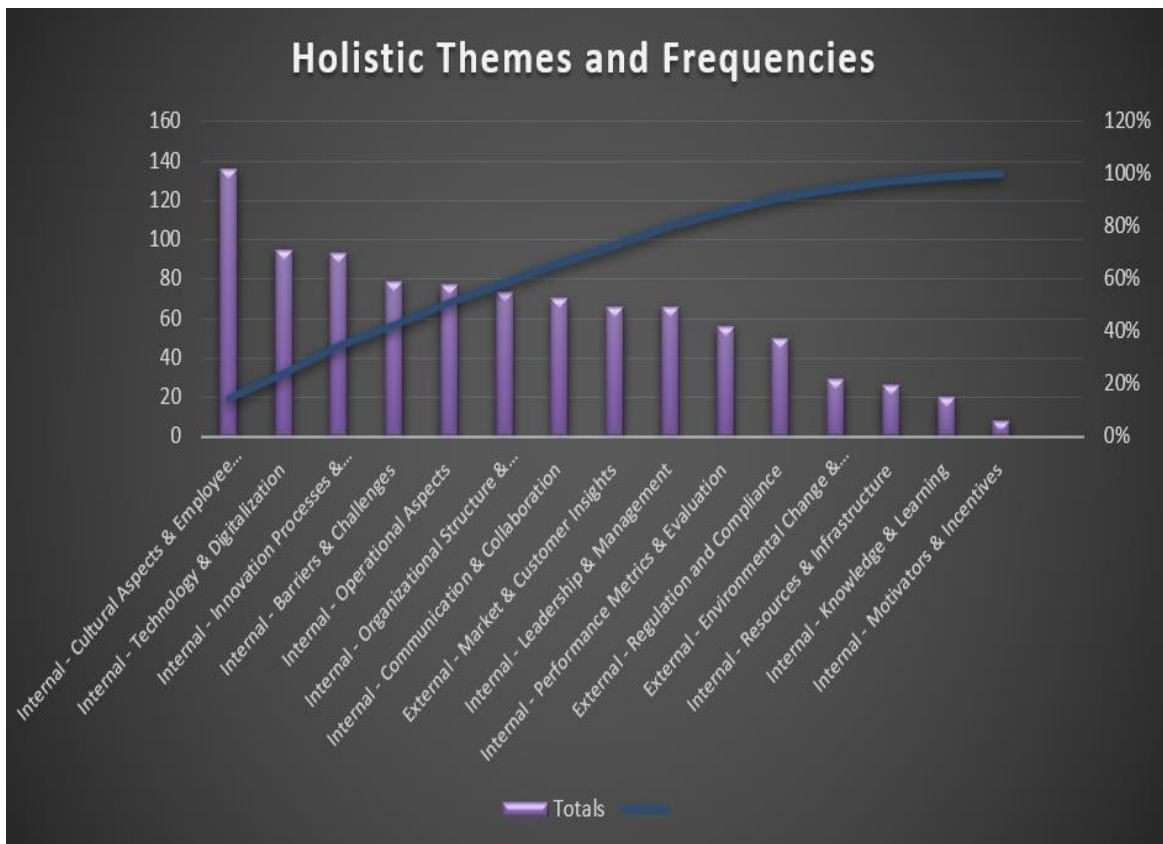


Figure 7 - Holistic Themes and Frequency of Themes across levels

This chapter presented the research finding following the coding and themes that resulted from the data analysis stemming from the research question in Chapter 3.

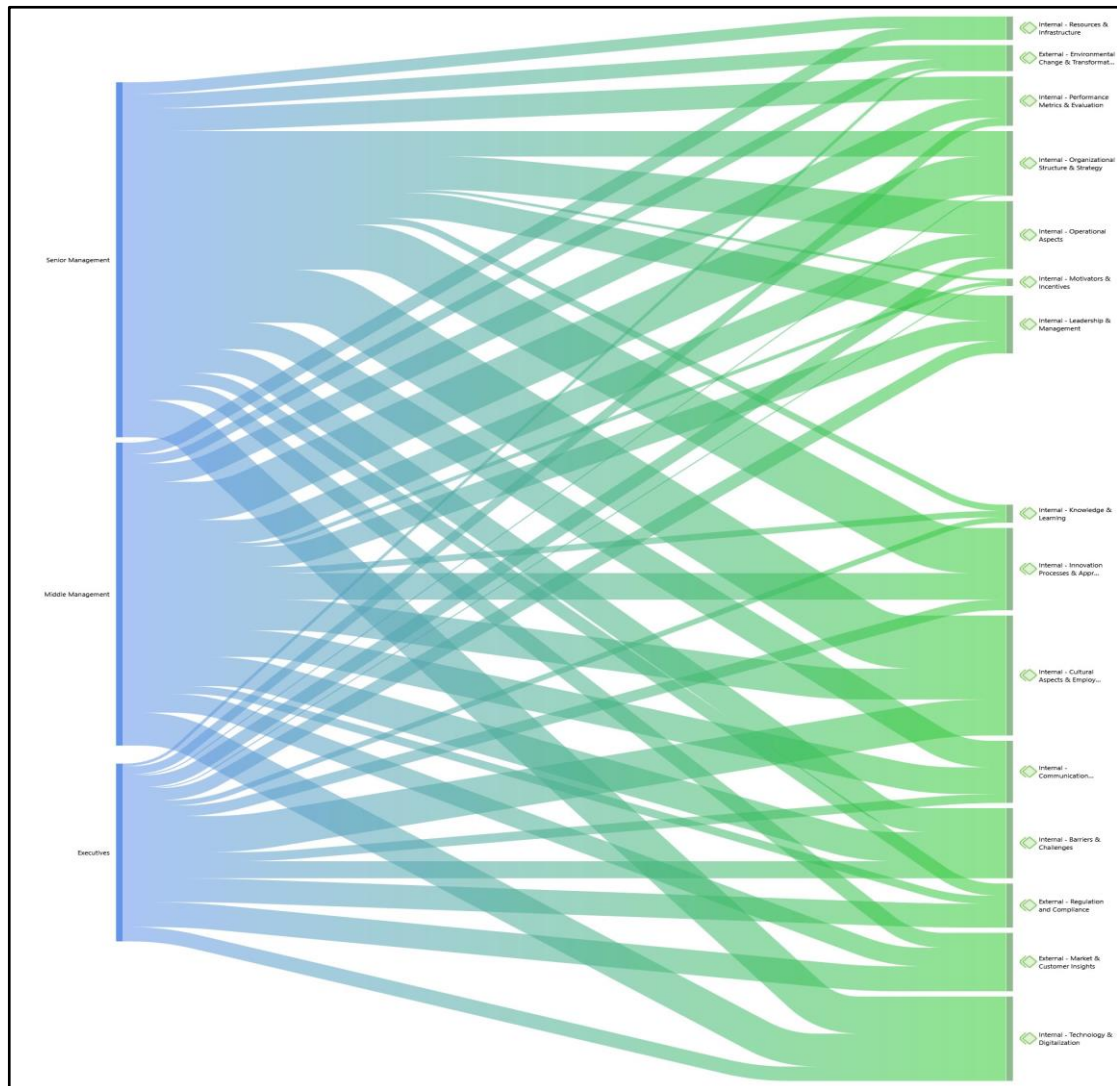


Figure 8 – Holistic Managerial Sankey Diagram (source ALTAS.ti)

The data covers various themes such as "Cultural Aspects & Employee Dynamics", "Technology & Digitalization", and "Barriers & Challenges". It shows how often or how important each theme is discussed.

Figure 8 shows a sankey diagram, developed using ALTAS.ti, is an effective way to visualise the volume of mentions for each theme. This helps to identify which topics are most frequently discussed in innovation-related conversations. The width of the paths in the diagram represents the prominence of each theme, providing an easy way for stakeholders to interpret the data. The sankey diagram also depicts any relationships or patterns that emerge from the data. For instance, if discussions about "Technology & Digitalization" frequently lead to or are associated with "Barriers &

Challenges," these connections are shown as flows in the diagram. This offers a clearer view of how different thematic areas are interconnected within the SABC's innovation landscape.

Overall, Figure 8 presents a comprehensive overview of the thematic landscape and offers insights into potential areas of focus, challenges, and opportunities. For SABC stakeholders who aim to prioritize innovation initiatives, this visualization can serve as a guidepost, highlighting dominant areas of discussion, potential bottlenecks, and areas for further exploration.

6. Chapter 6: Discussion of findings

6.1. Introduction

Chapter 5 presented the research findings based on the sixteen qualitative semi-structured interviews conducted across executives, senior and middle managerial levels in the case organisation. The objective of this research was to explore the innovation capabilities of the case organisation and the perception of innovation across different managerial levels. This chapter interprets the research findings systematically and logically in relation to the literature review on innovation capabilities and business performance as described in Chapter 2.

Reflecting on the research questions that will be discussed are as listed below:

- What is the degree of understanding and application of holistic innovation and capabilities that exist amongst middle, senior managers and executives?
- How does the similarity or differences of above relate to innovation and capabilities with respect to the innovation approach to outcome, processes, and mindset?
- What are the barriers/opportunities to holistic innovation?

The discussion provides critical insights into the essential role of innovation for the public broadcaster in South Africa. The author's intention is to contribute to the innovation body of knowledge by presenting the results and discussion in conjunction with the existing empirical literature.

6.2. Discussion of Research Question 1

The first research question aimed to assess the current state of innovation capabilities within the SABC and investigate successful innovative projects or initiatives. The intention was to gain an in-depth understanding of the critical drivers and/or barriers of success or failure, taking into consideration the managerial experience and understanding within the context of the public broadcaster. Additionally, this research question aimed to identify any initiatives that failed to achieve their innovation goals and explore the reasons for their shortcomings.

In this section, the author presents the findings of the data analysis developed the ATLAS.ti 23 tool related to the research question one, as discussed in Chapter 5.

The section is organised according to the semi-structured interview guide found in the Annexure. This will provide a clear structure to the discussion of the research findings.

- What is the degree of understanding and application of holistic innovation and capabilities that exist amongst middle, senior managers and executives?

6.3. Executive, Senior, and Middle management Perspectives of Innovation

Executives in SOEs, play a crucial role in directing innovation efforts. Their influence goes beyond just managing tasks; they shape the organisation's culture and innovative mindset. As primary custodians of innovation, they can create an environment that fosters innovation and enhances business performance by aligning organisational culture and human resource practices appropriately (Ikeda & Marshall, 2016). Moreover, these leaders have the potential to encourage innovation by ensuring that employees' objectives align with their intrinsic values, creating an environment that is inherently innovation-focused (Mendoza-Silva, 2021; Wang & Dass, 2017).

However, SOEs face unique difficulties. The bureaucratic nature of public sector organisations, which is intended to maintain governance integrity, can sometimes hinder innovation. While it is essential to ensure checks and balances, an overly strict control and performance management system can stifle innovation by discouraging risk-taking and penalizing innovative endeavours that do not immediately lead to success (Borins, 2002). Executives must balance fostering innovation with adhering to governance. The finding supports the notion of the executives within the SABC in which the compliance and governance leads to prolonged timeframes resulting in missed opportunities.

Executives must also be skilled at navigating the external environment. Organisational innovation is not isolated; it is intertwined with external factors, such as changes in customer behaviour, regulation, legislation and evolving competitive landscapes. To stand out, SOE executives must initiate projects that resonate deeply with market and customer insights (Damanpour, 2017; Kahn, 2018). In support of this, the SABC executives, external factors pose challenges for the organisation. One of the biggest challenges is the collection of license fees. The SABC is a non-commercial entity, but it is expected to be profitable. This means that it invests heavily in content that costs significantly more than the revenue it receives.

Other factors like culture, and politics often result in operational inefficiencies (Belloc, 2014). Findings supported that executives must continuously champion adaptive strategies to overcome these inherent structural challenges. Within the context of the public broadcaster, these factors are also prominent and thereby also negatively impact on innovation activities.

In today's digital era, executives cannot simply watch technological revolutions from the sidelines. External factors driving organisational innovation now largely revolve around the adoption and application of new technologies (Damanpour, 2017). To remain relevant and innovative, SOE executives must be at the forefront of technological and digital shifts, ensuring that they align with the organisation's broader goals and values. This involves adopting cutting-edge technologies and ensuring that they integrate seamlessly into the company's innovation strategy while also aligning with broader goals and values. Technology adoption promotes innovation according to the executives, however, linked to legislative, compliance and governance requirements this negatively impacts on innovation.

Senior Managers Perspective

Senior managers play a crucial role in bridging the gap between executive and middle management. The literature emphasises the importance of organisational culture in driving innovation and overall business performance. The values and norms embedded within a company serve as guiding beacons, and when coupled with strategic human resource practices, they are instrumental in shaping the company's innovation pathways (Ikeda & Marshall, 2016).

Senior managers, given their unique positions of influence, must champion the cultivation of a culture that fosters innovation. It is their responsibility to ensure that employees' personal and professional values align with the overarching goals of the Organisation (Mendoza-Silva, 2021; Wang & Dass, 2017). Without senior leadership fostering and sustaining such an innovation-friendly culture, companies risk stagnation and potential failure (Barsh et al., 2008; Pisano, 2015). Senior managers within the SABC support this view.

Different types of innovation, such as incremental, disruptive, or radical, play a crucial role in dictating business strategies and outcomes (Kahn, 2018). An organisation's approach to innovation is closely tied to its established processes. Senior

management's active participation in these processes facilitates a balance between explorative and exploitative innovations, amplifying the essence of organisational ambidexterity (Wang & Dass, 2017). Within the context of the SABC, innovation types where related incremental, for instance change in a process or technology adoption to make a workflow more efficient. The strategy is very general and therefore the focus is more local optimisation and efficiencies as opposed and radical or disruptive strategies. Findings support that Senior managers understand that this is a driver for innovation.

In the digital era, technology is a cornerstone of organisational innovation. Senior executives can ensure that internal innovation mechanisms consistently identify and leverage emerging technologies. Embracing digital transformations can be a strategic move that catalyses disruptive innovations and recalibrates business models in tandem with evolving market dynamics (Damanpour, 2017).

Effective communication and collaboration are essential for streamlined management processes in organisations (Stacho et al., 2019). Senior management can play a transformational role by proactively engaging with a diverse consortium of stakeholders, including citizens, to elevate governance standards and simultaneously nurture innovation by tapping into a broad spectrum of ideas and insights (Alford & Greve, 2017). Communication and collaboration are essential drivers for innovation. However the findings are contradiction as department tend to operate as an organisation within the organisation. This creates the departmental silos and negatively impacts on innovation.

Leadership, especially at the senior levels, sets the tone for innovation in any organisation. These leaders shape the organisational culture leading to agility of processes and decision making (Carvalho et al., 2019). Their endorsement and unwavering support can turbocharge innovation initiatives, thereby cementing sustainability (Mendoza-Silva, 2021; Wang & Dass, 2017). This aligns perfectly with the philosophy that transformational leaders, who are blessed with the ability to inspire, can foster a culture that is relentlessly driven towards innovative endeavours (Khalili, 2016). Finding show that the culture of the organisation is one that is stifling innovation, leadership and culture are not separate, but rather two sides of the same innovation coin.

Ultimately, it is imperative to understand that the structures and strategies that an organisation employs set the stage for innovation. Senior management, with their visionary leadership, can ensure that teams have access to the right resources and an environment that fosters innovation. This catalyses effective ideation and experimentation. Furthermore, ensuring that business strategies align with innovation strategies can guarantee that such ventures are not only innovative but also aligned with broader business objectives, poised to spur growth (Teece, 2010). Finding stated that both business strategies and innovation strategies with the SABC is very subtle, in comparison to the literature this negatively impacts on innovation.

Middle management perspective

The extensive literature reviewed underscores the indispensable relationship between organisational strategy, culture, technology, collaboration, and leadership, which together drive innovation (Bessant & Tidd, 2007; Porter, 1980; Teece, 2010). As the bridge between senior leadership and frontline workers, middle management holds a distinct position, instrumental in translating high-level strategies into actionable tasks. The senior management level of an organisation determines the overall strategic framework, but it's the middle management that carries out the actual implementation. Nagji and Tuff (2012) perspective on innovation as a strategic portfolio sheds light on this fact. Although the senior leadership in the SABC defines the primary, secondary, and transformational innovations that the organisation should pursue, it is the middle managers who drive these initiatives forward while juggling multiple strategic priorities at once.

Digitalisation of various processes, has opened new and unparalleled opportunities for innovation as noted by Damanpour (2017). The role of technology adoption in driving innovation in day-to-day practices is a topic that lacks clarity. However, middle managers play a crucial role in this process. They are responsible not only for procuring digital tools but also for ensuring their effective utilization, training teams, and aligning with broader business objectives. Finding suggest that these managers face numerous challenges, including external legislative processes such as supply chain management.

While the literature extensively discusses the role of leadership in shaping an organisational culture that fosters innovation (Barsh et al., 2008; Pisano, 2015),

middle management at the SABC plays a crucial role in implementing these principles. Their direct interactions with teams place them in a unique position to create an environment that encourages innovative ideas, recognizes them, and rewards them accordingly.

Effective communication and collaboration are crucial for innovation, as highlighted by Di Toma and Ghinoi (2021). Middle managers play a pivotal role in promoting this by breaking down silos, facilitating cross-departmental interactions, and ensuring that ideas and knowledge flow seamlessly throughout the organisation (Casciaro et al., 2019). This is in contradiction to the findings as departmental silos exist and thereby negatively impact on innovation.

Processes are considered the foundation of innovation in the literature (Dervitsiotis, 2010). Middle managers play an important role in integrating these processes into daily operations. While innovation approach of core, adjacent, or transformational is argued to be more of strategic in nature, middle managers often face challenges in implementing innovation strategies, such as allocating resources, managing time constraints, and overcoming resistance to change. Addressing these challenges requires a deeper understanding of the tools and knowledge needed to overcome these obstacles. While senior leadership sets the direction and vision for innovation, it is middle management that must navigate the course, steering the ship through uncharted waters, and ensuring that the vision translates into tangible results. Recognising and strengthening this role can significantly enhance an organisation's innovation capabilities.

Nagji and Tuff (2012) perspective on innovation as a strategic portfolio highlights the golden ratio of 70% core, 20% adjacent and 10% transformational. However, it is suggested to ensure financial sustainability the ratio should be developed and understood by all levels. Senior leadership may define what core, adjacent, and transformational innovations the organisation should pursue, middle managers drive these initiatives forward, often balancing multiple strategic priorities concurrently.

Effective communication and collaboration are the lifeblood of innovation. Middle managers are crucial to this, breaking down silos, facilitating cross-departmental interactions, and ensuring that ideas and knowledge flow seamlessly throughout the

organisation (Casciaro et al., 2019). Findings suggest that processes are the backbone of innovation, and middle managers are responsible for integrating them within daily operations. They must determine which innovation approach is most appropriate and ensure alignment with the Organisation's broader objectives.

Middle managers face the complexities of embedding innovation strategies into daily operations. They must juggle resource allocation, time constraints, and sometimes resistance to change. Addressing these challenges requires a deeper exploration to equip them with the tools and knowledge needed to lead the innovation charge effectively. Senior leadership sets the direction and vision for innovation, but it's middle management that navigates the course, steering the ship through uncharted waters and ensuring that the vision translates into tangible results. Recognising and reinforcing this role can significantly improve an organisation's innovation prowess.

Holistic Innovation perspective

Executives are the key guardians of an organisation's ethos and have the power to create an innovation-encouraging culture (Ikeda & Marshall, 2016; Wang & Dass, 2017). Their strategic vision, influenced by market shifts and customer insights, is critical to maintain a competitive edge (Damanpour, 2017; Kahn, 2018). However, in contrast executives lack the abilities to strike a balance between adhering to regulations and nurturing innovation without inadvertently stifling it (Belloc, 2014; Borins, 2002). Senior managers play a vital role in shaping innovation-supportive cultures and spearheading innovative processes and approaches within organisations (Wang & Dass, 2017). However, it is crucial to marry bureaucratic models with adaptability to ensure that operations do not hinder innovation.

Middle management serves as a bridge between strategies and their execution and is crucial in implementing organisational structures and strategies that foster innovation (Bessant & Tidd, 2007; Porter, 1980; Teece, 2010). They also play a vital role in fostering effective communication that facilitates innovation (Di Toma & Ghinoi, 2021). However, the role of middle management in terms of technological implementation and fostering an innovative culture is underexplored (Damanpour, 2017; Khalili, 2016). Further research is needed to explore the operational

challenges they face when interweaving innovation strategies into daily processes (Amabile & Khaire, 2008).

In conclusion to Question 1, innovation is a critical aspect that requires a holistic approach and spans across the organisational hierarchy. The literature emphasises the significance of executives, senior management, and middle management in shaping an organisation's innovation capabilities.

6.4. Discussion on Research Question 2

The second research question aimed to understand the factors that drive innovation, which is crucial in developing effective strategies for creating a more supportive environment for innovative solutions. By examining the perspectives of managers at different levels, this research intends to gain an in-depth understanding of the internal and external barriers that may either facilitate or hinder innovation. The objective is to gain a comprehensive understanding of the drivers of innovation, such as Organisational culture, that can either promote or impede creativity.

- How does the similarity or differences of above relate to innovation and capabilities with respect to the innovation approach to outcome, processes, and mindset?

Innovation outcomes

According to Ikeda and Marshall (2016), executives are essential in defining the vision for innovation outcomes by aligning organisational culture and employee dynamics. They possess an understanding of market shifts and customer behaviours (Damanpour, 2017; Kahn, 2018) and use this knowledge to establish the larger strategic objectives to which innovations should contribute.

Senior managers are responsible for ensuring that innovative efforts align with broader business strategies (Damanpour, 2017; Teece, 2010). Their emphasis on technology and digitalisation suggests a desire to create disruptive and high-impact outcomes. In contrast, middle managers, who are directly connected to ground-level operations, play a crucial role in effectively implementing innovation strategies and translating strategic visions into tangible outcomes (Bessant & Tidd, 2007; Porter, 1980; Teece, 2010)

Although all management levels focus on aligning innovation with Organisational goals, they differ in the specificity and granularity of their approach. While executives establish broad visions, middle management ensures that they are translated into tangible outcomes.

Processes

Executives prioritize acknowledging market insights and overseeing regulatory aspects (Damanpour, 2017; Kahn, 2018). They balance agility and compliance while setting the larger processes that govern innovation. Senior managers, on the other hand, focus on streamlining processes to ensure they are efficient, contemporary, and inclusive (Alford & Greve, 2017; Damanpour, 2017). Findings suggest that in comparison, middle managers are responsible for implementing and refining processes to make them efficient and effective (Dervitsiotis, 2010).

Mindset

Executives focus on aligning employees' goals with inner values (Mendoza-Silva, 2021) and cultivating an innovation-friendly culture (Wang & Dass, 2017). This suggests an aspirational mindset, seeking to instill a forward-looking, risk-accepting attitude across the Organisation. Senior managers, on the other hand, focus on leadership, management, and ensuring alignment between values and business objectives (Khalili, 2016; Mendoza-Silva, 2021), reflecting a transformational mindset. They act as the bridge between the visionary aspirations of executives and the practical considerations of middle managers. Middle managers shape Organisational culture (Barsh et al., 2008; Pisano, 2015) and face practical challenges in embedding innovation strategies into daily operations, reflecting a pragmatic mindset. They combine the visionary aspirations of the top with the realities of the ground.

Although all management levels understand the importance of an innovation-friendly mindset, executives tend to be more visionary, senior managers are transformational, and middle managers tend to lean towards pragmatism.

In conclusion to Question 2, a balance of visionary and pragmatic approaches to innovation is crucial for an organisation's holistic approach to innovation. As shown in the literature, this equilibrium between perspectives ensures that visionary

outcomes are not only defined but also pragmatically achieved through efficient processes and a conducive mindset.

6.5. Discussion on Research Question 3

The purpose of this research question is to identify and prioritize the obstacles that hinder comprehensive innovation at SABC. This will help Organisations tackle the most significant barriers first.

- What are the barriers/opportunities to holistic innovation?

A holistic approach to innovation is more than just a buzzword; it is an integrated effort that spans across the organisational hierarchy. The literature unequivocally underscores the significance of the role of executives, senior management, and middle management in shaping innovation. Building upon the earlier discussions (Ikeda & Marshall, 2016; Wang & Dass, 2017). Coad et al. (2016) argues that barriers of innovation are influenced by the productivity of the firms by the cost and availability of finance, which can discourage investment and innovation due to high costs and limited access. Furthermore, firms that have high productivity are particularly susceptible to a shortage of qualified personnel, as their specialised processes and innovations depend on a skilled workforce. This dual challenge highlights the crucial link between financial factors and workforce qualifications in shaping productivity. However, the finding suggests while skilled and knowledgeable labour force are available within the organisation, productivity remains a challenge on account of limited financial access.

As the guardians of the organisational ethos, executives possess the leverage to create a culture that encourages innovation (Ikeda & Marshall, 2016; Wang & Dass, 2017). Their strategic vision, dictated by market shifts and customer insights, is critical in maintaining a competitive edge (Damanpour, 2017; Kahn, 2018).

However, executives must strike a balance between adhering to regulations and nurturing innovation. Over-reliance on bureaucratic compliance can inadvertently smother innovation (Belloc, 2014; Borins, 2002).

Senior managers serve as the touchstone for shaping innovation-supportive cultures and spearheading innovative processes and approaches within organisations (Wang & Dass, 2017). Their involvement significantly influences both explorative and exploitative innovation strategies.

While senior management plays an integral role in facilitating innovation, the challenge lies in marrying bureaucratic models with adaptability, ensuring that operations neither stifle nor undermine innovation.

The role of middle management, especially in terms of technological implementation and fostering an innovative culture, is underexplored (Damanpour, 2017; Khalili, 2016). Additionally, the operational challenges they face, especially when interweaving innovation strategies into daily processes, require deeper introspection.

6.6. Conclusion

Chapter 6 highlights the important roles played by different levels of management in driving organisational innovation. Executives are responsible for setting the overall innovation vision, but often face challenges such as regulatory and cultural barriers.

Senior management is tasked with creating innovation-friendly cultures but must also balance adaptability and bureaucracy.

Middle managers, who act as a link between strategy and execution, have a vital role in embedding innovation into daily operations. The harmonious collaboration between these management tiers is crucial for achieving comprehensive organisational innovation.

Chapter 7 provides the conclusion and recommendation of this study.

7. Chapter 7: Conclusion and Recommendations

7.1. Introduction

The aim of this research was to investigate innovation capabilities within the SABC, which is a state-owned public broadcaster. The importance of this research is highlighted by the crucial role that SOES's play in economic stability and service delivery. These entities are often viewed as the backbone of the private sector and productivity. However, as the findings suggest, SOE face unique challenges, including bureaucratic obstacles and complex governance structures, which can hinder innovation. Despite these challenges, managerial leadership and innovation are essential for these entities, particularly in the face of ever-evolving market dynamics and the need for digital transformation.

7.2. Innovation capabilities within the SOE

The research focused on the innovation landscape within the SABC, highlighting various themes, including 'Technology & Digitalization' and 'Market & Customer Insights.' The study found that while there are structured approaches to innovation, bureaucratic barriers remain a challenge. Furthermore, the external environment, including outdated regulations and national sport rights, poses a significant challenge to the SABC, as it must balance innovation imperatives with regulatory constraints. The insights gained from this research can guide other SOEs facing similar challenges, as they offer actionable strategies that can enhance the SABC's innovation capabilities, ensuring its continued relevance and contribution to the socio-economic landscape.

The research was conducted in the context of an SOE, which are often perceived as bureaucratic and overloaded with operational issues, and sometimes viewed as burdensome to the economy. However, SOEs play a critical role in addressing market failures and supporting the private sector's success. The SABC faces additional challenges due to governance processes, external pressures, and the need to adapt to technological advancements.

Technology and digitization are crucial factors in the modern innovation landscape, and entities such as the SABC must navigate the intersection of traditional broadcasting paradigms and rapidly evolving digital technologies. However, bureaucratic inertia and regulatory constraints often impede swift adaptation. This

contextual exploration is crucial, as it demonstrates the challenges and opportunities faced by SOEs in a rapidly changing world. By understanding these dynamics, policymakers, stakeholders, and organisational leaders can develop strategies that improve the operational efficiency of SOEs such as the SABC and ensure their continued relevance and meaningful contribution to the country's socio-economic needs.

Historically, SOEs have been criticized for their operational inefficiencies, bureaucratic processes, and perceived economic burdens. However, their traditional role in addressing market failures and supporting private sector endeavours is well established. The SABC exemplifies these challenges, particularly with outdated regulations and technological lags. This research recognised the importance of investigating, exploring drivers of innovation and their centrality in a modern organisational landscape.

The study aimed to understand the nuanced interplays between managerial tiers and perspectives on innovation, internal dynamics of SOEs like the SABC, and external pressures they face. The complex governance processes, the weight of externalities such as the global political-economic landscape, and the swift march of technological advancements have reshaped the operational context of SOEs, making their innovation journey more convoluted.

To bridge this gap, the study sought to answer the following research questions:

1) What is the degree of understanding and application of holistic innovation and capabilities among middle, senior managers, and executives? 2) How do the similarities or differences in innovation approach to outcome, processes, and mindset relate to the above? 3) What are the barriers to holistic innovation, and how do they rank? These research questions aimed to explore how innovation is understood, applied, and experienced by different managerial tiers within an organisation, from executives to senior and middle managers.

The study examined the relationship between institutional theory, external pressures, internal structures, and innovation dynamics in shaping organisational behaviour. The analysis revealed that some areas like "Environmental Change & Transformation" or "Motivators & Incentives" were not frequently mentioned but held relevance and might require a deeper exploration in future studies.

Using the ATLAS.ti 23 tool, the study systematically categorised emergent themes, enabling a layered understanding of their interrelations and overall significance.

The study offers nuanced perspectives on innovation within the specific context of the public broadcaster and enriches the academic body of knowledge of organisational innovation capabilities. By focusing on the SABC, it provides insight into the interplay of cultural dynamics, technological shifts, and external pressures in an SOE setting. This is particularly important given the dual mandate SOEs often have, balancing public service commitments with commercial viability.

Moreover, by explaining and ranking barriers to holistic innovation specific to managerial hierarchies, the study broadens the conversation on innovation capabilities, emphasising the role of internal organisational dynamics. It also prompts a reconsideration of how innovation capability models might be adapted and applied in the unique milieu of SOEs. As such, the study offers both a theoretical augmentation and a practical roadmap for scholars and practitioners looking to navigate the complexities of innovation in the public sector.

Considering the findings from the SABC exploratory research, future research should consider a comparative analysis across multiple SOEs, highlighting commonalities and deviations in innovation practices. Such a comparative lens will contribute to the existing body of knowledge, revealing overarching challenges and best practices in the public sector.

Furthermore, the study suggests that technology and digital transformation are key drivers of innovation and require in-depth exploration. As technological and technology adoption shifts, how are SOEs, like the SABC, adapting, and what challenges do they face in this digital era?

7.3. Conclusion

In conclusion to this chapter, it is argued that SOEs are subject to public scrutiny and critique, mainly due to perceived inefficiencies, mismanagement, and financial irregularities. However, the multifaceted paradigms SOEs play in South Africa's socio-economic context is often underestimated. Many SOEs provide essential services to their citizens and the private sector and act as the foundational pillars supporting the private sector's growth and success. Their mandate extends beyond profit-making and revolves around societal betterment.

Despite the importance of accountability, the strict regulatory frameworks and bureaucratic processes imposed on SOEs often inhibit their agility and responsiveness. Therefore, it's essential to strike a balance between accountability and innovation to ensure that SOEs remain efficient and relevant.

In the rapidly changing global economy, SOEs require visionary leaders who can navigate bureaucratic obstacles, promote innovation, and guide these massive organisations in fulfilling their business and social missions.

Finally, to conclude on this research report, the author further interpreted the interrelationship with each code, with a few foundational links to the literature, in conjunction with the SABC environment to provide a contextual diagram. Unlike in Chapter 5, the most frequent codes and not themes were used to map the contextual diagram below. The SABC contextual diagram provides essential insight that helps to visually represent the interactions between internal and external entities of the SABC within the context of the managerial tiers.

It is created by using codes acquired from interviewees, and it provides a high-level view of the system's boundaries, distinguishing elements that fall within its purview from those that lie outside the organisation.

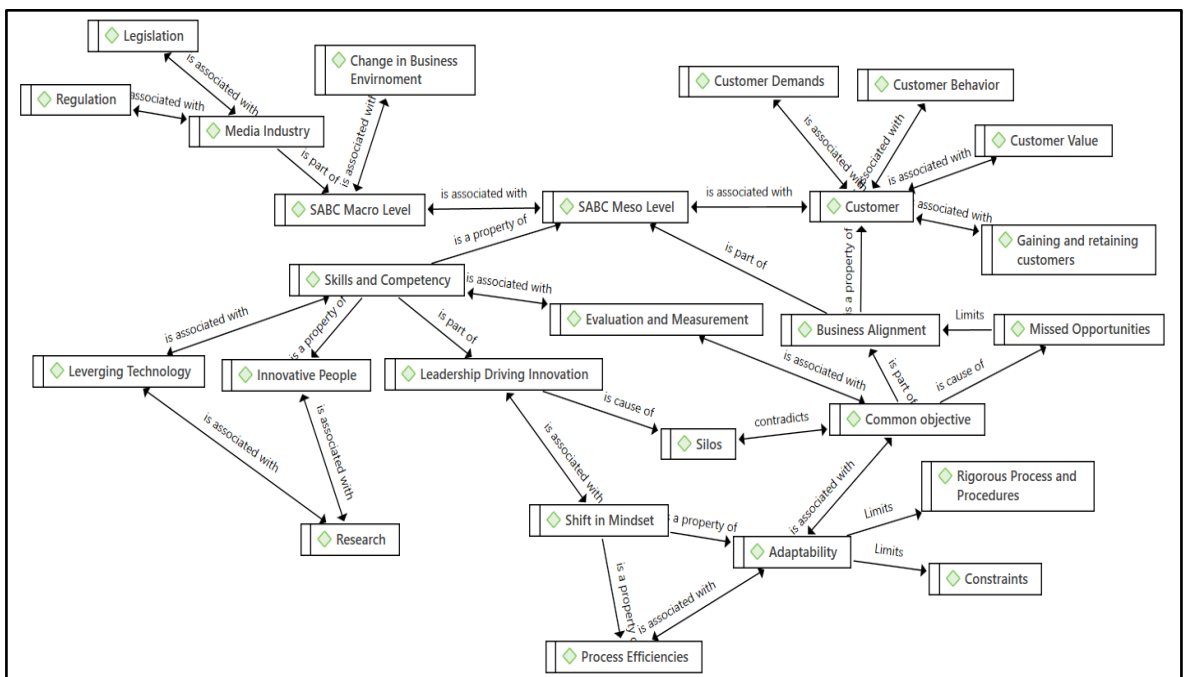


Figure 9 - Contextual Diagram (source Author)

One of the most important features of this diagram is that it helps to elucidate the interfaces and dependencies between the central system and its external actors. It

acts as a communication conduit, bridging the understanding between technical and non-technical stakeholders, and paving the way for informed decision-making by highlighting potential bottlenecks or vulnerabilities.

For instance, regulation is associated with the public broadcasting industry, the media industry is part of the macro-level, in which the SABC is associated with in a meso-level. A property of the SABC is skills and competency. The skills and competency are associated with leveraging technology, it is a property of innovative people and part of leader-driving innovation. Leadership driving innovation is associated with a shift in mindset, shift in mindset is property of process efficiency and adaptability. Adaptability is associated with a common objective, adaptability limits constraints and rigours processes and procedures. The common objectives are part of business alignment, and this is a property of the customer which is associated with customer demands, customer behaviours and customer value.

Furthermore, the SABC contextual diagram serves as the groundwork upon which more intricate and detailed analyses can be constructed. It plays an instrumental role in documentation, understanding, and has the potential to facilitate the identification of academic gaps in the innovation body of knowledge.

7.4. Suggestions for future research

Drawing on the insights gleaned from the research study, recommendations are put forward for possible future research:

- Explore innovation capabilities within other commercial SOE's in comparison with this study.
- Explore innovation capabilities with other non-commercial SOE's in comparison with this study.
- Development of an innovation framework for SOE's
- Exploring the RBV of innovation capabilities within the public sector

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9. Appendices

9.1. Consistency Matrix

Research Questions/Propositions	Section in Literature Review	Data Collection Tools	Analysis technique
What is the degree of understanding and application of holistic innovation and capabilities which exist amongst middle and senior managers and executives?	(Dervitsiotis, 2010; Prajogo, 2016)	Semi-structured interviews	Content analysis
How does the similarity or differences of the above relate to innovation and capabilities concerning the innovation approach to outcome, processes, and mindset?	(Dervitsiotis, 2010; Prajogo, 2016)	From question 1	Content analysis
What are the barriers and the ranking of barriers to holistic innovation?	(Coad et al., 2016)	From questions 1 and 2	Content analysis

9.2. Semi-structured interview questionnaire

General:

- Can you briefly describe your role at SABC and how long you've held this position?
- In your opinion, what does "innovation" mean in the context of SABC?

Aligning with RQ1:

- How would you assess the SABC's current state of innovation capabilities?
- Can you provide examples of recent innovative projects or initiatives within SABC that you think were particularly successful or noteworthy?
- In contrast, are there any recent initiatives that did not meet the intended innovation objectives? If so, can you describe them?

Aligning with RQ2:

- What are the main barriers or challenges to innovation within your specific managerial tier at SABC?
- Have you noticed any differences in the perception of these barriers between different managerial levels?
- Are there organisational structures or processes that might hinder innovation?

Aligning with RQ3:

- What strategies or interventions would you recommend to enhance innovation capabilities at the SABC?
- Are there specific tools, resources, or training that would benefit your team or department in fostering a more innovative environment?
- How do you envision the future of innovation at SABC, and what role do different managerial tiers play in that vision?

Closing:

- Are there any other insights or experiences you'd like to share that we haven't touched on but that you feel are crucial to understanding innovation at SABC?
- These questions are designed to elicit comprehensive, thoughtful responses from the interviewees while ensuring alignment with the research objectives.

9.3. ATLAS.ti code list

Code
Abilities
Access of Sport Content
Adaptability
Agility
Always reactive
Ambition
Anti-competitive
Barriers
Bold leadership
Bottom Up Ideas
Business Alignment
Business Benefits
Business Intelligence
Business process innovation
Business support
Capacity
Change in Business Environment
Change in Funding Model
Change Management
Collaboration
Common objective
Communication
Competitive Advantage
Compliance and Governance
Consequent Management

Constraints
Content Innovation
Core competencies
Cost Savings
Creativity
Crisis
Culture
Customer
Customer Behaviour
Customer Demands
Customer Value
Data-driven decisions
Decision Making
Dilemma
Demonstrating benefits
Differentiator
Digital Transformation
Dynamic state of change
Evaluation and Measurement
Execution
Executive Level
Exemptions of Regulation
Experience
External Input
Failure as feedback
Fear of failure
Follow trends

Foresight and planning
Future
Gaining and retaining customers
Harnessing Innovation
Historical Challenges
Idea generation
Idea implementation
Incentives
Increase Productivity
Incremental Improvements
Innovation Champions
Innovation driving industry
Innovation non legislated
Innovative People
Integrated data management
Internal
Internal Policies
Investment in content
Job function
Knowledge/Education
Lack of Funding
Lack of Leadership
Leadership Driving Innovation
Legislation
Leveraging Technology
Limited Resources
Long-term view

Maybe in the first world, how are they doing it?
Media Industry
Mentoring and Coaching
Middle Management
Misalignment
Missed Opportunities
Monetisation
Motivation
National Sport Rights
Negligence
New ways of doing things
No conscience innovation
No strategic innovative thinking
No time to implement
Onboarding new talent
Operational
Optimisation
Organisational Structure
Outdated Regulations
Ownership of innovation idea
Partnerships
People Development
Performance Management
Physiological Safety
Politics
Potential Growth
PPPFMA

Private Sector Implementation
Process Efficiencies
Project Management
Proof of Concepts
Public Mandate
Radio Broadcast
Re-inventing
Red tapes
Regulation
Requires an innovation strategy
Research
Resourceful People
Return on Investment
Revenue/Income
Rigorous Process and Procedures
Scalability
Section 189
Senior Management
Service Innovation
Shift in Mindset
Departmental Silos
Simplicity
Skills and Competency
Speed to innovate
Staying ahead
Strategic Implementation
Supply chain

Supporting Team
Systematic considerations
Technical Broadcast
Technology
Technology Adoption
Tenure
Testing and experimenting
Top down Strategic
Training
Understanding Context
Unified Research Unit
VUCA
Wanting to play it safe
Wellbeing of people
Willingness to take advice

9.4. Permission Letter



South African Broadcast Corporation
Cnr. Of Artillery & Henley Rd,
Auckland Park,
Johannesburg. Private Bag X1
Auckland Park
2006

17th August 2023

To whom it may concern

I, Nada Wotshela as the delegated authority of the **South African Broadcasting Corporation** hereby give permission to the primary researcher Anesh Sooklall (14293529) of the Gordon Institution of Business Science for the following:

1. To engage (interview) with the employees of the above-mentioned company. I have reviewed the proposed questionnaire/interview questions given to me by the researcher. I hereby give my approval for using the questionnaire/interview questions by the researcher.
2. To collect and publish information relating to the above-mentioned company that is publically not available.

for the research for his master's in business administration (MBA) dissertation on the proposed project titled:

Exploring the role of innovation capabilities in fostering organisational performance in a state-owned enterprise: A qualitative research study

This authorization is based on a mutual understanding that the above-mentioned company's name **can be revealed** in his project.

The information provided by the employees or any other means (such as the company's archived documents or reports) of the above-mentioned is purely for academic purposes and cannot be used for any other purpose.

Regards,

A handwritten signature in black ink, appearing to read 'Nada Wotshela', is written over a horizontal line.

Date: 22/08/2023

Nada Wotshela
Group Chief Executive Officer (GCEO Acting)
Tel: 011 714 2071
Email: wotshelan@sabc.co.za

South African Broadcasting Corporation SOC Limited: Registration Number: 2003/023915/30
Non-Executive Directors: Mr K M Ramukumba (Chairperson); Ms N A Bati (Deputy Chairperson); Dr R K C Home; Ms P Kadi; Ms P P Magopeni;
Mr D M Maimela; Ms A C Makhwanya; Mr D K Mohube; Ms M Moonsamy; Ms R M S Motaung; Adv T S Thipanyane; Mr M Tsedu
Executive Directors: Ms N N Wotshela (Acting Group Chief Executive Officer); Mr I C Plastjes (Chief Operations Officer); Ms Y van Biljon (Chief Financial Officer);
Acting Company Secretary: Mr M Salojee



9.5. Informed Consent Form

I am currently a student at the University of Pretoria's Gordon Institute of Business Science and completing my research in partial fulfilment of an MBA.

My research focuses on exploring the role of innovation capabilities in fostering organisational performance in the South African Broadcasting Corporation (SABC).

Our interview is expected to last about an hour and your insights will be incredibly valuable in understanding the role of innovation capabilities in improving business performance. Also, note that permission to conduct research at the SABC has been granted by the GCEO. **Your participation is voluntary, and you can withdraw at any time without penalty.** To ensure confidentiality, all collected data will be reported without any identifying information. If you have any concerns, please contact my supervisor or me. Our details are provided below.

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Signature of participant: _____ Date: _____

Signature of researcher: _____ Date: _____