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INNOVATION AS THE BASIS OF MODERN COMPETITIVE COMPANIES

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ABSTRACT

Dynamic business environment with the growing interdependence of all business participants causes modern companies to base their business strategies on innovation and constant changes. Companies tend to provide a distinctive competence that allows them to build, do or perform something slightly better than their competitors. That requires a maximum consideration of technology potentials and possession of a wide range of knowledge and capability. The open innovation model, based on cooperation and exchange of knowledge and experience, quickly leads to new products, services, or new business processes and managerial approach, and includes both employees and customers and partners of the company. Competent teams of specialists provide a synergy of knowledge and innovation and they make the process more efficient and more successful. The aim of empirical study presented in this paper is to examine the effects of teamwork on the performance and competitiveness of business. Teamwork is seen through the synergy of the team, skills of the staff, innovations and quality. Emphasis is placed on innovation as the most important factor of competitiveness in the global and domestic markets.

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INTRODUCTION

At the time of globalization, computerization, changeability of the market, increase of international cooperation and sophistication of the customers, the competitiveness of the companies is a crucial factor not only of the success but also the survival in the market. The companies can achieve competitive advantage if they offer their buyers greater values than those offered by the competitors. It implies that they continuously listen to the requirements of the market and that they are able to timely answer them. Significant role in this belongs to the managers who provide efficient functioning of the companies with their knowledge, abilities and skills. Continuous improvement of the functioning oriented towards the buyers is necessary for the increase of their satisfaction. It depends on the teamwork where different functional and hierarchical parts of the companies take participate. Teamwork implies „cooperation between managers and all the employees who are not managers, between different business functions, as well as between the company and its customers and suppliers“ (Williams, 2010, p. 333).

Complexity of contemporary companies, great number of information and data, different factors from external environment, economic, political, social insecurities and other impose the need to understand the changes, focusing on them, as well as motivation of all employees to follow that path. Main competitive advantage of each contemporary company is its ability to inovate. In the most general sense, the innovation process refers to each system of organized and purposeful activities aimed towards the creation of changes. Peter Draker suggests that innovation should simultaneously be observed through two dimensions – as a conceptual (abstract) even and perceptive (observative) event. His studies also point out that innovativity is not related only to the companies with high technology, but also the companies with lower technological level (Draker, 2003, p. 298). Teamwork is particularly significant for innovative oragnizations because the creation and development of innovations is most frequently performed through special project teams or special functional groups. Performing innovative activities can also be observed as the combination of different perspectives for solving the problem and thus high potential value of innovation lies precisely in the teamwork. The aim of this paper is to give contribution to better understanding of the phenomenon of teamwork efficiency and factors that affects it, with a special review of the innovations. The study of the impact of teamwork is a part of a wider study that refers to the impact of organizational behaviour on the organizational dedication (Lekić, 2010, pp. 216–273).

THEORETICAL APPROACH TOT STUDY

Globalization encourages economic development through the connections of national economies, extension of the market and enabling the approach to modern technology in manufacturing, distribution of communication and increase of the possibilities of data processing (Lekić, Vapa–Tankosić, 2017). Globalization aims at the open trade and breaking all the barriers down. At the time of rapid changes, new technological solutions and knowledge that becomes more and more obsolete from day to day, to be competitive implies providing a continuous growth and development. Competitiveness of one economy represents competitiveness of its economic subjects, as well as the business environment it is ready to offer them. According to Porter, competitiveness of the nation depends on the ability of its economy to innovate and advance itself (Porter, 1990). Competitiveness of one economy depends on own abilities and the weaknesses of other economies. The factors that lead to joining or rejection of supply and demand in external trade are called competitiveness factors. Competitiveness factors: quality and technological features of the products; price, corrected by the instruments of external policy in the export country and the import country; method of payment; deadlines and maintenance mode; organization of presentations in foreign markets and marketing; developmental qualifications of the economy in the country of the buyer, etc (Unković, 2010, p. 210–214). The companies can achieve competitive advantage by using their resources in a manner that will provide their customers a greater value than the one offered by the competitors. Most companies aim their strategies towards the creation and maintenance of competitive advantage. Competitive advantage becomes sustainable competitive advantage when the other companies cannot copy the value that a given company offeres to its buyers. In order for the company's resources to be used, four conditions must be met: to be valuable, rare, irreplaceable and difficult to copy (Williams, 2010, p. 96).

Main competitive advantage of each contemporary company is its ability to innovate. Innovations are essential for the improvement of organizational performances and they very survival of the organization (Smith, Collins and Clark, 2005). Innovation represents the implementation of a new and significantly improved product (goods or service), or process, or a new marketing method or a new organizational method in business, work organization or relations of business entities with environment (OECD, 2005). Definition of innovation mainly refers to the development and successful transformation of invention into a useful product (innovation of products) or technique (innovation of the process) which are believed to be worth presenting in the market, or using within the company.

Innovations can be classified in several ways. Most common classification is into manufacturing and service. Manufacturing innovations are changes in the product range of an oragnization. They significantly affect the achievement of competitive advantage and contribute to the development, growth and profitability of an organization (Salomo, Weise and Gemunden, 2007, p. 285). Manufacturing innovations can be: 1) change of the manner of manufacturing, 2) extension of manufacturing lines, 3) promotion of products, 4) new

product, 5) start-up business and 6) significant innovation (Von Stam, 2009, p. 9). The first three types refer to the improvement of the existing products and the rest to the appearance of the new products. Service innovations include the innovations in the process of creation or delivery of the service paying attention to the quality of the contacts with the user, as well as the innovations within the service providing and innovation of symbols and signs (Goffin, Mitchell, 2010, p. 72). These innovations can be observed through four dimensions: 1) concept of a new service as a reply to the service of the competitors, 2) new user interface, 3) new organization of service delivery and 4) new technological options in service providing (Den Hertog, 2010, pp. 42–46).

Oslo Manual is the basis for the analysis of innovation activities in the companies of the countries of the European Union. According to it, there are four types of innovations: 1) innovations of products / services, 2) innovations of the process, 3) innovations in organization and 4) marketing innovations (OECD, 2005, pp. 45–61). Innovation of products / services implies the introduction of a new and significantly improved product or service (improvement of the technical characteristics, components and materials, software installed, user orientation or other functional characteristics of the products or services). Innovation of the process implies the application of a new or significantly improved process of production or delivery (changes in technique, equipment and/or software) in order to achieve certain useful effects such as reduction of the costs of production or distribution, improvement of quality or production of a significantly improved products. Innovations in organization represent the application of new organizational methods in business practice with the aim to improve business performances of a company and they result from strategic decisions at the management level. Marketing innovations refer to the implementation of a new marketing concept or strategy, including significant changes in design or package of the products, promotion and distribution of products or determination of the price of the products. Innovations of products/services and the process are the innovations of technological nature and innovations in organization and marketing are non-technological innovations.

From the aspect of innovation process, innovations can be incremental and radical. Incremental innovations refer to continuous adaptation, improvement and advancement of the existing products, services or processes. Radical innovations refer to the introduction of entirely new products and services and/or new systems of production and distribution. They represent an uncertain and risky process of applying new knowledge in an unknown technological or business field (Kelley, Colarelli O'Connor, Neck and Peters, 2011, p. 249). Studies have shown that the majority of organizations implement a greater number of incremental innovations in relation to the radical. In relation to the overall income, the implementation of incremental innovations brings 62%, and radical 38% of income (Goffin and Mitchell, 2010, p. 13). Having in mind that the innovations are the result of organized, gradual and long-term activities, each innovation has its own evolution. Therefore, in the practice there more frequently appear incremental than radical innovations. Already existing companies give advantage to the incremental, while newly-formed ones are more

prone to radical innovations. Diversity of incremental and radical innovations requires the application of the appropriate management process. Activities that the companies apply in case of incremental innovations refer to the searching of cost advantage, minimum modification of design, identification of organizational procedures and standards in order to have a more efficient and economic production, adding new characteristics to the existing products, implementation of reinovation, permanent learning from users and customers. In management of radical innovations, the companies apply: openness towards new ideas outside the organization, continuous scanning of the market, investments in portfolio of new technologies within the innovation system, reaching new abilities through acquisitions or employment, rejection of a new manner of doing business (Dodgson, Gann, Salter, 2008, p. 60).

Innovation activities include all scientific, technological, organizational, financial and commercial steps that lead or have the attention to lead to the implementation of innovation. Innovation activities also include the research and development that are not directly related to the development of a specific innovation (OECD, 2005, pp. 89–117).

One of the contemporary models of innovation management is the model of open innovations. Open innovation was for the first time defined by Chesbrough (2003) as combining of internal and external ideas, as well as internal and external connections and paths in the market in order to improve the development of new technologies and application of innovations. Factors which lead to the appearance of open innovations are mobility and availability of knowledge which has grown in the era of information and communication technologies, by changing their job the employees also bring their knowledge with themselves, which lead to the information flow between the companies (Chesbrough, 2003). A step towards the open innovations means that the companies have to become aware of a greater importance of open innovations, because not all the good ideas are developed within own company and it is not possible for all the ideas to be obligatorily further developed within the limits of own companies. West and Galager take a step further and define open innovations as a systematic stimulation and study of a wide range of internal and external sources of innovation possibilities, responsible integration of that study with the possibilities and resources of the company, as well as a wider exploitation of those possibilities through multiple channels (West and Gallagher, 2006). A paradigm of open innovations defined in this manner overcomes the usage of the external information sources only. Model of open innovations is based on generation of values through the cooperation with external partners that can improve the performances of the innovations of the products, which reflects the financial performances in a positive manner (Faems, De Visser, Andries and Van Looy, 2010).

The main precondition for the realisation of innovation process in one company is team work. Team is a formal group for a particular task whose members have complementary skills, they are dedicated to common goals and tasks that they are considered responsible for (Lekić and Erić, 2016, p. 142). Each team goes through certain development phases: formation, conflict, norming and functioning (Williams, 2010, p. 184). Formation is an initial phase where the team members meet each other,

evaluate themselves mutually and start defining team norms. In this phase, people compare their expectations and the things that could be waiting for them. Conflict is a phase characterized by disagreements and conflicts. During norming, team members start to adjust to their roles within a team, group cohesion is growing and positive team norms are being developed. Functioning is the last phase in the team development during which the performances are improved since the team is matured and has become an effective and functional unit. During this phase, team members become extremely loyal towards each other and they feel mutual responsibility for both success and failure of the team.

Working team is a set of employees with similar or different work performances, i.e. type and level of knowledge, work experience, skills and personal traits who aim at implementation of determined work goals, implementation of project decisions and solving specific organizational and business issues in the company. Effective and efficient work team is the one that successfully implements the goals defines with the minimum time and other resources spent. In order for the working team to be effective and efficient, certain internal conditions within business organization where the working team will act must be achieved. Characteristics of a working team: appropriate a structure, a defined manner of making decisions, cohesion in a group; creative conflict; focus on the problem; a good leader; stable status of a working team; acceptable external pressures (Pavličić, 2010, p. 419). Efficient teams are those that find innovative ideas, achieve goals and adapt to changes when it is required. Their members are devoted to the achievement of both team and organizational goals. Managers appreciate such teams and reward them for the achieved results.

The team efficiency is affected by different factors that managers must pay attention to (Certo and Certo, 2008, p. 420.). Human factors imply: that teamwork makes team members satisfied; construction of confidence between team members, as well as between the team and management; establishment of a good communication; minimization of unresolved conflicts and struggles for power within the team; efficient solving of the threats to the team or within it; creation of an impression that the work positions of team members are secure. Organizational factors refer to the steps that team leaders must undertake in order to build an efficient team and they include: construction of a stable organization and security of a work position; support of management to the teamwork; appropriate rewards and acknowledgements for the tasks performed; determination of stable goals and priorities. Factors that refer to *work tasks*: setting clear goals, giving precise instructions and projected plans; appropriate professional guidelines and management; independence in work and demanding work tasks; naming the experienced and qualified team members; encouragement of teamwork; make sure that the work of a team is well-known within the organization.

Critical aspect in a working team is the construction of confidence. Confidence is the belief into the reliability, ability and honesty of another person. Without mutual confidence, there is no efficient team (Stead, 1995). Theory and practice suggest that confidence will exist if there are integrity, competence, consistency, loyalty and openness. Integrity implies that working team members possess personal honesty and

sense for justice. Competence implies for all the members of a working team to have relevant knowledge, experience and skills. Consistency implies that members of a working team act in a consistent manner in those situations. Loyalty implies that each member of a working team wants to protect the other member or the team as a whole. Openness implies that members of a working team share knowledge and information they dispose with. Model of a working team contains three components: roles, knowledge and skills and responsibility. In addition to the above-mentioned, it also contains three outcomes: results, common projects and learning and development.

It is believed that in one working team there can be nine roles: 1) innovators who create ideas and start the initiative; 2) promoters who accept the ideas of innovators and find channels for the promotion and acceptance of the same; 3) analysts who collect the information, create the alternatives and analyze advantages and disadvantages; 4) organizers who define goals, create plans and organize the activities; 5) producers who use the existing resources in order to the final result to correspond to the standards determined; 6) controllers who monitor the respecting of internal and external regulations; 7) supporters who protect the team against all external pressures; 8) advisers who affect the quality of making decisions by analyzing all the attitudes and opinions; 9) integrators who spread the idea of togetherness and channel possible conflicts (Robbins, Judge, 2009: 348).

In order to point out the importance of team work for the innovation process in one company with the aim of reaching certain competitiveness level the following study has been preformed.

THE STUDY: METHODOLOGY AND DATA

The study was created in order to examine the importance of quality team work for the innovation process in one company. Study was carried out on a sample of 492 respondents, in two public companies (PCC Beograd put and PC for PTT services „Srbija“), one institution of high education (Belgrade Business School – High School of Professional Studies) that are state property according to ownership structure and many small private companies that are not separately segmented, but they are, due to the limited space in the paper, marked by a group name „Other companies“. Data collection was executed by an anonymous survey, which includes the six following dimensions: 1) socio-economic indicators, 2) satisfaction with the job, 3) loyalty, 4) motivation, 5) organizational dedication; 6) interpersonal relations and teamwork. Of the total number of respondents (N=492) from PCC Beograd put (hereinafter: PCC BP) there were 219 respondents (44,51%), from PC for PTT services Srbija (hereinafter PC PTT) 141 (28,66%), Belgrade Business School – High School of Professional Studies (hereinafter: BBS) 54 (10,98), while from the group of other companies (hereinafter OC) the sample included 78 employees (15,85%).

A part of the study related to teamwork consists of four categories of questions: 1) synergy in the team; 2) skills of the cooperatives; 3) innovations; 4) quality. Questionnaire is designed by the methodology suggested by Bateman, Wilson and Bingham (2002, pp. 215–216). Questionnaire consists of the scale of answers of the

Likert type, and the answers on the scales from 1 to 5 define the level of agreement or disagreement with a particular statement: 1 – I strongly disagree, 2 – I disagree, 3 – I am indecisive, 4 – I agree, 5 – I strongly agree.

ANALYSIS AND RESULTS

Descriptive statistical analysis shows that the study has included 284 (58%) female respondents and 208 (42%) male respondents. According to the age, respondents are divided into three groups: 194 (39%) respondents younger than 35, 250 (51%) employees between 36 and 55 years and 48 (10%) employees who are older than 55. Structure of the respondents' sample according to the education is the following: 172 (35%) of respondents have secondary school, 95 (19%) of respondents have a higher education and from there are 194 (40%) of respondents who graduated from the faculty, the titles – master and PhD have the 31 (20%) of respondents. In relation to the years spent in organization, respondents are divided into four groups: up to five years 119 (24%), from six to fifteen years 219 (45%), from sixteen to twenty years 55 (11%) and over 20 years 99 (20%).

Table 1 Socio-economic indicators of respondents

Company		PCC BP	PC PTT	BBS – HSPS	OC	Σ
Sample size (N)		219	141	54	78	492
Gender	Male	103	53	19	34	209
	Female	116	88	35	44	283
Age	–35	95	59	24	16	194
	36–55	103	74	24	49	250
	55–	21	8	6	13	48
Education	Sec.school	85	63	1	23	172
	Higher educ.	49	28	11	7	95
	Faculty	79	46	23	46	194
	Academic title	6	4	19	2	31
Years spent in an organization	–5	65	23	11	20	119
	6–15	90	81	33	15	219
	16–20	29	9	4	13	55
	–20	35	28	6	30	99

Source: Lekić, S. (2010)

Synergy in the team represents a sense of belonging that is shared by team members. It is evaluated as an average value of eight factors: clearly defined belonging to the team (a_1), clearly defined meaning/goal of the team (a_2), clear role of team members (a_3), efficient communication within the team (a_4), sense of value of team members (a_5), other organizational units of the company appreciate the team in which an individual works (a_6),

sense of pride due to belonging to a team (a_7), each member of the team maximally contributes to the teamwork (a_8).

Table 2 Average grade of team synergy

Company	a_1	a_2	a_3	a_4	a_5	a_6	a_7	a_8	Average grade
PCC BP	3,79	3,86	3,83	3,71	3,96	3,55	3,9	3,58	3,77
PC PTT	3,33	3,35	3,24	3,28	3,76	3,21	3,5	3,07	3,34
BBS - HSPS	3,91	4,04	3,81	3,89	4,13	3,76	4,15	3,76	3,93
OC	3,46	3,5	3,33	3,51	3,82	3,32	3,65	3,46	3,51
ENTIRE SAMPLE	3,62	3,69	3,55	3,60	3,92	3,46	3,80	3,47	3,64

Source: Lekić, S. (2010, p. 230)

Data from *table 2* show that BBS in all categories of the synergy evaluation parameters has had the best results. Having in mind that PC PTT has the lowest average grade of team synergy, it is required for the company's management to aim its attention towards developing the sense of belonging that all team members share.

Skills of cooperatives describe the preparation of the team members, competence in performing the job and flexibility within the job description. They are evaluated as an average value of eight factors: team members are adequately trained and competent for professional performance of their job (b_1), team members are appropriately trained in administrative jobs and procedures related to the job (b_2), there is a formal system for recognizing the needs for further education of workers (b_3), needs for education and improvement are identified systemically (b_4), based on the analyzed needs of the employees, an additional training (b_5), members of the team are competent to perform a series of jobs within the team (b_6), team members are flexible and willing to execute other jobs within the team (b_7), members of the team highly appreciate additional education (b_8).

Table 3 Average grade of the skills of cooperatives

Company	b_1	b_2	b_3	b_4	b_5	b_6	b_7	b_8	Average grade
PCC BP	3,66	3,59	3,27	3,25	3,20	3,67	3,57	3,53	3,47
PC PTT	3,05	3,11	2,91	2,89	2,77	3,32	3,18	3,19	3,05
BBS - HSPS	3,81	3,78	3,44	3,33	3,44	3,72	3,56	3,59	3,58
OC	3,42	3,38	3,11	2,91	2,79	3,53	3,56	3,49	3,27
ENTIRE SAMPLE	3,49	3,47	3,18	3,10	3,05	3,56	3,47	3,45	3,34

Source: Lekić, S. (2010, p. 244)

From *Table 3* we can see that average grade for the skills owned by cooperatives in the team is the highest in Belgrade Business School, while in PC PTT it is the lowest.

Innovations include looking for a manner to improve productiveness and manner of work. Innovations in the team are evaluated as average value of eight factors: team members are encouraged to try new methods of work (c_1), team has been included in new projects related to its products/goals from the very beginning (c_2), each innovation in work of the team is appreciated and rewarded (c_3), problems related to the job/clients are revealed rapidly (c_4), problems revealed are spotted rapidly (c_5), problem solving is experienced as learning and development of the team (c_6), team members often suggest innovations in work (c_7), team members willingly accept innovations in work (c_8), *Table 4*.

Table 4 Average grade of innovations in teamwork

Company	c_1	c_2	c_3	c_4	c_5	c_6	c_7	c_8	Average grade
PCC BP	3,57	3,49	3,23	3,67	3,63	3,66	3,40	3,60	3,53
PC PTT	3,18	3,23	2,72	3,44	3,41	3,29	3,16	3,26	3,21
BBS - HSPS	3,80	3,78	3,54	3,94	3,80	3,61	3,48	3,44	3,67
OC	3,32	3,31	2,74	3,35	3,22	3,41	3,04	3,27	3,21
ENTIRE SAMPLE	3,47	3,45	3,06	3,60	3,52	3,49	3,27	3,39	3,41

Source: Lekić, S. (2010, p. 258)

The highest average grade of innovations in teamwork is recorded in Belgrade Business School, while the lowest recorded is in PC PTT and the group of privately-owned small companies.

Quality measures the level of familiarity with the needs of the clients and standards of monitoring their pleasure. It is evaluated as average value of eight factors: team members are familiar with the needs of their clients (d_1), it is clearly defined who the clients of an individual team are (d_2), work standards within the team are clearly defined (d_3), work standards are regularly updated (d_4), feedback on monitoring teamwork is obtained regularly (d_5), there are quantitative standards of efficiency that are followed (d_6), the team complies with the organization standards for solving the complaints of the clients (d_7), complaints are considered on daily basis and messages are systemically applied in further work (d_8), *table 5*.

Table 5 Average grade of the teamwork quality

Company	d_1	d_2	d_3	d_4	d_5	d_6	d_7	d_8	Average grade
PCC BP	3,77	3,81	3,63	3,65	3,36	3,39	3,62	3,63	3,61
PC PTT	3,53	3,45	3,41	3,30	3,06	3,21	3,51	3,49	3,37
BBS - HSPS	3,89	3,96	3,80	3,65	3,67	3,59	3,83	3,89	3,79
OC	3,47	3,49	3,22	3,17	3,05	3,05	3,28	3,31	3,26
ENTIRE SAMPLE	3,67	3,68	3,52	3,44	3,29	3,31	3,56	3,58	3,50

Source: Lekić, S. (2010, p. 272)

The highest average grade of the quality of teamwork is recorded in Belgrade Business School, while the lowest is in PC PTT.

Table 6 Average grades of teamwork

Company	Synergy	Skills	Inovations	Quality	Average grade
PCC BP	3,77	3,47	3,53	3,61	3,60
PC PTT	3,34	3,05	3,21	3,37	3,24
BBS - HSPS	3,93	3,58	3,67	3,79	3,74
OC	3,51	3,27	3,21	3,26	3,31
ENTIRE SAMPLE	3,64	3,34	3,41	3,51	3,47

Source: Lekić, S. (2010, p. 273)

Average grade of teamwork is given in Table 6. Results show that teamwork is appreciated the most in Belgrade Business School. Based on the table we can conclude that sample includes two types of teams: administrative and entrepreneurial. Administrative team, i.e. bureaucratic represents a transition path from the work group in the team and that is where we observe a formal selection of members, authoritarian style of leadership, non-elastic organizational rules and classification of jobs by specialized unit, although with caution, the team gives an opportunity for development and learning, such as it is the case with PC PTT. In Belgrade Business School we observe the entrepreneurial team which has development as a goal. Employees in Belgrade Business School access the problems in an exploratory and creative manner, leadership is liberal and democratic, it is strived towards multidisciplinary in education of employees, organizational rules are flexible and dynamic, and the teams are opened for the environment and innovation. The good foundation for joint work is set by systemic operation of managers and cooperatives, team members.

If we accept the model of Schermerhorn (according to Ingram, Teare, Scheuing and Armistead, 1997) which suggests that team's efficiency can be measured through individual and group results which are the products of the process of formation of internal processes in groups that lead to the results, we can see that these processes are most frequently affected by the managers who form teams, while the processes within group are one of the most influential determinants of higher team efficiency. They include orientation towards the common goal, cohesion, communication, decision-making, work tasks and resolution of conflicts. We can determine that the highest level of team efficiency is achieved in Belgrade Business School. Efficiency of the teamwork is based on final result of the work, as well as dissatisfaction of team members. The ultimate result is determined through qualitative and quantitative achievements of the team defined through team goals, while the satisfaction is based on the possibility to meet basic needs of the members and that for that reason the commitment to the team, i.e. business entity, is increased.

CONCLUSION

In order to provide better position in the international market and achieve significant competitive advantage, the companies must perform constant changes and adapt themselves to the requirements of the environment. They should base their business on the experience of other, successful companies, as well as to apply contemporary methods and techniques of management. With the growth of organizations and increase of complexity of organizational structure, there appears the need for the introduction of teams in which the people work together in order to achieve the common goal of the organization. Main reason for this is the observed connectivity of the teamwork and efficiency of the business. For that reason, in contemporary organizations we observe the efforts of the managers in creation of competent teams required for the development of new business solutions, strengthening the motivation of people for desired results of work and increase of work efficiency. Efficiency of teamwork is observed through four groups of questions: synergy in the team which represents the sense of belonging shared by team members; skills of cooperatives which describe the preparation of team members, competence in performing the job and flexibility within job description; innovations that include searching for the manner to improve productivity and manner of work; quality that measures the level of familiarity with the needs of clients and standards of monitoring their pleasure.

Study has shown that it is not easy task to reach team's efficiency measured either through individual or group results. Under the conditions of increased speed of changes that are imposed by technology, globalization, profitable growth and requirements of buyers, an organization has to give priority to efficient team work in order to enable continual innovations of its products, processes and organisation and reach certain competitive level.

Key factor of the creation of competitiveness in contemporary business are the innovations. Support of the country in improvement of the competitiveness of national companies is of great significance, because the competitiveness of one country depends on the competitiveness of its economic subjects, as well as business environment that it is willing to offer them. National companies should be exposed to a healthy competition. Contemporary flows of business dictate market environment that provides the success in business only to those who are ready for challenges, changes and continuous specialization.

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