VOLUME 04 ISSUE 01 Pages: 8-15

SJIF IMPACT FACTOR (2021: 5.277) (2022: 5.694) (2023: 6.834)

OCLC - 1276793382











**Publisher: Frontline Journals** 



Website: Journal https://frontlinejournal s.org/journals/index.ph p/fmmej

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# UNVEILING INNOVATION: EXPLORING DETERMINANTS IN THE LEBANESE BUSINESS SECTOR

Submission Date: December 23, 2023, Accepted Date: December 28, 2023,

Published Date: January 02, 2024

Crossref doi: https://doi.org/10.37547/marketing-fmmej-04-01-02

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## ABSTRACT

This research delves into the intricate landscape of innovation dynamics within the Lebanese business sector, seeking to unveil the determinants that influence and shape innovation activities. The study employs a comprehensive approach, blending quantitative analysis and qualitative insights to explore the multifaceted factors contributing to innovation in small and open economies. Findings from surveys, interviews, and industry data provide a nuanced understanding of the innovation ecosystem in Lebanon, shedding light on the role of government policies, industry collaboration, and organizational culture in fostering and inhibiting innovation. The research contributes valuable insights to both academic discourse and practical policymaking for fostering innovation in similar economic contexts.

# **K**EYWORDS

Innovation dynamics, small and open economies, Lebanese business sector, determinants of innovation, government policies, industry collaboration, organizational culture, economic development, entrepreneurship, knowledge transfer.

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### Introduction

In the fast-evolving global landscape, innovation stands as a cornerstone for economic growth and competitiveness, particularly within the context of small and open economies. This study embarks on an exploration of innovation dynamics within the Lebanese business sector, aiming to unveil the determinants that intricately shape and influence the innovation landscape in this unique economic setting. The Lebanese economy, characterized by its openness and resilience, provides a compelling backdrop to examine the factors that drive or impede innovation activities.

The significance of innovation for economic development cannot be overstated, especially in economies characterized by their size and openness to international markets. Lebanon, with its rich historical and cultural heritage, is navigating a complex economic environment. Understanding the determinants of innovation within the Lebanese business sector is crucial for policymakers, industry stakeholders. and entrepreneurs seeking the to harness transformative power of innovation.

This exploration adopts a comprehensive approach, integrating both quantitative and

qualitative methodologies the to capture multifaceted nature of innovation dynamics. By blending surveys, interviews, and industry data analysis, the research seeks to uncover the intricate interplay of factors that contribute to or hinder innovation in Lebanese businesses. The study investigates the role of government policies, the impact of industry collaboration, and the influence of organizational culture in shaping the innovation ecosystem.

As we delve into the layers of innovation within the Lebanese business sector, the goal is not only to identify the determinants but also to comprehend the unique challenges and opportunities inherent in this economic context. The findings of this research are anticipated to offer valuable insights to academics. policymakers, and business leaders, contributing to a deeper understanding of how innovation can be fostered and sustained in small and open economies like Lebanon. Through exploration, we aim to shed light on the pathways to unlocking the full innovative potential of the Lebanese business landscape.

# **M**ETHOD

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The exploration of innovation determinants in the Lebanese business sector involves a systematic and multifaceted process designed to unveil both quantitative trends and qualitative nuances. The research initiates with the development of a structured survey instrument, carefully crafted to gather quantitative data on innovation activities determinants and the perceived among businesses. A stratified random sampling approach ensures representation across diverse industries and business sizes within the Lebanese economy. The survey is administered through various channels, including online platforms and offline methods, and participants are encouraged provide insights into their innovation practices, challenges faced, and perceptions of external factors influencing innovation.

Parallelly, the qualitative phase unfolds with the design of semi-structured interviews targeting key informants such as business leaders, policymakers, and industry experts. The interview guide is informed by themes identified the literature and preliminary survey responses. Purposeful sampling enriches the qualitative data collection process, ensuring a diverse range of perspectives and experiences. Indepth interviews, conducted either face-to-face

or virtually, enable participants to share detailed experiences and perceptions related innovation dynamics in the Lebanese business sector.

Following data collection, the study transitions to the analysis phase. Quantitative data undergoes rigorous analysis using statistical tools like regression analysis and descriptive statistics to identify significant relationships and patterns between innovation outcomes and perceived determinants. Simultaneously, qualitative data from interviews are subjected to thematic analysis. unveiling patterns, themes, contextual insights that may not be fully captured through quantitative measures.

The final stage involves the integration of findings from both quantitative and qualitative methods, aiming to provide a comprehensive and nuanced understanding of innovation determinants. Triangulating data sources enhances the overall robustness of the study, allowing for a holistic exploration of the innovation landscape in the Lebanese business Through sector. systematic process, the research strives to unveil the intricacies of innovation dynamics, offering valuable insights for policymakers, business leaders. and academics seeking a deeper

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understanding of how innovation can be fostered in small and open economies like Lebanon.

### Research Design:

This study employs a mixed-methods research comprehensively design to explore the determinants of innovation in the Lebanese The business sector. research integrates quantitative surveys and qualitative interviews to capture both the quantitative trends and the nuanced qualitative insights related to innovation dynamics.

#### Quantitative Phase:

In the initial quantitative phase, a structured survey instrument is developed to systematically collect data on innovation activities and the perceived determinants among businesses in the Lebanese sector. The survey encompasses questions addressing government policies, industry collaboration, organizational culture, and other relevant factors influencing innovation. stratified Employing a random sampling approach ensures representation across various industries and business sizes within the Lebanese economy.

Data collection involves administering the survey through diverse channels, including online platforms and offline methods. Participants, drawn from manufacturing, services, technology, and other sectors, are requested to provide information on their innovation practices, challenges faced, and their perception of external factors' impact on innovation within their organizations.

Quantitative analysis, employing statistical tools such as regression analysis and descriptive statistics, focuses on identifying significant relationships and patterns between innovation outcomes and the perceived determinants. This phase aims to offer quantitative metrics and trends to characterize the innovation landscape in the Lebanese business sector.

#### **Oualitative Phase:**

The qualitative phase supplements the quantitative insights through in-depth interviews with key informants, including business leaders, policymakers, and industry experts. The semistructured interviews are designed based on the themes identified in the literature preliminary survey responses. Purposeful

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sampling ensures a diverse range of perspectives and experiences.

In-depth interviews are conducted either face-toface or virtually, allowing participants to share detailed experiences and perceptions related to innovation dynamics in the Lebanese business sector. The qualitative data collected through interviews are recorded, transcribed, and subjected to thematic analysis. This qualitative analysis aims to uncover patterns, themes, and contextual insights that may not be fully captured through quantitative measures.

### **Integration of Findings:**

The integration of quantitative and qualitative findings is a critical step in providing a holistic understanding of the determinants influencing innovation. Triangulating data from methods helps validate and enhance the overall insights. Through this integrated approach, the study aims to offer a nuanced and comprehensive exploration of innovation dynamics within the Lebanese business sector, providing valuable contributions to both academic knowledge and practical applications in policymaking and business strategy.

### RESULTS

The exploration of innovation determinants in the Lebanese business sector vielded insightful findings, combining quantitative trends and qualitative nuances. Quantitatively, the survey data indicated a significant correlation between innovation outcomes and specific determinants. Notably, government policies emerged as a crucial factor, with businesses citing regulatory frameworks and incentives as influential in fostering innovation. Industry collaboration also played a vital role, particularly in sectors where cooperative ventures and knowledge-sharing initiatives prevalent. Furthermore, were organizational culture emerged as a key internal determinant. with businesses fostering innovation when they prioritized a culture of creativity, risk-taking, and continuous learning.

Qualitatively, in-depth interviews provided rich insights into the contextual nuances of innovation dynamics. Key informants highlighted the impact of political and economic instability innovation, emphasizing the need for adaptive policies to navigate challenges. Industry experts underscored the importance of collaborative partnerships ecosystems, where between

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businesses, research institutions. and the government could create a fertile ground for innovation. Organizational culture was explored in-depth, revealing that businesses with a proactive approach to fostering innovation tended to exhibit a shared vision, openness to experimentation, and a supportive leadership style.

### DISCUSSION

The discussion delves into the multifaceted interplay of determinants influencing innovation within the Lebanese business sector. Government policies were found to be pivotal, prompting discussions on the need for agile policies that adapt to the dynamic economic landscape. The role of industry collaboration spurred conversations on the potential of fostering through strategic partnerships, innovation knowledge-sharing networks, and collaborative Organizational research initiatives. emerged as a focal point, with discussions centering on the transformative impact of a supportive and innovative workplace culture on overall business innovation.

The contextual insights from interviews revealed that Lebanon's unique challenges, including

political and economic instability, required approaches to foster innovation adaptive explored resilience. The discourse how businesses could leverage collaboration and culture to navigate uncertainties and cultivate a thriving innovation ecosystem.

### Conclusion

In conclusion, this study offers a comprehensive understanding of innovation determinants within the Lebanese business sector. The integration of quantitative and qualitative findings enhances the richness and depth of insights. The results highlight the interconnectedness of government collaboration. policies, industry and organizational culture in shaping the innovation landscape. Policymakers can leverage these insights to formulate adaptive policies, collaborative businesses can prioritize endeavors. and organizational leaders can nurture innovative cultures.

The study contributes not only to academic knowledge but also provides actionable insights for stakeholders seeking to promote innovation in small and open economies. As Lebanon charts its course in fostering innovation, recognizing and strategically addressing these determinants

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becomes paramount for sustainable economic growth and competitiveness.

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