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**Name of the Course:** Electronic Business Administration  
**Teacher’s Name:** Ing. Jesús González Dabdoub

**Module:** 1. Technological development and innovation.  
**Activity:** 2. How to manage the innovation process.

**Date:** March 17th, 2007

**Bibliography:**

**Objective:**
- Evaluate the importance of managing the innovation in the company, as a strategy for market continuance.
- Understand the relationship between the structure of the organization and the innovation of the company.

**Procedure:**
To carry out this report the following steps were taken:

1. I investigated and reviewed bibliography related to the subject, in the sources mentioned in this assignment, located in the Las Torres campus library.

2. I investigated and reviewed alternate sources of information on the internet as complement to the assignment.

3. I reflected and understood the subject of the assignment. This allowed me to have the necessary information to carry out the next step.

4. I made the appointment and interviewed the technology expert within Timbo, S.A.

5. Ing. Fernando Abad, head of technology of the company, provided me with very relevant information regarding the process of innovation within the company. The interview was conducted on July 15th, 2006.

6. According to results of the interview, I drafted my results and conclusion, the experience was satisfying and successful.
Results:
The assimilation of technology in business is fundamental today thanks to the technological advances which have enabled the achievement of a multitude of tasks that were more complicated to achieve before, more time was invested, they were more expensive, required more staff, the results were less efficient, etc. Nowadays you can improve many processes with technology whether through software or hardware, companies make use of these tools to improve their processes and take better advantage of the resources available and in this way become a leading and competitive company in the current market. Technological assimilation is linked directly to competitiveness, today you can’t be a leading company if you don’t have current technology or if the company takes too long in acquiring or assimilating new technology.

Advantages
- Response time: With the right technology the processes of a company are enhanced to perform an activity, for example an inventory, make a sale, make an enquiry, these can be accelerated using specialized software.
- Organized information: You can organize the information of a company in databases, this information can be divided by departments, and you can add security in the access to this information in a way that only authorized personnel can access it.
- Cost savings: Using technology you can save, for example, in production, communication, stationery, outsourcing, labor, etc.
- Backup information: Companies always have very important information that deals with its operations, and losing this information or its revelation to non staff would represent heavy losses. This is why it’s important to have backups of information and security on the servers on which the information is located.
- Competitive advantage: Having technology improves the company's processes allowing it to offer better customer service and improve the company’s product or service. This way you establish a competitive advantage.
Disadvantages

- Obsolete technology: Failure to assimilate the technology on time causes the company’s technology to become obsolete, making the company’s processes inefficient or low quality.

- Competitive disadvantage: Since the processes are inefficient or low quality, the company’s products or services don’t represent any kind of advantage for the customers or their products don’t satisfy the requirements of the customers.

- Loss of customers: By not offering a product that satisfies 100% of their requirements causes the customers to search for other alternatives.

- Increased costs: The lack of adequate technology will almost certainly generate more operation costs as more time or resources in their daily activities are likely to be invested.

At Timbo, S.A., Ing. Fernando Abad, head of the technology department, explains that overall the success of the company is due to the rapid implementation of new technologies; for example, Timbo, S.A. is one of the pioneers in the use of the Internet in Mexico. Particularly, the technology department is constantly searching to offer a better service to its customers. How is this achieved? By improving the Internet connections since currently most of the applications demand great bandwidth, each day the use of wireless connections is more common. This is why each day the network equipment is being replaced, for example the old jobs for switches, servers, routers, etc. All this to improve bandwidth. Better Internet connections are also hired, with wireless network service, structured wiring that enables the use of applications like IP telephone, video conferences, video signal on the network, a network equipment monitoring system that allows to detect any anomaly that the equipment may present and allows to solve it on time without interrupting the service.
Conclusion:
Enabling the technology assimilation process makes a company successful. I’m also convinced that you can’t be competitive if you don’t have the adequate technology. Currently, if companies don’t invest resources in researching technological breakthroughs or applications that allow them to improve their operations, they will probably fail. I think the basis for a company’s success and setting it apart from others is the process that it applies, which can be improved by technology.