

IIT Newsletter



Great Project Success!

11 European Countries

- Austria
- Czech Republic
- Estonia
- Finland
- Germany
- Ireland
- Italy
- Netherlands
- Portugal
- Spain
- United Kingdom

694 Company Interviews

- Focus on innovative companies
- 58.6 % SMEs
- 11 % very large companies (>300 employees)

5 Industrial Sectors

- Manufacturing (37%)
- Agro-food (14%)
- Bioharma (13%)
- ICT (19%)
- Cleantech (17%)

Industrial Innovation in Transition

<http://www.iit-project.eu/>

Prof. Erkki Ormala (Project Coordinator)

Aalto University School of Business
Department of Management Studies

Contact United Kingdom:

MIOIR/ Alliance Manchester Business School

University of Manchester
Manchester, United Kingdom
<http://www.mbs.ac.uk/>

Dr Lisa Dale-Clough

T: +44 (0)161 275 0458

E: lisa.dale-clough@manchester.ac.uk

Deborah Cox

T: +44 (0)161 275 5925

E: deborah.cox@manchester.ac.uk

"Our project will make a difference in generating new insight into industrial innovation and innovation policy formulation."
Erkki Ormala, Project Coordinator

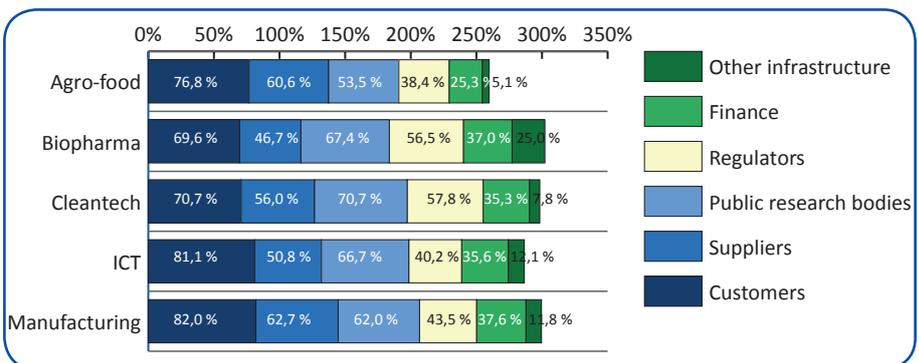
Ecosystem highly important for innovation

Our results show the importance of widespread external collaborations during the course of innovation projects. Among all sectors and company sizes 47 % of the companies stress the high importance of their innovation ecosystem (IES) for developing new products and services and realising their business strategies. Of course, customers are the most frequently mentioned collaboration partner, but public research bodies and suppliers are also equally embedded. Interestingly, regulators participate in more than 50 % of the biopharma and cleantech IES.

"Expanding to new markets required new partners to be included in the ecosystem. And that created the need to manage innovation in the whole ecosystem instead of only our company's internal processes." Finnish company

What does this mean for innovation projects in practice?

Companies actively develop and apply strategies to influence and govern their IES. Participating in regulation committees, developing alliances, and improving quality and technology are just a selection of such strategies. Most companies use their IES as a route to exchange knowledge with both weakly-tied and close IES partners. Almost every second company regularly relies on such external innovation partners. Exchange of staff and financial support was less common than the exchange of knowledge as the mechanism through which IES are organised.

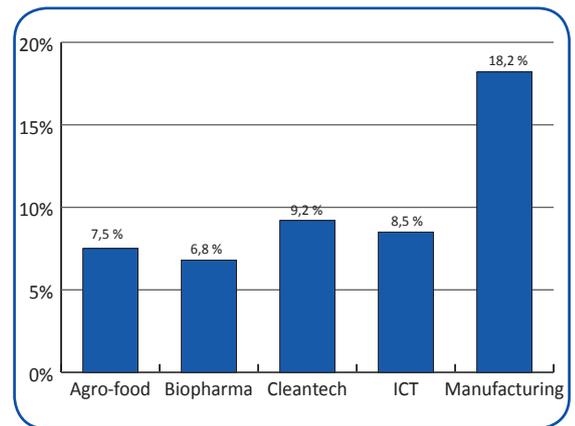


Relevant stakeholders of innovation ecosystems by industrial sector



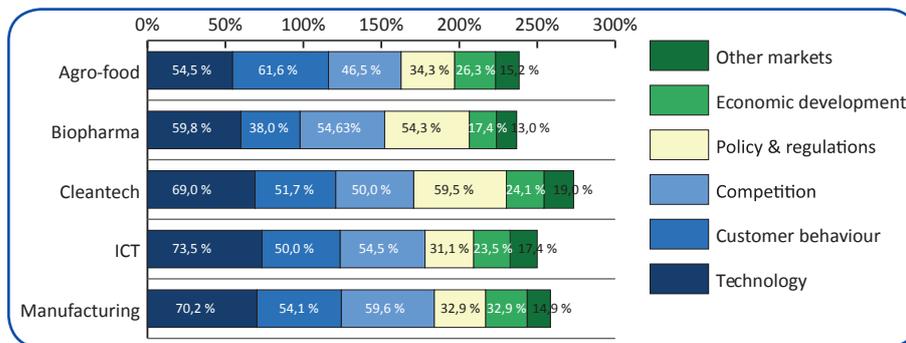
Really ,open' innovation is still hard to find

Knowledge exchange can be pursued in various ways. The Open Innovation (OI) framework has famously described how knowledge can be exchanged between IES organisations. Bilateral forms of OI, such as collaborations with universities or customers have been very common and established practices for many years and often secured by non-disclosure agreements (NDAs). However, examples of more open forms of inter-organisational innovation, in which partners have more freedom to use the results as they wish, are difficult to find. It appears that this kind of OI is not aligned with the business models of many companies. For example, protecting core knowledge is the typical strategy used to respond quickly to new market requirements and adapt technological opportunities. Industry-wide modes of OI that would enable more systematic exchange of knowledge have not been established yet. This is problematic since 38.6 % of the companies have problems with accessing knowledge and 50.1 % experience a lack of capabilities and skills as a barrier of innovation. Particularly the lack of skills is a problem within the manufacturing sectors where this barrier is perceived twice as much than in any of the other industry groups.



Lack of skills as a barrier to innovation

Mapping future opportunities as IES activity



Future foresight topics by industrial sector

Systematically managing challenges and innovation within an IES provides opportunities for firms to benefit from the interaction with the stakeholders. Beyond managing current challenges we found that companies also collaborate to collectively map their future environment. Mapping techno-

"We have firstly a collaboration with various large companies, where we look in the direction of 2020, or rather 2050, 2020 is too short. Where we regularly meet with the companies, which are deliberately representing other industries, in order to see what they are working on, what new things emerge."
German company

logical developments is for most companies in all sectors the most important element of future foresight. The agro-food sector focuses most frequently on customer behaviour whereas cleantech and the biopharma industries focus more on trying to foresee and influence regulatory and political developments.

Innovation Ecosystem

From past to future

Current IES

Future IES

Change

Open Innovation

Future Mapping

- Mapping the IES (stakeholders, roles, positions, influences, opportunities, limits)
- Taking from the IES and shaping the IES
- Policy support

Case study topics

Next Steps

Building on these first results we will deepen our knowledge with in-depth company case studies (see case study topics on the left). We aim to understand how more open forms of OI emerge and operate Open Innovation, the challenges arising through IES change, and the benefits and applications of collaborative forms of future foresight.

We are open for any remarks or questions! Please do not hesitate to get in touch with us for further exchange!