

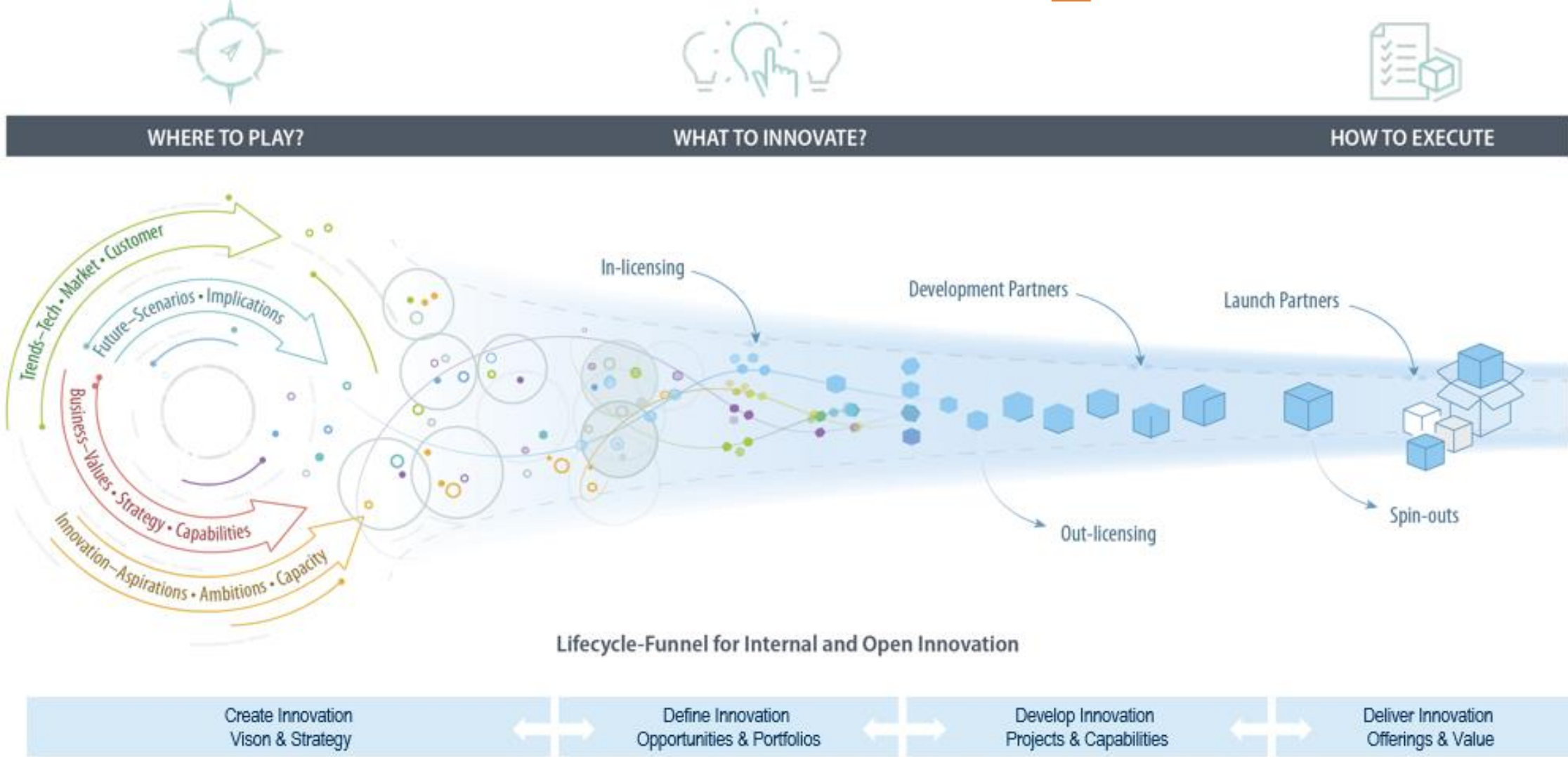
Open Innovation: Driving Speed and Agility

Tom Culver – RTI Innovation Advisors

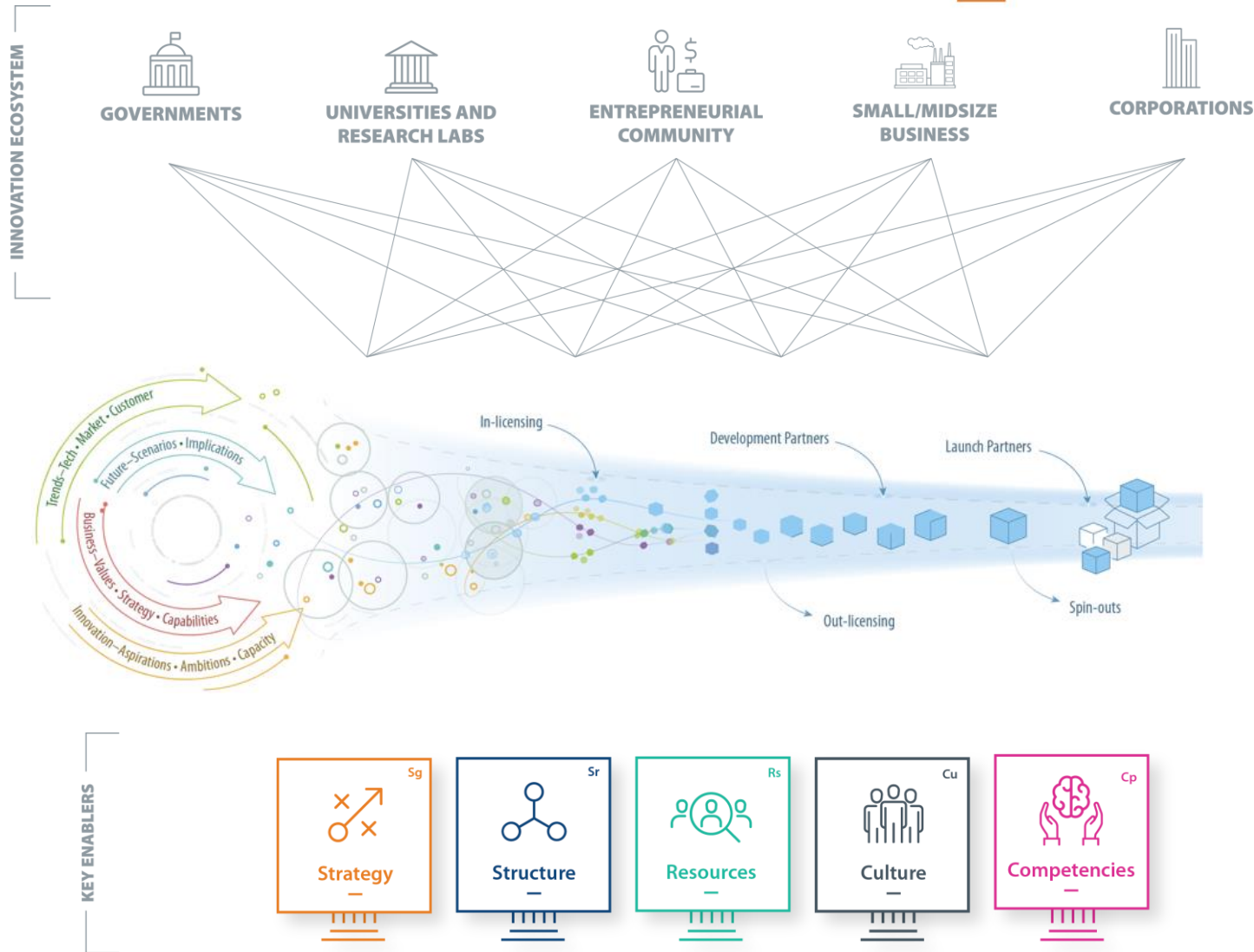
James Giustini – RTI Innovation Advisors



How we think about Open Innovation.



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We serve and connect clients across global open innovation ecosystems.

Industry




Government



Academia & NGOs



A large, powerful wave is crashing over a stone wall, creating a massive plume of white water. In the foreground, a group of people are standing on a paved pier or walkway, watching the wave. Some people are holding umbrellas, and others are taking photos. A small red lighthouse is visible on the left side of the pier. The ocean is a deep blue color, and the sky is clear. The overall scene is one of a major surfing event or a natural phenomenon being observed by a large crowd.

*“We are the first generation in history
where the pace of change has gone
hyper-critical within one lifetime.”*

—Gary Hamel



“The use of purposeful inflows and outflows of knowledge to accelerate internal innovation, and expand the markets for external use of innovation, respectively.”

—Henry Chesbrough



Open Innovation (OI)—THEN and NOW

Scope of OI THEN

Mandate for innovation came through R&D so early
OI was narrowly about tech scouting

Tactical enabler supporting product innovation

Tech scouting focused on tech and product level
development, creating the “new”

WANT, FIND, GET model is being adopted

Group ideation and crowd solving

Developing OI processes and tools were a primary
barrier to establishing OI

OI was emergent, cool, and not well studied

Scope of OI NOW

Mandate via Market/Customer for broad upstream
insights to guide HCD, R&D, NPD, testing, launch

Strategic enabler of growth — new biz models,
venture building, CVC, platforms, ecosystems etc.

Multi-modal, delivering insights/NPD/ventures,
in/out of business, creating new value

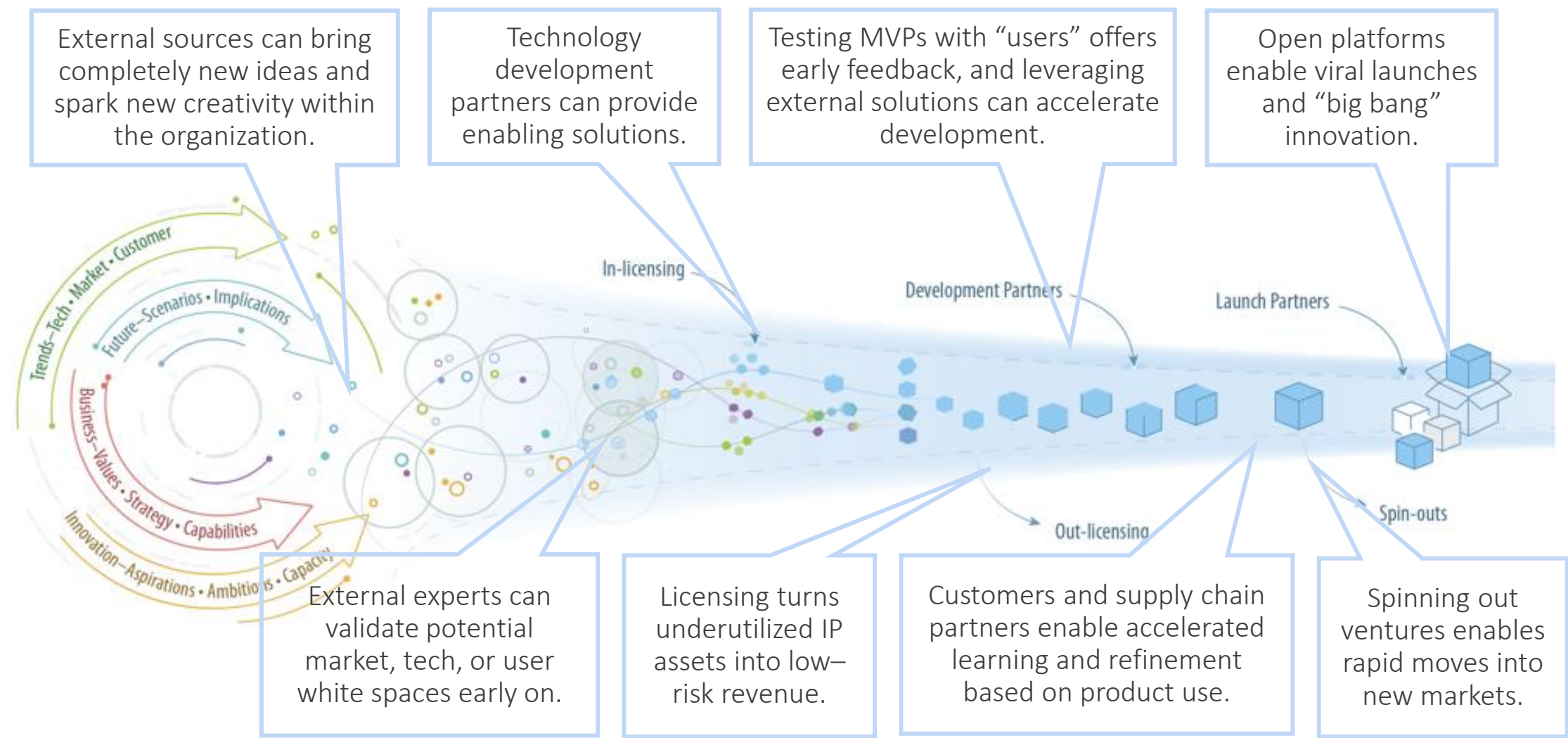
WF is easy, G is more skillful, MANAGING is key

Crowd funding, “pretotyping”, synthetic user tests

Managing multiple (or all) possible OI
modes/mechanisms is primary barrier

OI is just part of innovating, University OI Programs

How does Open Innovation drive the speed and agility of innovating?



Open Innovation—WHAT is STILL a Challenge? HINT: It is US, not THEM!

BU's still need to be convinced OI is worth it. Day to day imperatives still supersede the stated importance of OI.

As an OI lead you can be pitching well, but if nobody is catching, OI fails.

Silos, guarding development budgets and NIH behaviors are still a big issue.

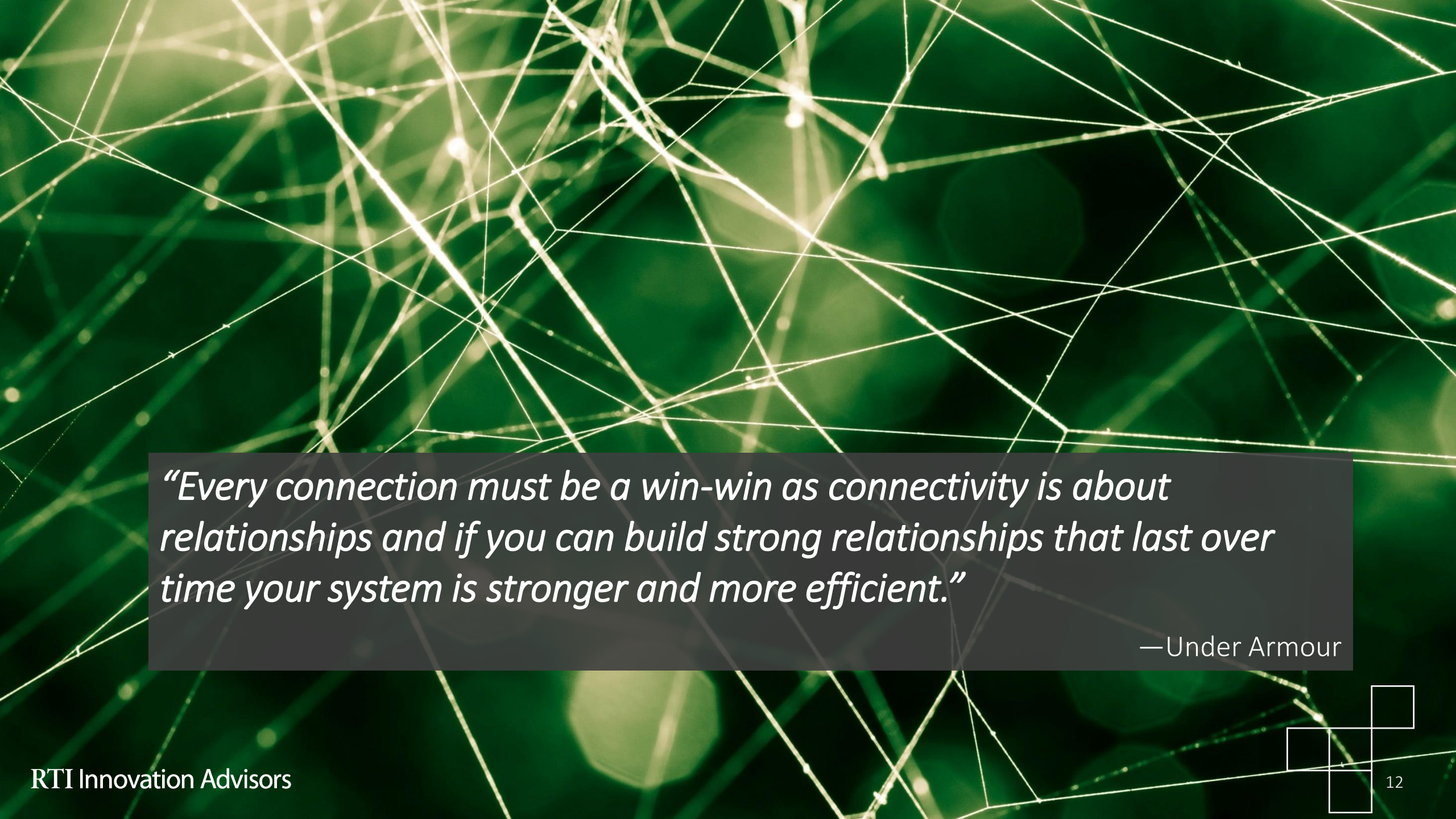
If your company can't connect internally, then you won't connect well externally.

A lack of structures and skills to Explore and Execute limits OI effectiveness.

OI from FEI to BEI, and OI for inflows and outflows, all requires ambidexterity.

Lack of OI commitment tied to budgets, business/market events, new leadership, and ad hoc approaches all kill OI momentum.

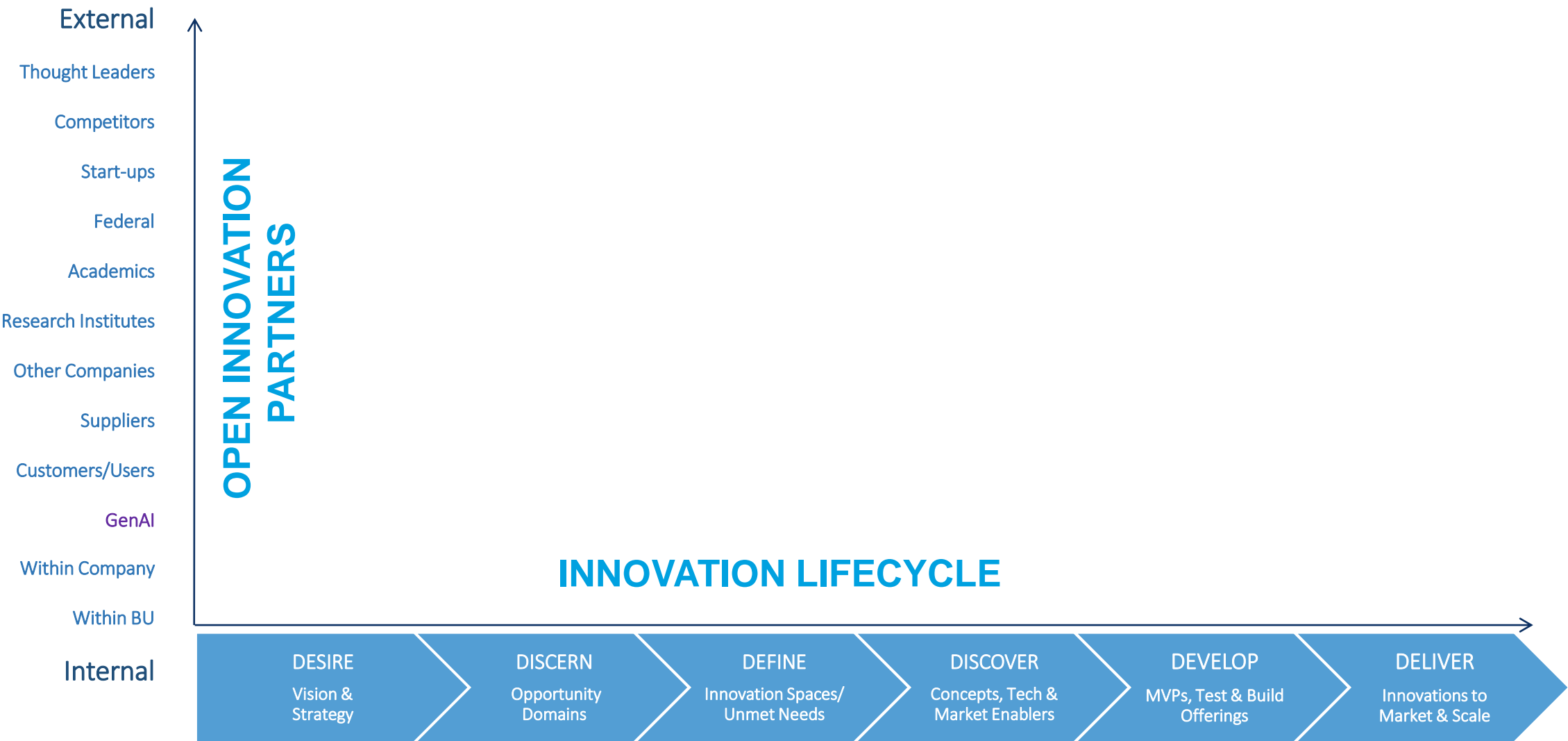
*The yak is slow, but the mountain is patient.
(Hint: Be the mountain.)*



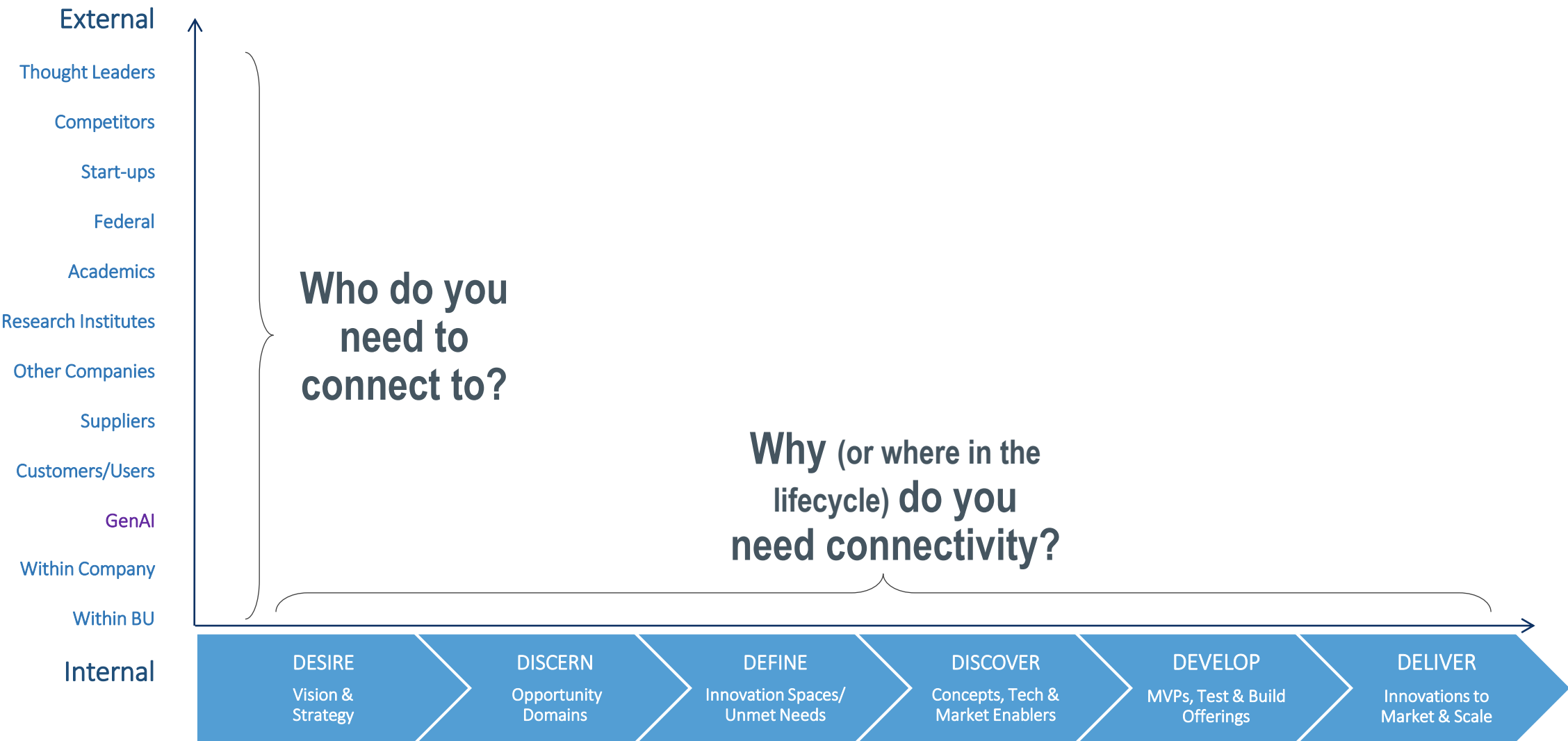
“Every connection must be a win-win as connectivity is about relationships and if you can build strong relationships that last over time your system is stronger and more efficient.”

—Under Armour

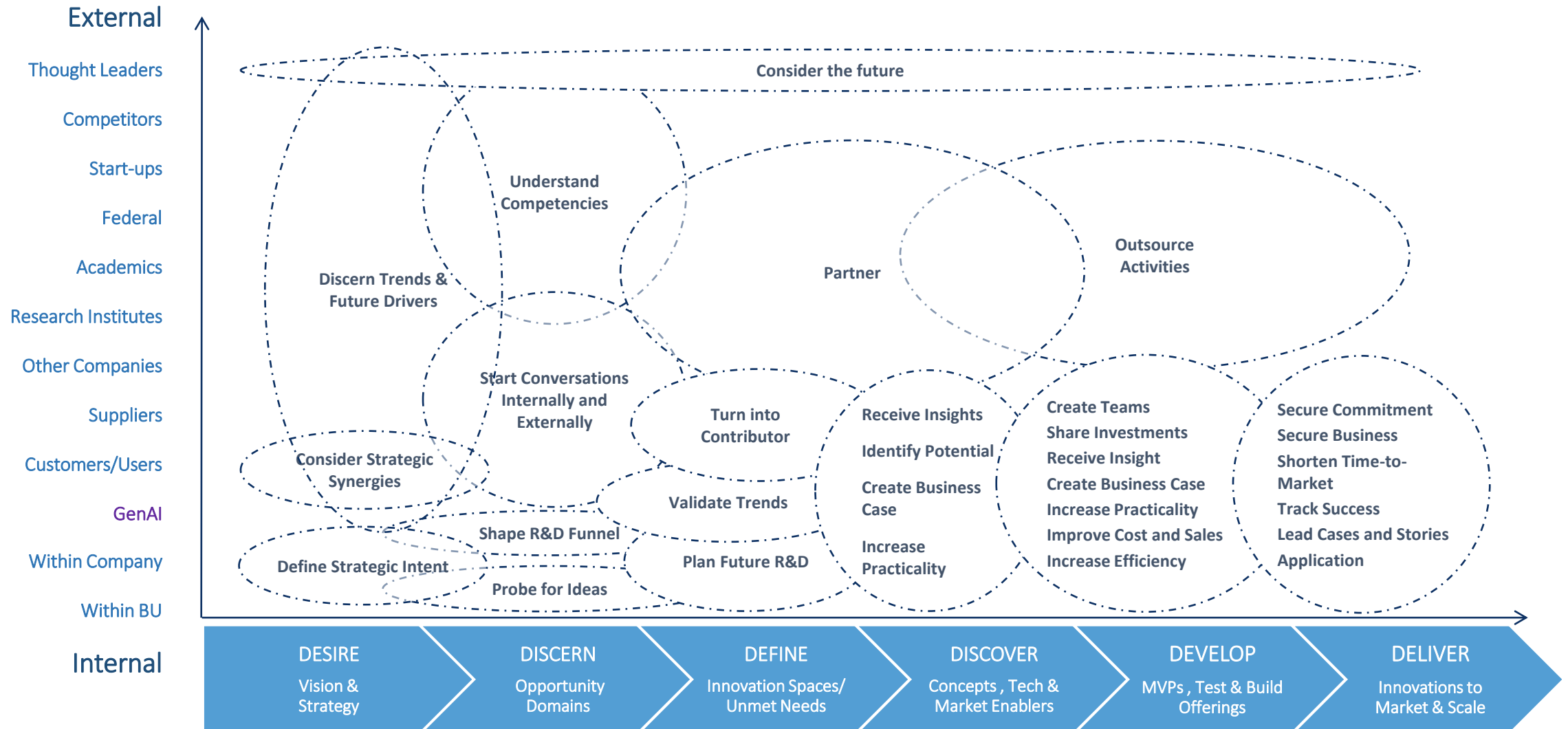
Open Innovation Landscape Mapping helps develop a strategic approach to mapping out your modes of connectivity!



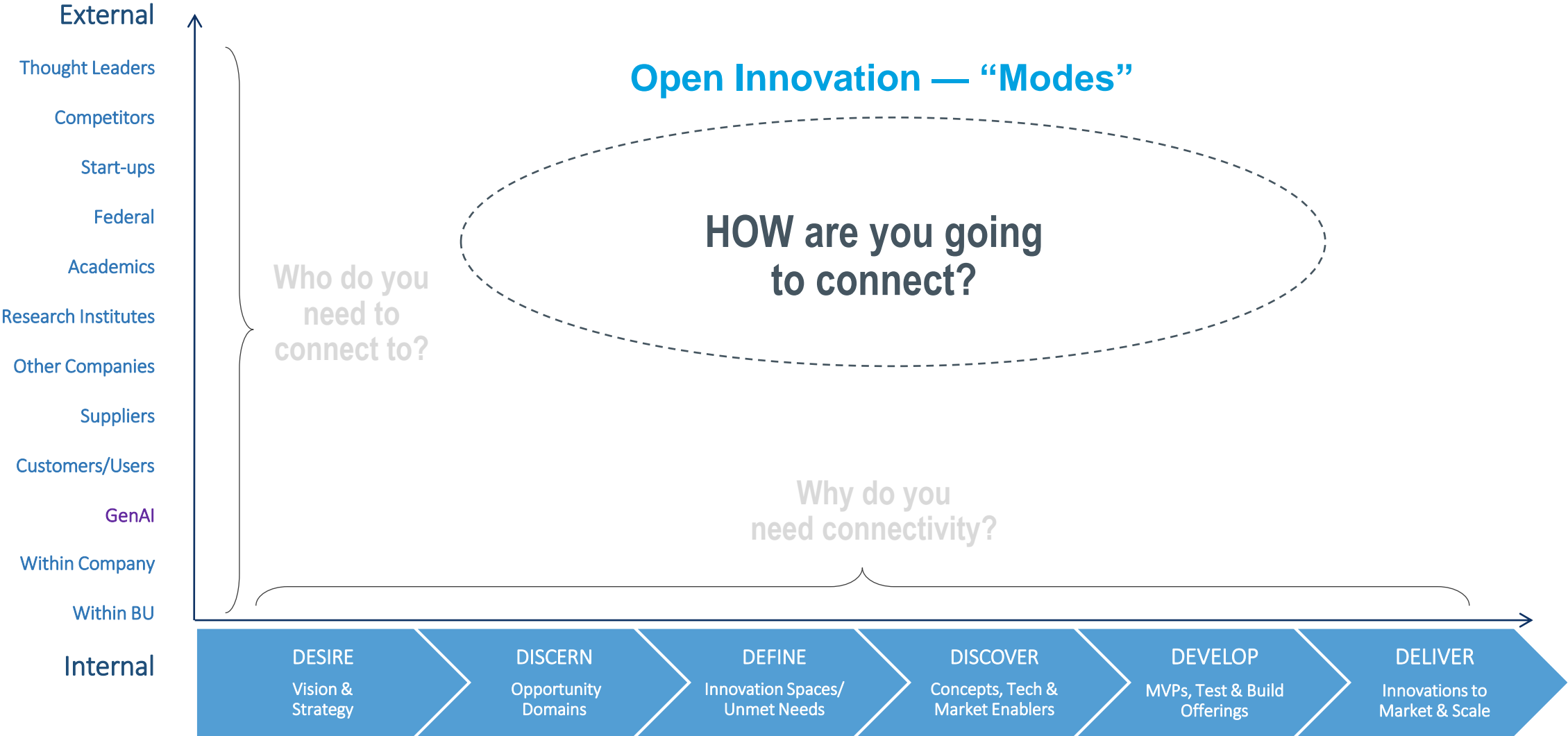
OI Mapping can help identify “connectivity” needs.



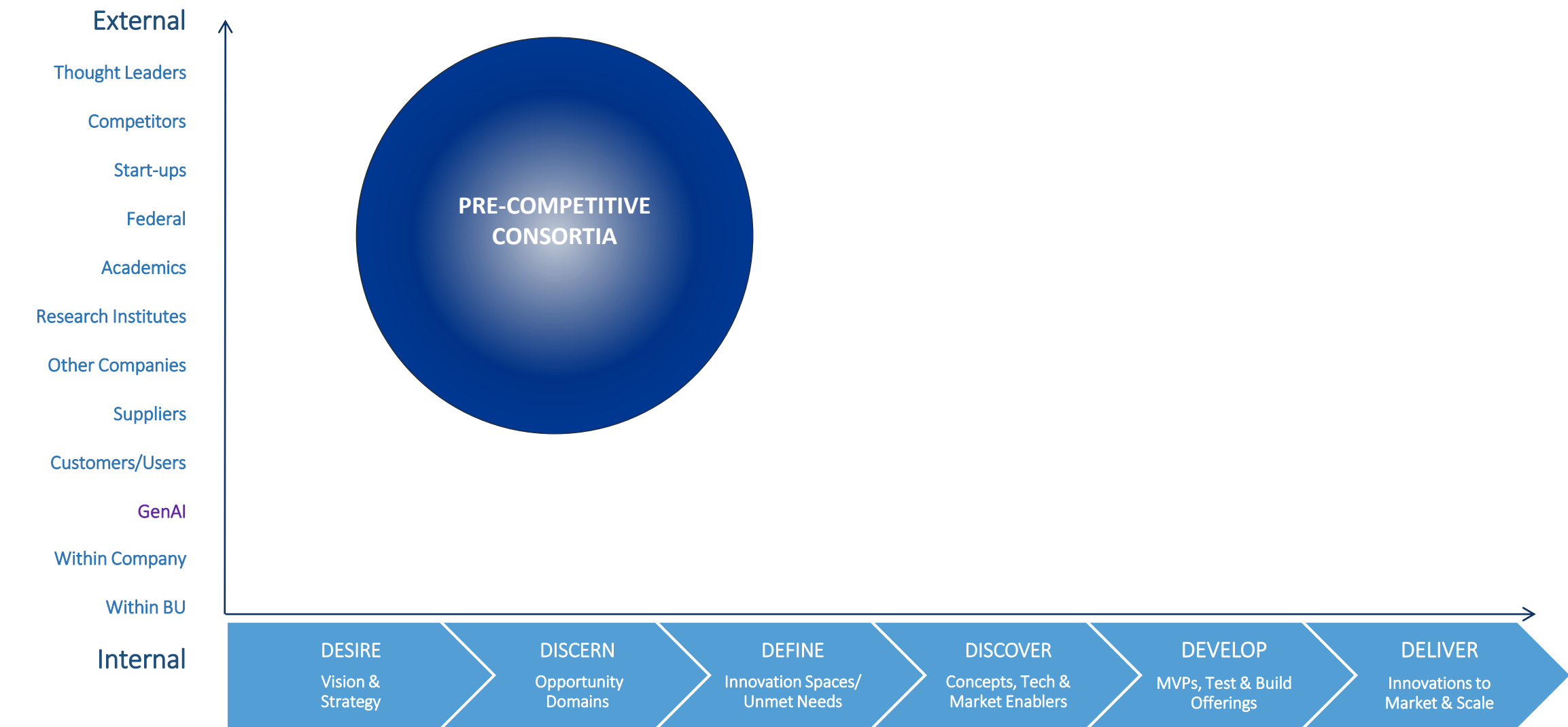
Values of connections? Value is created by the ways you connect inside and outside.



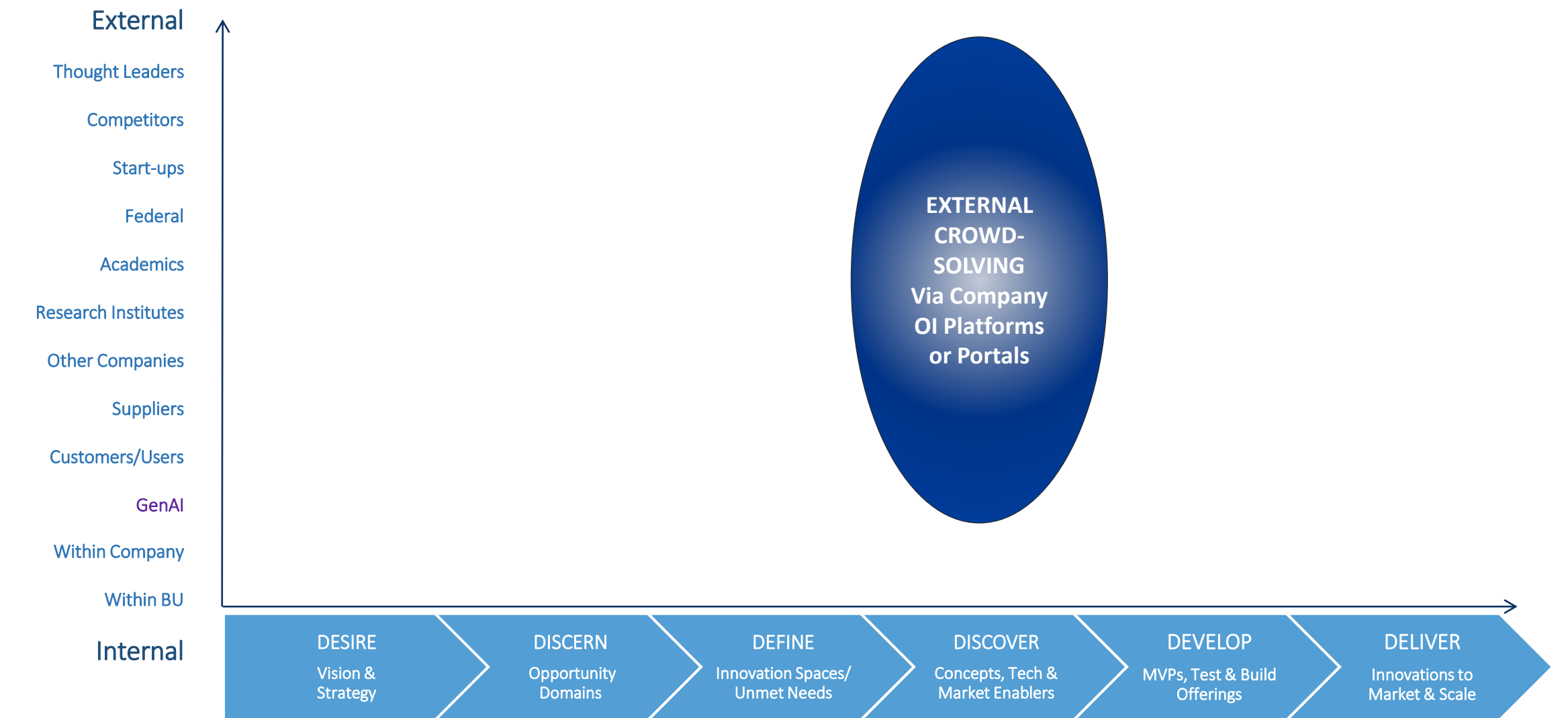
What are all the ways to connect for Open Innovation? There are many modes!



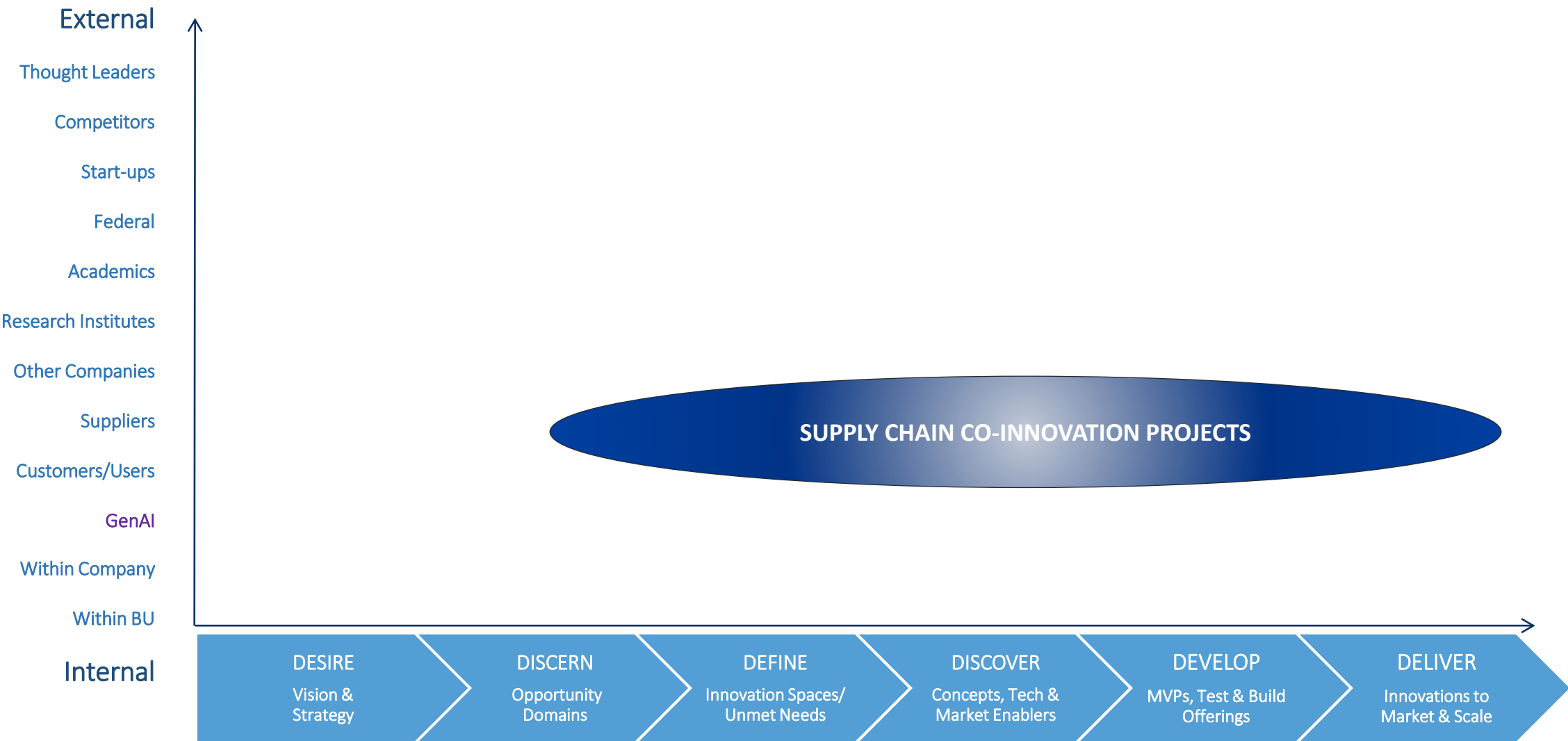
HOW? Example: Pre-competitive Consortia help provide early-stage insights around common challenges and opportunities.



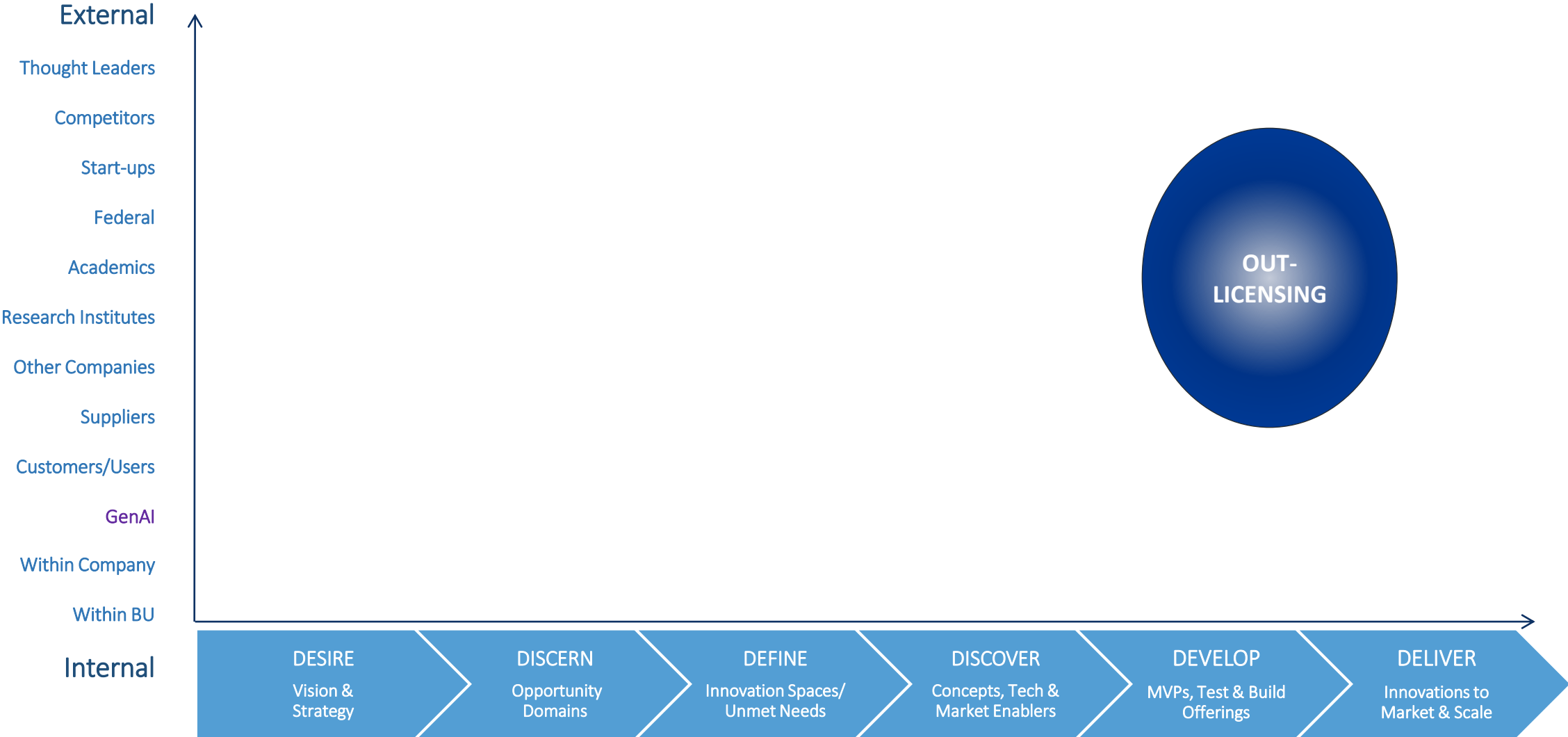
HOW? Example: Crowd-solving platforms bring many new solution ideas, and potential partners, to address well-defined challenges or problems.



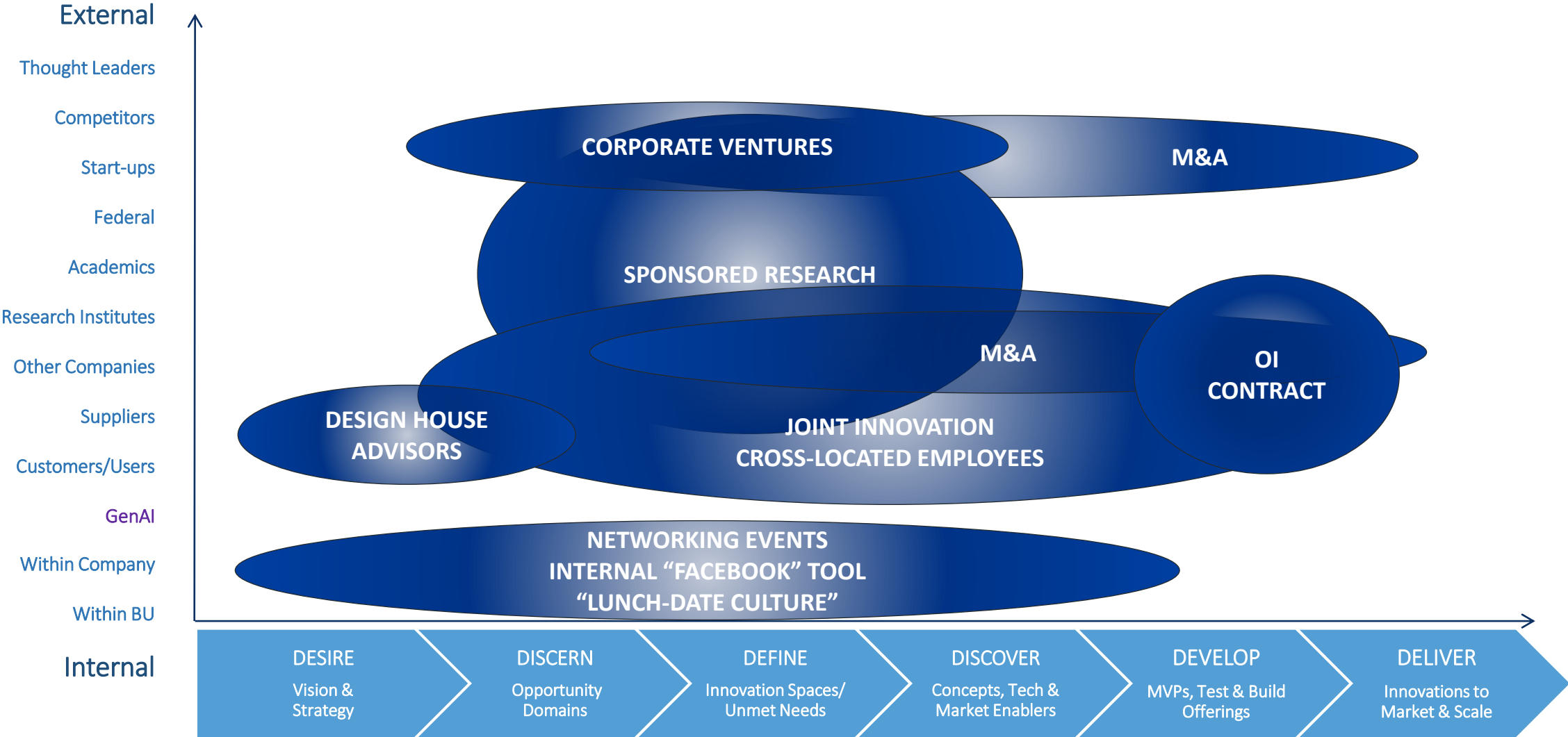
HOW? Example: Co-innovation projects with supply chain partners can help engage new companies to address end user needs and enable innovation.



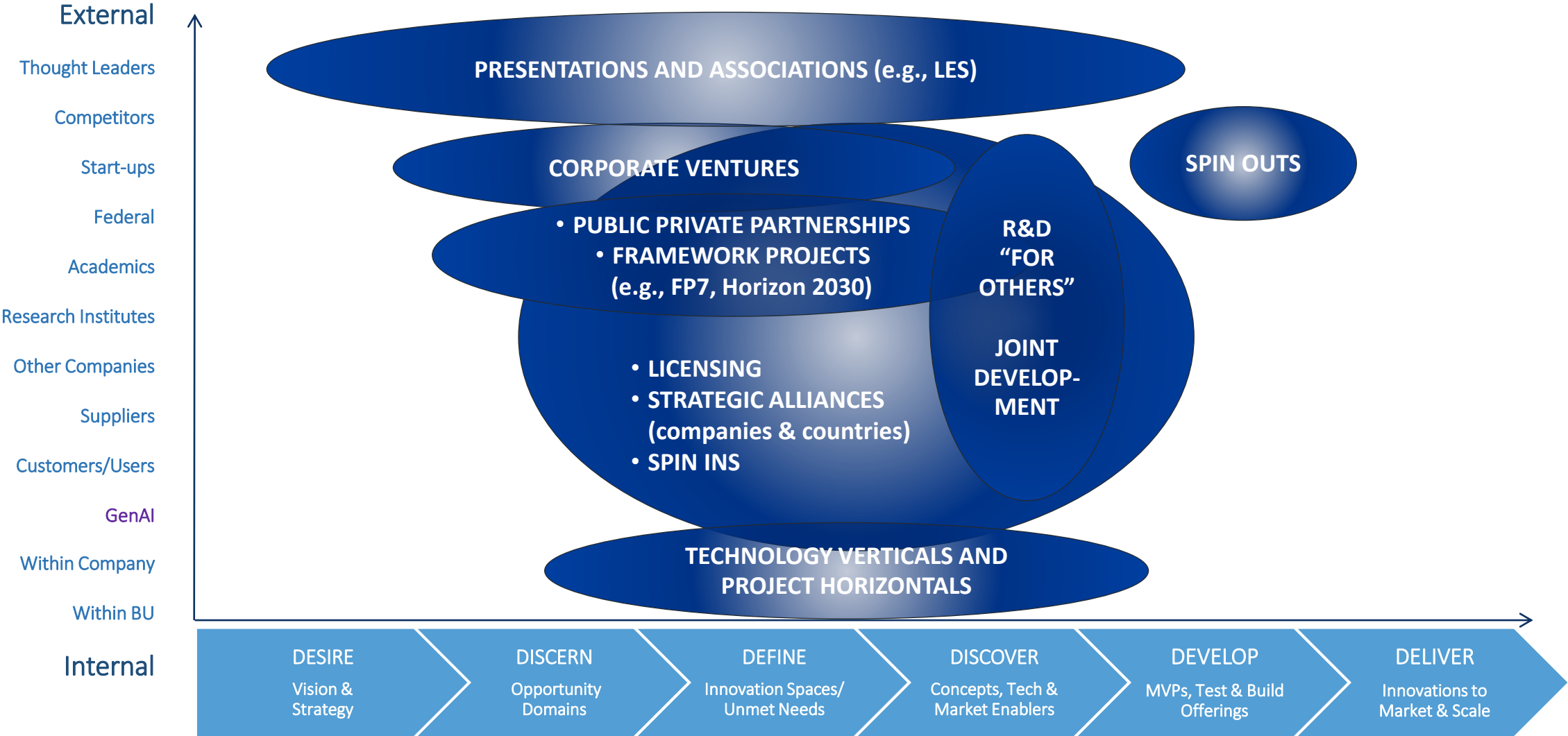
HOW? Example: Out-licensing can convert developed IP into new sources of value.




BASF Case Study: This graphic represents the connectivity mechanisms based on past interviews with BASF, but is by no means complete.



DSM Case Study: DSM uses a variety of connectivity mechanisms, as illustrated, and sees global connectivity as a core competency and foundational in their innovation success.



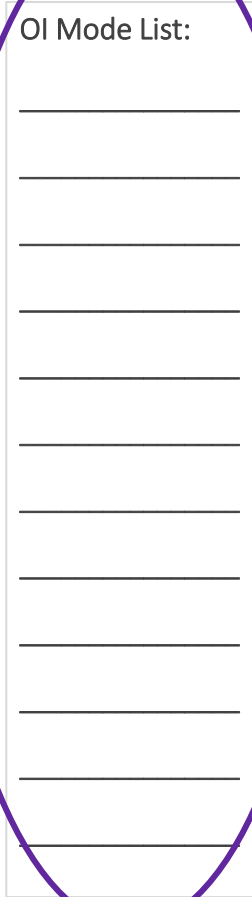


“Chance favors the connected mind.”

—Chris Roche, VP R&T, Eaton Corp

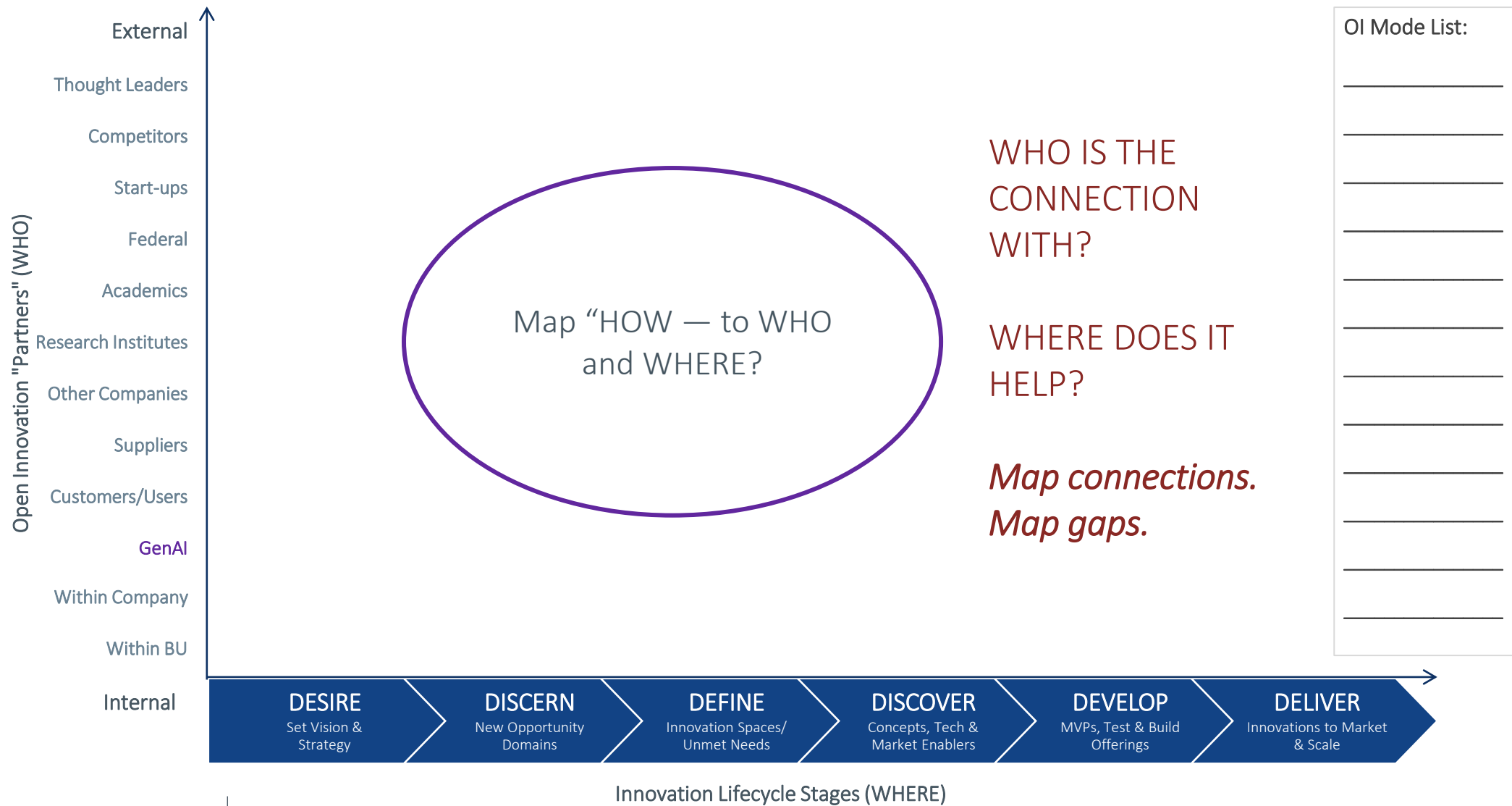
RTI Innovation Advisors

Source: RTI Open Innovation Landscape Mapping



Open Innovation Landscape Mapping

WORKSHEET INSTRUCTIONS: Begin by listing all of the Modes (HOW) your company does Open Innovation (OI) (below, right). Then, place each “Mode” on to the worksheet by considering all of the “WHO” (y-axis) engaged and “WHERE” (x-axis) in the lifecycle each Mode aids innovation.



Open Innovation Landscape Mapping





GROUP REFLECTION:

Where do you have MODE strengths? HOW?

Where do you have MODE gaps? WHY?

What is ONE issue or topic your group thinks is KEY to getting more from Open Innovation?



“Learning faster than the competition is the only sustainable competitive advantage.”

—Ari DeGues, Royal Dutch Shell

A serene landscape featuring a single, large tree with autumn-colored foliage standing on a grassy hill. The hill and the tree are perfectly reflected in a calm body of water in the foreground. The sky is a deep, dark blue, filled with numerous small, bright stars, and a small, pale moon is visible in the upper left corner.


GROUP REFLECTION:

For the selected issue:

Based upon your experiences,

1) What are the barriers to success?

2) What are the solutions to address those barriers?

A hand holds a camera lens, framing a view of a lake and mountains. The lens is held in the foreground, and the background is a blurred landscape of a blue lake, green mountains, and a blue sky with white clouds.

*“Innovation
distinguishes
between a leader
and a follower.”*

—Steve Jobs

Open Innovation Best Practices: If you are (re)Building an OI capability

Foundation	Build on your company's existing innovation processes, capabilities, and successes.
Model	Create a shared definition of OI, with strong core (central or hybrid) OI support model.
Strategy/Tactics	Set strategic opportunity areas for exploring , build tactical-level MODES, for executing OI.
Culture	Create incentives to shift mindset from problem solver to solution provider, for growth/speed.
Organization	Organize for ambidexterity, staff FEI (exploration) and BEI (execution) differently.
Process	Establish enterprise-level OI process and streamline agreements to engage partners rapidly.
Capabilities/Resources	Need "T" shaped human and digital (+A.I.) capabilities to for rapid, agile OI.



If you want to improve your OI, come see us!

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