

Modelling the Strategic Adoption of Open Innovation for Improved Decision-Making

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Point of departure

Problem area:

- Widespread interest in open innovation (Hsieh and Tidd, 2012; Cheng and Huizingh, 2014)
- How can managers make sense of this new concept and purposefully use it?

Why area is relevant:

- Industry perspective – Innovation role in competitive advantage (Teece *et al.*, 1997) and survival (Drucker, 1994)
- Academic perspective - Professionalising open innovation (Gassman *et al.*, 2010)

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Background theory:

- **5th Generation innovation process** (Rothwell, 1992)
- **Stage-Gate process** (Cooper 1984, 2008; Gronlund *et al.*, 2010)
- **Open innovation** (Chesbrough, 2006; Laursen and Salter, 2006; Minshall *et al.*, 2010; Bianchi *et al.*, 2010; Gassmann *et al.*, 2010; Dahlander and Gann, 2010; Lee *et al.*, 2010; Rohrbeck, 2010; Enkel *et al.*, 2011; West *et al.*, 2014)

Focal theory:

- **Dynamic capabilities** (Teece, *et al.*, 1997; Teece, 2007;)
- **Processes** (Bititci *et al.*, 2011)
- **Maturity** (Paulk *et al.*, 1993; Enkel *et al.*, 2011; MacKinven *et al.*, 2013, 2014)

Research methodology and design

- To seek evidence of a strategic and managed approach to open innovation
- Open Innovation Maturity workshops
- Context: Slow clock-speed industry (Oil & Gas)

Findings

- Engaged in OI activity, but not necessarily due to an objective move towards implementing OI as strategy

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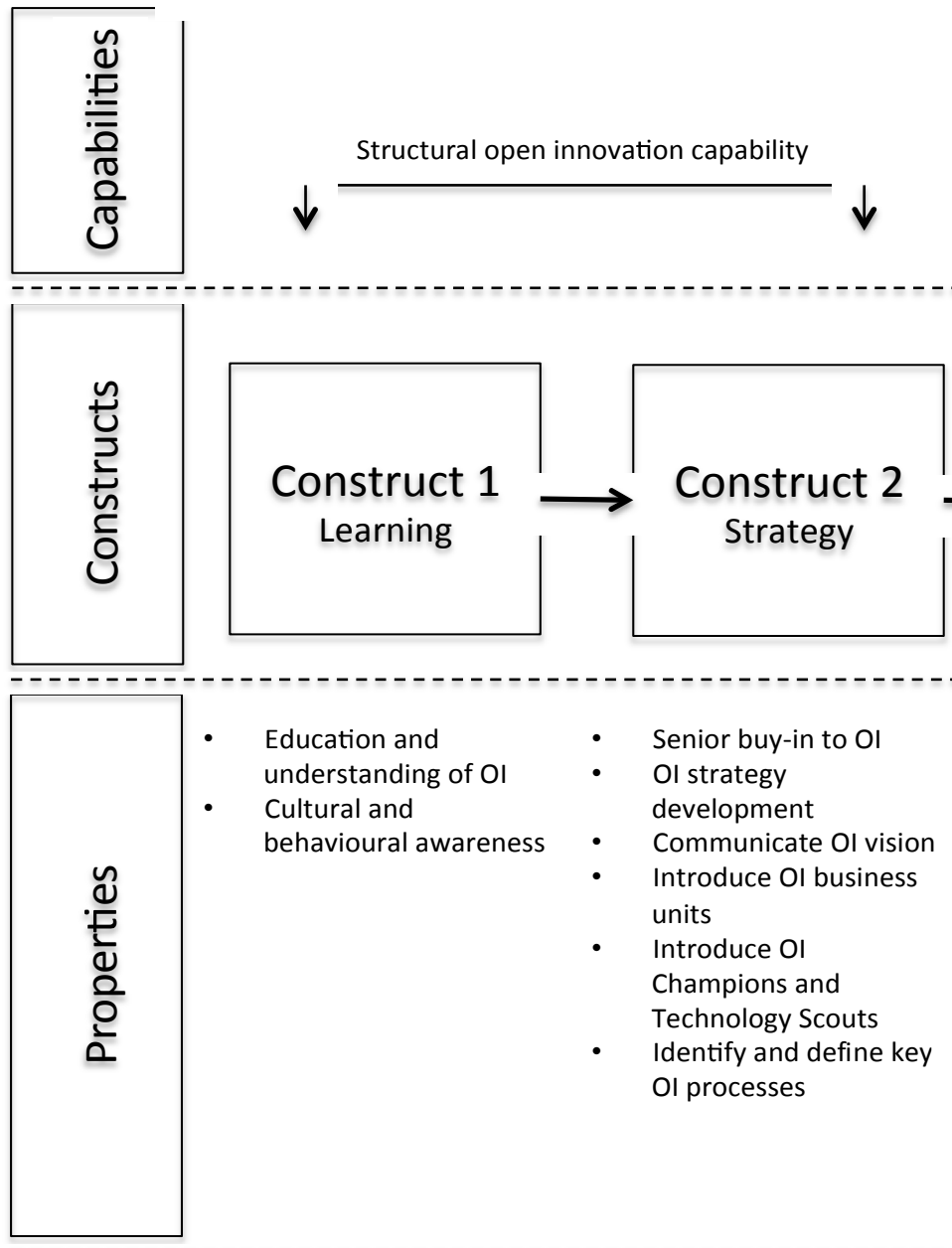
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Model of Strategic Open Innovation Adoption



Theoretical implications:

- How open innovation is different to more 'traditional' forms of innovation management
 - Communication and organisational buy-in
 - Awareness for company's position on innovation
 - Emphasis on objectively leveraging external knowledge through defined search processes
 - Open innovation as a mode of operation
 - Open innovation incorporated into strategy

Managerial implications:

- Open innovation fragmented literature
- Interest in professionalising OI activities – model a basis for discussion

Limitations:

- Model largely developed from theory
- Limited evidence of 'best practice' of OI in Oil and Gas Industry
- Not to be regarded as a definitive model

Future research:

- Managerial feedback on model for refinement
- Researchers involved in industrial design for implementing OI
- Longitudinal study – awareness of strategic implementation of OI and impact on organisational performance

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Questions?

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