



Abstract for the 12th INSME Annual Meeting Session I

Ecosystems to Support SME Innovation and Smart Growth

Dr. Eva DIEDRICHS

Founding Managing Director

IMP³rove - European Innovation Management Academy

Germany

Learning from global best practices in developing effective innovation eco-systems

Innovation eco-systems are a “large and diverse array of participants and resources that contribute to and are necessary for ongoing innovation in a modern economy” (Massachusetts Technology Collaborative). However the stakeholders are often not integrated resulting in significant transaction efforts within the innovation eco-system. Policy makers develop innovation support programs without an effective model how these programs are implemented effectively. Intermediaries in charge of the operational implementation of these programs lack the mandate to directly support the companies (mainly SMEs) as the key beneficiaries. They need to work with consultants who often focus more on the compliance with the public program rather than on the business impact for the companies. Financial actors have not yet incorporated innovation management capabilities as criterion in their due diligence. And academia is not yet focusing on practical experience in innovation management within their educational programs. This disintegration of the stakeholders in the innovation eco-system causes significant transaction effort and cost that can be reduced by having a common approach, as for example with IMP³rove for better innovation management.

Based on the truly global experience case examples will be presented how the integration of the innovation eco-system created significant impact by building on the IMP³rove Approach.

The IMP³rove Approach has been designed for better innovation management support services within the Innovation Eco-system. It is a holistic approach that includes:

- Online benchmarking of innovation management for companies based on an international database of more than 5,000 companies
- Supplier assessment in innovation management to ensure competitiveness within value networks
- An integrated consulting process that builds on the detailed IMP³rove benchmarking report as a baseline to focus on improvement measures that create maximum value for the enterprise

- Training and certification of business advisors, consultants and innovation managers in key success factors of innovation management, innovation management consulting and the IMP³rove benchmarking services
- Technical assistance for developing effective innovation support programs within innovation ecosystems
- The “IMP³rove for Students” program that provides for practical experience in innovation management assessment for master students integrating, universities with the business communities
- National and international IMP³rove Awards
- Networking services for the members of the global IMP³rove network.

Thus the IMP³rove Approach addresses the needs of companies, financial actors, policy makers etc. by providing an objective assessment of the innovation management performance in comparison with other companies, e.g. from the same industry. Consultants can use the benchmarking results to develop their improvement program. Intermediaries can leverage the IMP³rove benchmarking, training and technical assistance to secure the effective implementation of publicly funded programs, and policy makers gain more transparency on the innovation management performance of specific industry sectors, or specific types of enterprises. Academic institution can use the IMP³rove assessment tools to provide their students with unique experience in innovation management benchmarking and improvement in practice at enterprises.

The following case examples show how Innovation Eco-systems benefited from the IMP³rove Approach as common “denominator”. The European Union has launched a program supporting highly innovative SMEs throughout Europe. This program provides financial support to these companies for funding their innovation projects including expert support to ensure a successful launch of the innovation. The selection of the SMEs eligible for funding is based on the assessment of the company’s innovation management performance including their partnering capabilities. The IMP³rove Approach is used in most of the regions in Europe. The Enterprise Europe Network (EEN) as intermediary with contact points in all European countries –and beyond are in charge of supporting the SMEs in evaluating their innovation management. Therefore, many of the EEN members have been trained in the IMP³rove Approach or will be trained in the near future. They provide recommendations for experts supporting the SMEs in successfully conducting the innovation project including the launch of the innovation. Thus the IMP³rove assessment, training and certification will facilitate the interaction between the EEN member and the European agency in charge of the implementation of the SME instrument as well as between the EEN members as a European network. At the same time the proficiency in innovation management is raised across Europe. With the IMP³rove Certificate transparency in the market of innovation support providers will become more transparent. Thus transaction efforts for all stakeholders in the innovation eco-system are reduced. Building on a national innovation strategy the agency in charge of the ICT sector in a major country in the Arabic world received the mandate to develop the innovation capabilities of the companies in this sector focusing on SMEs. The agency decided to use the IMP³rove Approach. Staff members were trained in innovation management and in the IMP³rove Approach so that they were able to assist the ICT companies in the IMP³rove Assessment. In addition, private consultants were qualified – always with the focus on creating value for their clients. The national agency launched an Innovation Award for ICT companies based on the benchmarking results from the IMP³rove Assessment. The winners of the Innovation Award received non-financial support services for further developing their innovation management capabilities and competitiveness. About 200 companies participated in the contest for the Innovation Award. Each of the participants received a comprehensive report on their innovation management performance.

The transaction effort within this innovation eco-system was reduced by having a common basis for comparing the innovation management performance of the ICT companies. Furthermore, international benchmarks showed the level of competitiveness beyond the national borders. The intermediary and the consultants supporting the ICT companies had the same objective as the policy maker: increasing the profitable growth of ICT companies based on better innovation management.