



# SUCCESSFUL OPEN INNOVATION INVOLVING SMEs

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## PROBLEM / GOAL

- › Open Innovation offers many opportunities, **especially for SMEs**
- › **See: Keynote by Wim Vanhaverbeke “Open Innovation in SMEs”**
- › We wanted to understand how to manage Open Innovation projects involving SMEs successfully, in ‘inter-organizational value networks’, project consortia
- › We wanted to learn from practice, from projects in the industry

## RESEARCH / CONTEXT

- › We had the opportunity to study OI projects in ‘SSL-erate’
- › FP7 Coordination and Support Action that aims to promote the development, uptake and deployment of innovative LED lighting systems in Europe.
- › Universities, Cities, and five Lighting Clusters: **Danish** Lighting Innovation Network (DLIN), Luce in **Veneto** (LiV), Cluster d’Il-Luminació de **Catalunya** (CICAT), Groen Licht **Vlaanderen** (GLV), and Cluster Lumière, **Lyon** (CL).
- › They did 20+ projects. We studied 10 successful projects, to find ‘success factors’. we focused on **network structure** and **network coordination**.

## PROJECTS

- › The projects were initiated by coordinators from the Lighting Clusters
- › **They did workshops with companies**, facilitated opportunity finding, matchmaking between companies, partner selection and consortium building.
- › Each project involved **2 or 3 SMEs**, a **customer** or public organization, and a **university**, and were managed by the SMEs director(s).
- › Each project developed and evaluated **prototypes for a launching customers** within a time-span of 6-12-18 months.

## SUCCESS FACTORS: NETWORK STRUCTURE

- a) **There need to be clear and shared short-term goals**, e.g., to deliver a prototype for a customer in 6 months; the goals need to be in line with partners' individual goals; and a clear plan to realize these goals.
- b) **Partners need to have complementary competences and interests** (not competing); and they need to be able to combine these, e.g., a developer and a manufacturer can collaborate, if they are not direct competitors.
- c) **A consortium need to be relatively small, e.g., 3 to 5 partners** (in larger consortiums, we saw partners “leave”) to enable effective decision making; and there need to be clear contractual arrangements, e.g., for IP.

## SUCCESS FACTORS: NETWORK COORDINATION

- d. **Leadership is needed**, e.g., by the owners/directors of SMEs involved; and leadership styles need to facilitate collaborative innovation, i.e. to facilitate both collaboration and innovation (see next two items: e and f).
- e. **Collaboration between organizations**, e.g., with customers, users, knowledge institutes and suppliers; and communication and commitment need attention (easier in small consortium, small organizations—see c.).
- f. **Organizing iterations, experimentation and learning**, e.g., organizing early prototyping and early user testing, to learn from that, and to develop iteratively (easier if there are clear and shared goals and plans—see a.).

## AREAS FOR FEEDBACK AND DEVELOPMENT

- › Do we have **appropriate variables** for network structure (shared goals; partner selection; governance) and network coordination (leadership and vision; collaboration and cohesion; innovation and experimentation)?
- › **Missing anything? Different for SMEs** (compared to large companies?)
- › How can we further study the relationships between network structure and network coordination, and **success**? Are these causal relationships? Will an appropriate network structure and coordination indeed lead to success?
- › Do we need to study also **unsuccessful projects**? Unsurprisingly, we found that people involved in unsuccessful projects were not keen to talk about their projects and that unsuccessful projects were not documented.