

Developing an innovation eco-system that nourishes your needs

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Three fallacies about innovation drive the thinking about building innovation 'eco-systems'

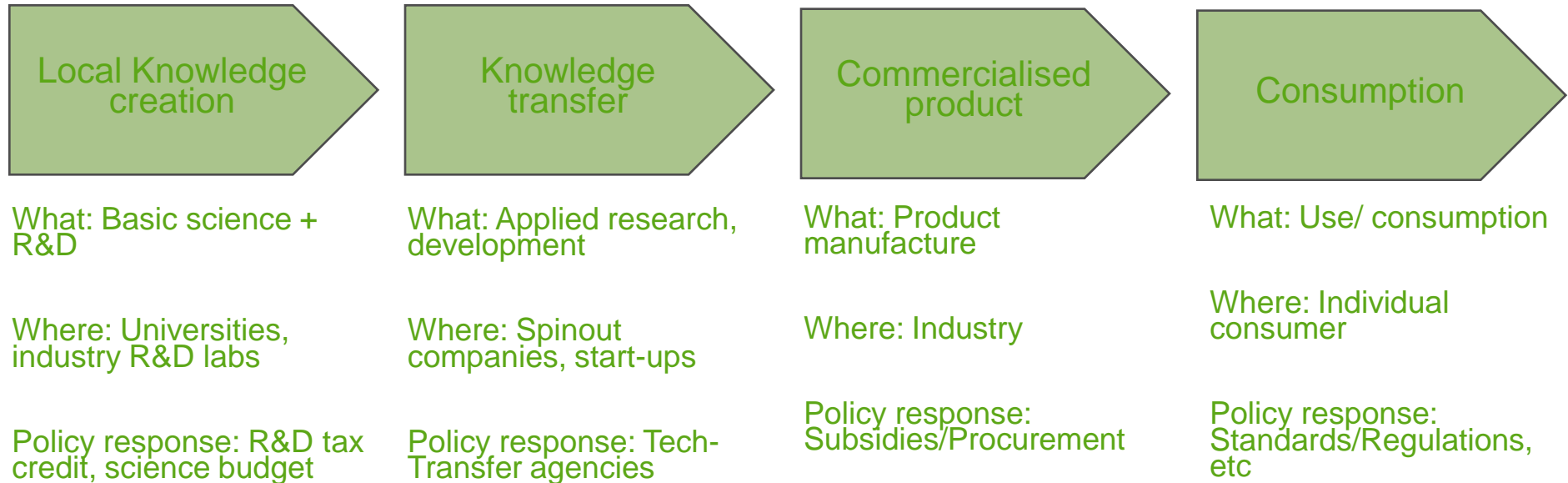
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1. That innovation is a linear process starting with knowledge creation and ending with knowledge exploitation.
1. That radical/new innovation is the only route to creating new economic and social value.
2. That the process of innovation is generated within certain administrative or regional boundaries.

Fallacy 1: Innovation is a linear process starting with knowledge creation and ending with consumption.

Fallacy: Innovation is a linear process



- All innovation surveys tell us that markets and users are the main source of innovations and not universities or inventors.
- R&D labs, universities and individual inventors are important sources but not main sources.

Fallacy 2: The innovation process is a domesticated process.

....but

- Most regions draw on the resources and competencies (the supply) outside their boundaries to innovate.
- Most consumers/users (the demand) exist outside the boundaries of a given region.

Fallacy 3: Radical/new innovation is the only way to create value

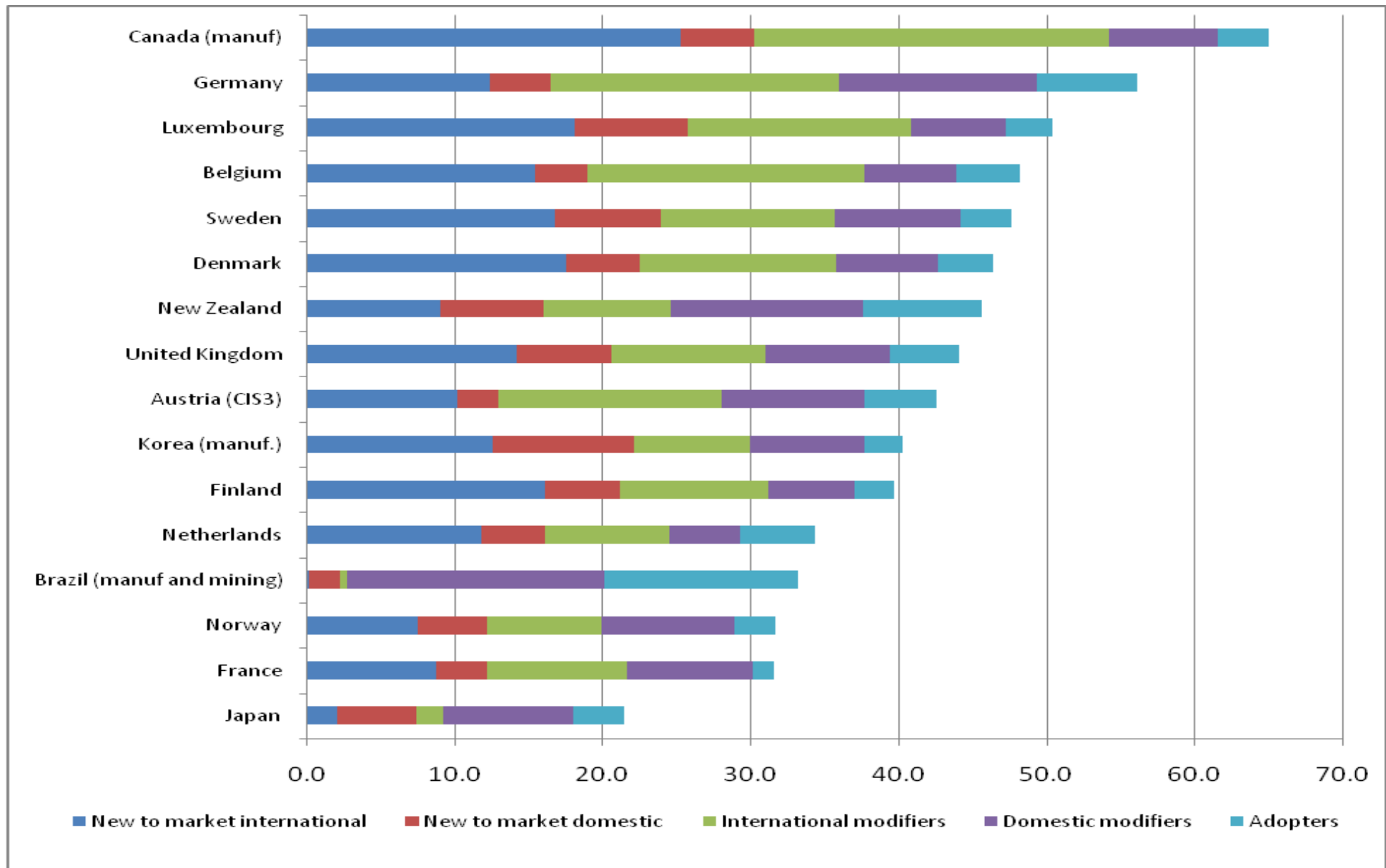
...but

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Most firms innovate by adopting and adapting the innovations of others beyond their organisations, national and regional boundaries.

Most economies are more knowledge adopters than knowledge creators.



Don't

- Plan for a linear, university or lab, oriented innovation industry only.
- Plan for a totally domesticated innovation value-chain.
- Focus on new innovations as the sole route to value creation.
- Replicate other countries' experiences; each country is unique.

....instead

- Identify your position within global value chains.
- Support the capacities needed for your jurisdiction to be competitive within your competitive role in global value chains.
- Facilitate the creation of links and networks that connect your local eco-system together as well as its partners around the world.

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