INNOVATION

The Name of the Game

Insights and Impressions from the 2018 ispim conference in Stockholm

Anders Hemre

It's June 17 and I'm back in Stockholm – the capital of my home country and where I used to live as a young telecommunications engineer. This time I'm here to attend the 29th ISPIM conference on innovation management. I have attended this annual event several times before to learn, mingle and share. My latest previous event was three years ago in Budapest and I'm eager to once again engage and experience.

With the rather generic theme "*innovation – the name of the game*" the conference has attracted 530 delegates from 41 countries. Actually it's the biggest annual ispim event so far. As expected, a majority of delegates come from Europe with a particularly strong presence from the Nordic countries.

The conference is well organized offering the usual mix of topics and tracks, networking opportunities, special interest groups, social events and study tours. As always at ispim, sessions cover contemporary academic research as well as the practice of innovation management in various business environments.

OPENING SESSION

Roberto Verganti **-** Professor of Leadership and Innovation, Politecnico Di Milano – speaks on creativity. Verganti argues that we need to pay more attention to the inside out innovation process to develop a meaningful direction in a world awash with ideas. More or better of the same don't create new markets or consumer "wows".   In our pursuit of direction we need to look for the right people, not just new ideas. Nest's learning thermostat and better known Airbnb are examples of a new directions and new value propositions.

Ericsson's *Pernilla Jonsson* gives a talk on how we need technology to operate on more human terms as we move from the smartphone era to a multi-device era. Consumer research indicates a number of trends such as augmented hearing, social broadcasting, intelligent ads (AR/VR) and streets in the air (drones). In the future, we will interact with machines in ways similar to how we communicate with each other, e.g. through voice, gestures, facial expressions etc. A brave new world? Well, at least a different one.

Everybody knows LEGO®. Adding a digital experience to the well-known physical play with bricks was a major challenge in designing a 12.000 m² hands-on, minds-on experience center in Billund, Denmark.
Hermann Kudlich talks about how some of the experiences were brought to life and introduces the design process that led to new ways of interacting with LEGO bricks. A first traditional attempt to create the environment for kids as city builders failed completely, which called for a serious rethinking. A highly inclusive process based on 3 week sprints and with strong buy-in from management produced a better end result: LEGO House

STRATEGY

KPMG's *Håkan Ozan* chairs a roundtable discussion on innovation strategy models and how they relate to other strategic areas. Ozan does a good job keeping the discussion on track as strategy is not always well defined neither as concept nor as practice. Companies don't usually innovate just to be innovative, but for certain reasons and with certain objectives in mind. Things can be complicated particularly in large firms where different plans and programs coexist with strategic initiatives.

I stress the need to begin from where you are by asking the fundamental questions what's happening, why is it happening and why is it happening now? Successful innovations may occur without a strategy. On the other hand, ignoring - or going wrong with - strategy could certainly be fatal to a business. Participants agree that strategy is important with business objectives providing the overall direction for innovation. The topic is a bit complex and time constraints don't allow for a comprehensive conclusion, but the discussion triggered some thinking. And that's good enough.

CREATIVITY

Do cultural intelligence and diversity climate matter to creative behavior?
Crystal Jiang, Bryant University (US), tries to answer the question with studies from 3 culturally diverse multi-national companies. Diversity in combination with harmony were indeed found to promote creative and altruistic behavior in the organizations concerned.

I have no reason to doubt the general validity of the conclusion except for a nagging thought that interviewing people about their work or their organization may generate a somewhat biased result as people often tend to provide "good" or politically correct answers. This could be particularly interesting in an area such as cultural diversity where most people know that the expected answer is that it is good.

Antti Sihvonen, Karlstad University, talks on openness to change and sense making in idea screening.
Individual behavior may be characterized as either "open to change" or "conservative". Expertise, domain knowledge and perceived use value are important to both groups when evaluating ideas. Individuals open to change may perform better in opportunity spotting while the more conservative do better in idea screening/stage gate. This may be the expected outcome, but academic

studies are often undertaken to validate (or dispute) that which is perceived as intuitive or common knowledge.

Keisuke Shinagawa, Ritsumeikan University, gives a talk on the creative thinking process behind the 2014 Nobel Prize winning invention of blue light LED technology. The scientific topic and references to the Nonaka process of tacit/explicit knowledge is a bit difficult to follow.
Shinagawa summarizes the creative process as close observation, deep thinking and – somewhat surprising – no obsession with common sense.

ARTIFICIAL INTELLIGENCE

Helena Blackbright of Mälardalen University chairs a roundtable discussion on how Artificial Intelligence impacts innovation management. Participants ask if AI can be creative. AI is generally not considered to be creative in human terms. At least not today. To determine its impact on innovation and innovation management, it seems necessary to define AI on a more detailed level such as e.g. machine learning, image recognition, data analytics, or decision support.
Blackbright gently guides the discussion towards a shared understanding of the AI concept even though not everyone seems totally convinced. As one participant expressed it "I'm somewhat of a sceptic, but an optimistic one".

Blackbright also moderates a panel discussion on AI with selected experts in technology and social science. No doubt, AI is a transformative technology with practical applications rapidly developing in many different areas.
The technological capability of computers has evolved from automating explicit knowledge towards something closer to tacit knowledge, i.e. learning and understanding. Legal and ethical issues will have to be addressed. There may be unintended consequences, but we can also learn more about ourselves by learning how to work with machines that learn.
In an AI enabled environment, innovation managers will have to determine what they want to do in the creative process.

COLLABORATION

Drawing on a survey of more than 250 Swiss companies, *Franz Barjak*, University of Applied Sciences Northwestern Switzerland, speaks on organizational culture and open innovation.
Somewhat counterintuitive, it appears that companies with internal R&D are more open to external relations, whereas a characteristic such as spontaneity

relates negatively to procuring innovation support activities from external providers and partners. Barjak concludes that openness of innovation itself is a cultural trait and that it needs boundaries, such as orderly processes, strategies, plans and rules to flourish.

Mikael Johnsson, Blekinge Institute of Technology, presents an investigation of problems experienced when creating inter-organizational innovation teams.
A series of workshops on inter-organizational collaboration were conducted through an intermediary with the goal of initiating collaborative innovation or research projects.
At the end of the workshop series, despite positive responses from participants, no projects were initiated. The problems were identified as the intermediator's lack of knowledge in selecting and preparing participants for this setting, but also the participants' lack of knowledge regarding innovation work and collaboration on an inter-organizational basis.

I'm not too surprised as I have seen similar problems when organizations run brainstorming meetings without sufficient preparations.

BUILDING INNOVATION CAPACITY

In recent years, Sony Mobile Communications has tried to make a broader and more systematic effort to innovate and create new business.
Johan Grundström Eriksson shares experiences from establishing a new business group within a large MNC and expand from smart products to smart solutions. This has required not only the strengthening of innovation management practices but also a change in structure, policies and mindset and there is a continuing effort to demonstrate value.
The SEED program encouraging employees to pitch new ideas has been in place at Sony for a couple of years. Core competences were present but speed and agility needed to improve. Typical early stage requires 3 months in concept creation followed by 3 – 6 months incubation time before going into full development.
One example involves the development of a cloud connected diabetes type1 wristband. For reasons such as e.g. medical liabilities, the specialized application was turned into a generic communication solution.
This year SMC is positioning itself as digitization partner in Open Innovation projects expecting to see new business growth in 2019.

MISCELLANEOUS

Museum of Failure
Museum of Failure is a collection of interesting innovation failures. The majority of all innovation projects fail and the museum showcases these failures to provide visitors a fascinating learning experience. The collection consists of a wide variety of failed products and services from around the world. Every item provides unique insight into the risky business of innovation.
MoF had a small pop-up exhibit at the conference. Here are two well-known examples of innovation failures – Apple Newton and Google Glasses:
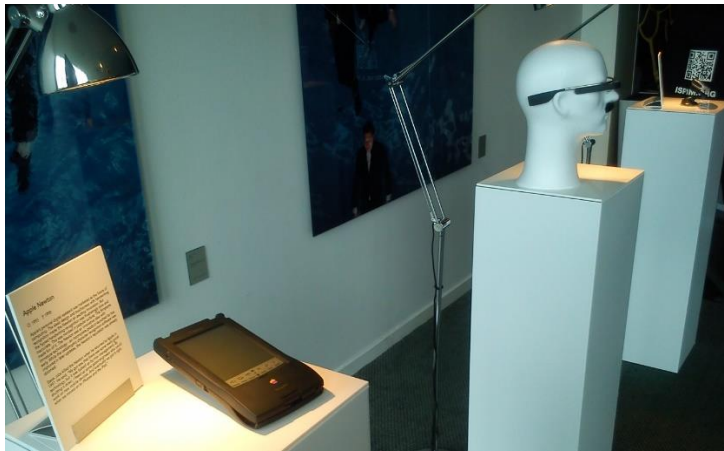
On display were also Kodak's digital camera and Harley Davidsson's fragrance, both good examples of companies not knowing what they were doing (HD) or not knowing what to do with what they had done (Kodak).

Standards
The Swedish Standards Institute (SIS) has an info table in the break area with an invitation to contribute. Innovation standards work has been going on internationally within ISO and CEN since 2013 with the following areas identified:
Fundamentals and Vocabulary
Idea Management
Innovation Management System
Assessment
Tools and Methods for Innovation Partnership
Strategic Intelligence Management
Intellectual Property Management

SIS develops the equivalent Swedish standards and also conduct innovation management training. Next opportunity is November 23 in Stockholm.

CLOSING SESSION

KPMG's *Claudia Alsdorf* shares the global consulting company's experience from collaborating with startups. As a sponsor of the conference, KPMG obviously gets a chance to make a pitch for themselves. Nevertheless, Alsdorf's presentation is both interesting and useful.

Digital technology applications have evolved over time from electronic documents through transactional support and process efficiency to ecosystems. KPMG serves as an intermediary between corporations and their ecosystem environment identifying other actors such as e.g. disruptors and potential partners. Co-creation and co-innovation in ecosystems play increasingly important roles. KPMG does due diligence and sometimes partner with clients to develop solutions together with technology providers.

Knowledge creators and businesses need each other. As a global player, KPMG find promising startups world-wide.

The last speech at the 29th ispim conference is delivered by high energy entrepreneur *Mahesh Kumar,* co-founder of the [Epicenter](#) innovation house in Stockholm. Kumar suggests bravado, hustle and speed as key entrepreneurial characteristics. Epicenter's Innovation Lab environment promotes less control & process, more momentum & flow involving both the mindset and skillset shifts that enable entrepreneurs to put their ideas – and themselves – to the test. "Chaos outside, calm inside" as Kumar puts it in an almost Zen-like way.

The conference finishes with an invitation to attend next year's event in Florence, Italy.

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KUNSKAPSTEKNIK