POWER INNOVATION

As co-creation and crowdsourcing gain ground, it's time to get in the game

Bluenove, which provides consulting and services in "Open Innovation" to companies worldwide, conducted a study on collaborative innovation and its applications, particularly in the context of social issues. Martin Duval, President and COO of the firm, shares his vision of Open Innovation's future based on his experience working with companies of all sizes.

The concept of "Open Innovation," developed by Henry Chesbrough, professor and executive director of the Program in Open Innovation at the University of California at Berkeley in 2003, involves pooling tools or platforms to share ideas and stimulate innovation. Today, business innovation is more collaborative than ever, making Open Innovation, also known as crowdsourcing, increasingly relevant.

With the increasing complexity of the environments in which we all work, including tight budgets and resources for innovation in all sectors, the rapid pace of technology changes (mobile,

Five trends to anticipate as new ways to implement an Open Innovation strategy in the future include:

MERGING IN-HOUSE AND EXTERNAL PROJECTS

External collaboration platforms will offer gateways to – or even merge with – internal idea management platforms, allowing for external ideas to be combined with in-house ideas as they move through stage-gate processes, or for outside communities to test ideas that originated internally.

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> "WE WILL SEE GREATER CONVERGENCE OF OPEN INNOVATION, SOCIAL RESPONSIBILITY AND COLLECTIVE INTELLIGENCE THROUGH THE RISE OF NEW-GENERATION PLATFORMS."
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> **MARTIN DUVAL**
> *PRESIDENT AND COO, BLUENOVE GROUP*

web, connected devices, etc.), and sustainable development challenges, among many others, mastering collective intelligence and promoting collaboration in the processes of co-innovation and co-creation – not only between employees inside the company but also with their ecosystem (startups, SMEs, suppliers, customers, universities, associations, etc.) – is critical to survival.

SFR, for example, the French telecom operator, tests ideas generated by in-house marketing and innovation teams with external communities of users and customers in its self-developed platform, AtelierSFR.fr. In the future, more new ideas will be developed by an internal "innovation community," which will interact with a group of external partners (clients, startups, developers, researchers, students, suppliers and other large companies or small businesses) using a platform that is moderated and can be used both to generate new ideas and to collect feedback on ideas developed internally.

CO-CREATION PROCESS

Co-creation methods will rely on complementary online and offline components to elicit new concepts for services and products more quickly and efficiently, with a broader scope than any one team or company can generate on its own. Participants and contributors can be employees, customers, experts, designers or developers.

Some key success factors to implement this mix include:

• Devoting as much effort to profiling and selecting contributors / innovators as to working on actual ideas / content, via both online platforms and offline workshops;
• Distributing and scheduling the phases of competition and co-creation appropriately;
• Organizing online activities and offline participation to complement one another.

EMERGENCE OF META-CHALLENGES AND CONTESTS

Contests are an increasingly popular way of generating ideas and solving challenges. In the future, most of them will be jointly organized by groups of non-competitor companies hoping to share the risks and related costs with their partners while increasing the contest's impact and reach.

For instance, the emergence of open data, which is data that can be freely used, reused and redistributed by anyone, has resulted in numerous contests for developers to create innovative applications. These have had some degree of success, both in eliciting original ideas and in generating new products and services.

Choosing one or more suitable partners to help organize, run and co-brand the contest / challenge is critical to success. The best contests pool the partners' contributions and resources to manage various aspects of the contest, including communication, the ideation and selection process and identifying / reaching target communities. Establishing a healthy collaborative spirit will protect intellectual property while maintaining the agility required for success.

IDEA-MANAGEMENT PROCESSES

At the beginning of an idea-management process, key contributors will need to be selected for each phase to avoid monopolizing all participants through the entire process. Likewise, rewards and incentives will need to be carefully selected, defined and awarded in relation to each participant's level of contribution.

As more companies expand their use of both external crowdsourcing and internal contests, the agreement of mutual trust between the organizer and the contributor is a common stumbling block. To clearly define the relationships, expectations and benefits:

• Only involve contributors in those parts of the process where their qualifications allow them to fully contribute. Bringing them in too early or too late wastes resources and creates frustration.

• Use contributor profiling to evaluate how much effort to ask of participants at various steps in the process, while maintaining effective group dynamics and leadership.

• Structure the incentives / rewards for both internal and external contributors carefully, remembering not to underestimate the value of feedback loops within the process, taking full advantage of existing levers and adding reusable elements.

STRONGER CROSS-INDUSTRY COLLABORATION

The very concept of Open Innovation implies disruptive innovations, which are most likely to come from a field or sector outside the company's "core business." It is crucial, therefore, that major companies and institutions learn to excel at initiating and implementing complex collaborations that address such sweeping issues as technology acceleration, sustainable development and globalization.

With all the challenges companies face, the need for innovation is increasingly urgent, especially given the intense pressure on stakeholders' resources and budgets in the wake of the recent global economic slowdown, which has affected virtually every company, sector and vertical.

To address these challenges, major groups and institutions will need to learn to initiate and implement complex, multi-partner, large-scale collaborative projects such as Smart City, which unites players from transportation, energy, architecture, telecommunications and other sectors in addressing urban infrastructure challenges.

In such collaborative ventures, it is critical to assess each potential participant's "partnership profile" (Fortune 500, startup, etc.) and level of motivation to form a partnership. Approaching potential partners based solely on their industry positioning or current products is not enough. Once a partnership is formed, focus on quickly delivering a few success stories to keep the project on a positive note. Using pilot phases, testing / prototyping / mock-ups as much as possible allows you to "Try Often and Fail Fast," helping you to accumulate learnings and progress quickly.

In such an environment, the concept of Open Innovation will stretch and we will see greater convergence of Open Innovation, social responsibility and collective intelligence through the rise of new-generation platforms. ◆

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