

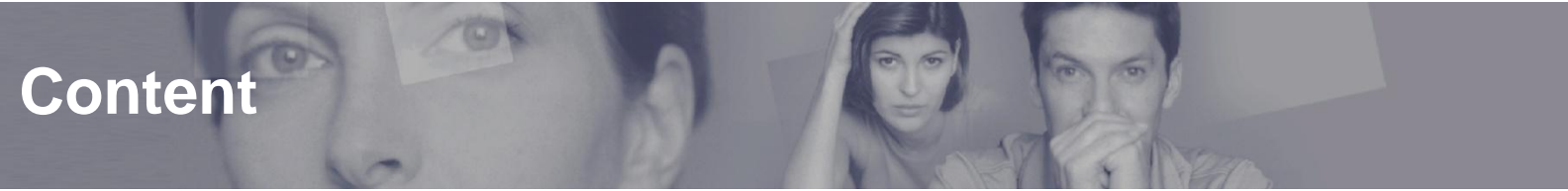
Framework for Innovation

AAL open Consulting Meeting 15. Feb. 2010

Innovation Centre (ICSG)
University of Applied Science St. Gallen

Urs Guggenbühl

www.fhsg.ch/innovationszentrum

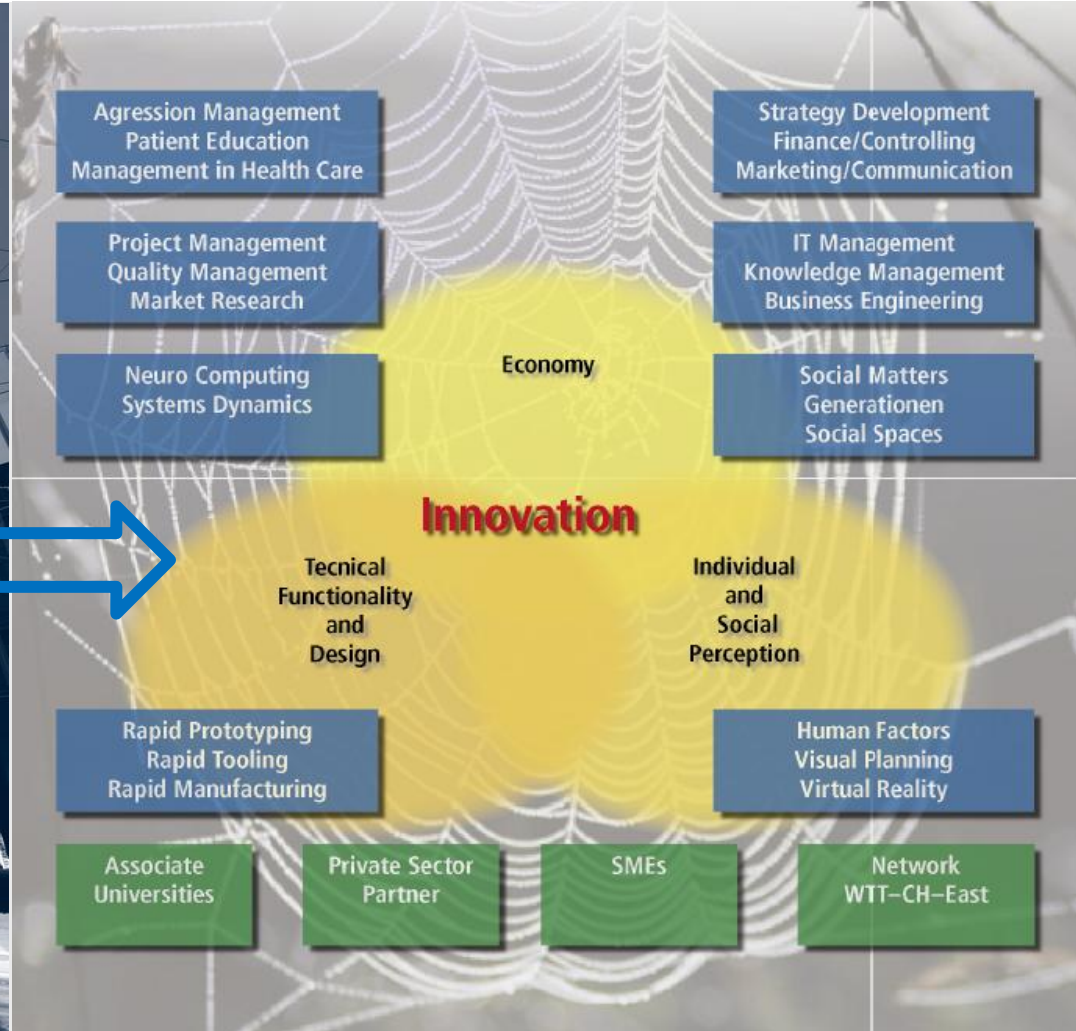


Content

1. Profile IZSG
2. Success of innovation
3. Enabling innovation
4. Barriers to innovation
5. Summary and consequences for AAL JP
6. Discussion



The Innovation Centre St.Gallen



Innovation Centre St.Gallen

Service Offering of the Innovation Centre



IT for elderly people



I-Robi

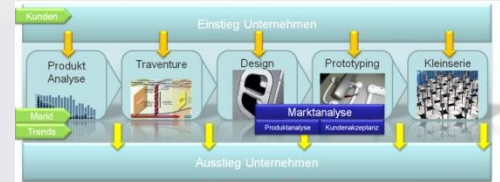
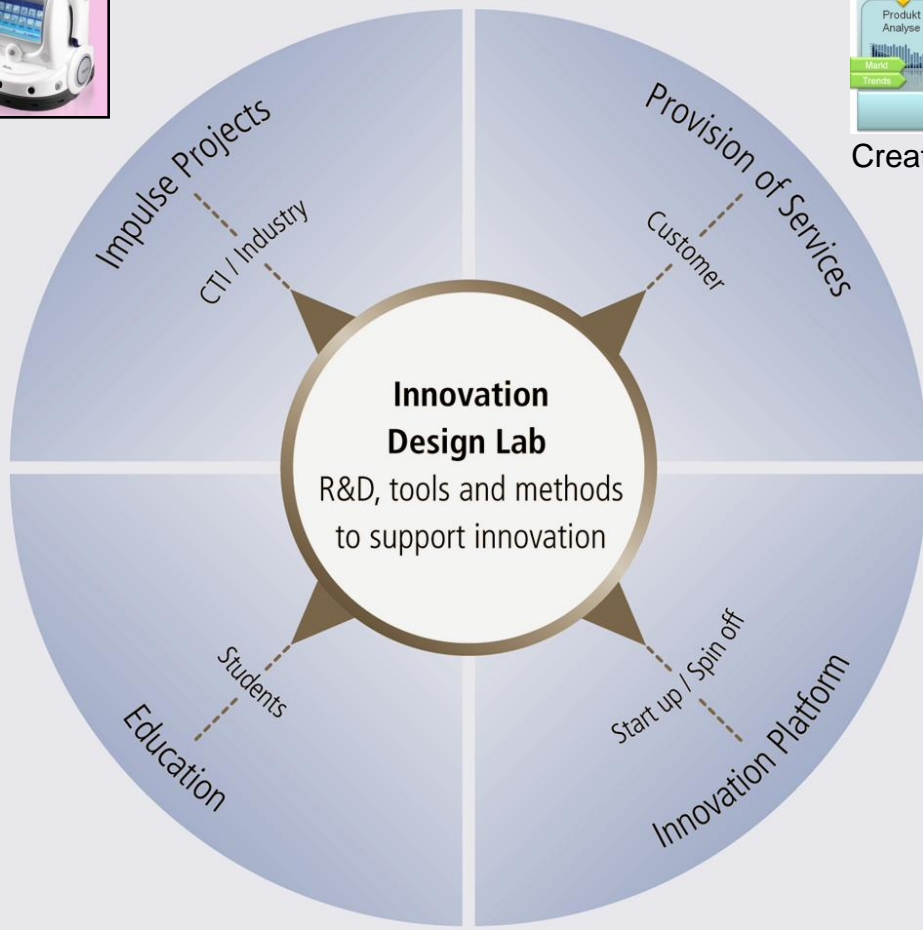
Living as elderly



Design Café



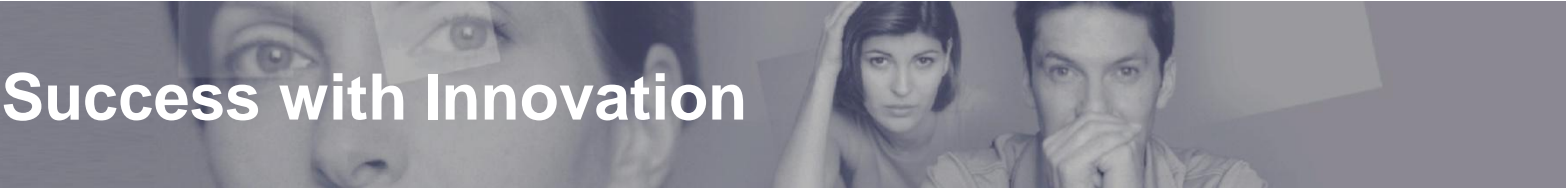
MAS



Creative Prototyping



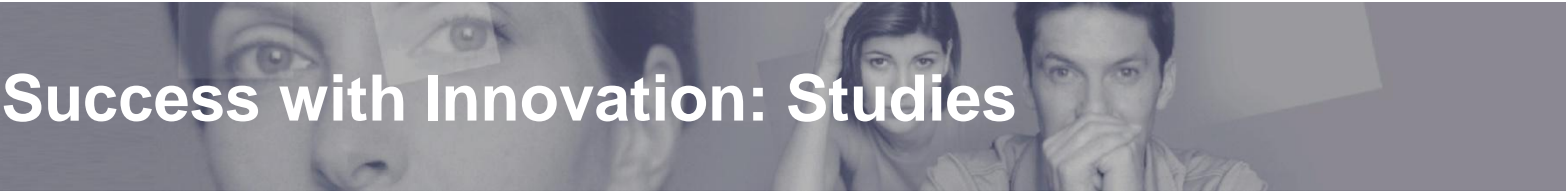
Support for Start-up



Success with Innovation

Assumption





Success with Innovation: Studies

1. Long-Term Study from the University of Geneva (IMI) and Kienbaum (116 companies) Source: Heinz Kurt Wahren, Erfolgsfaktor Innovation, 2004

Findings: *(Comparing 30 “Innovative and non-innovative companies”)*

- Innovative companies have approximately a 7 times higher profit margin and return of capital than non-innovative companies

2. Study from Arthur D. Little and BDI from Germany (300 companies from Germany and Austria) Source, Arthur D. Little und BDI 2004

Findings:

- EBIT-margin of average companies 3.2%
- EBIT-margin of innovative companies (Top 5%) 11.4%



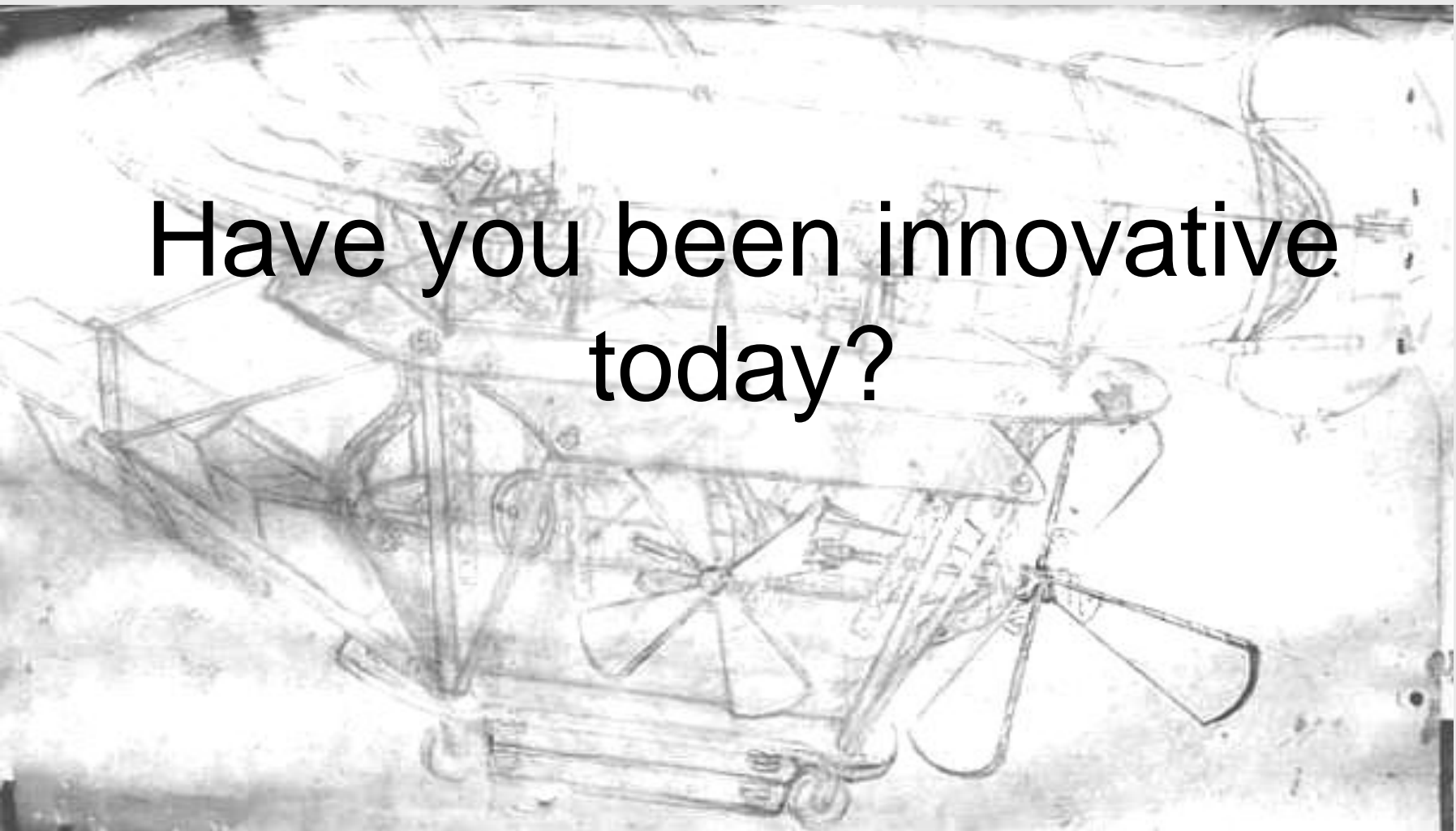
Success with Innovation: Top 100 Study (Lothar Späth, 2008)

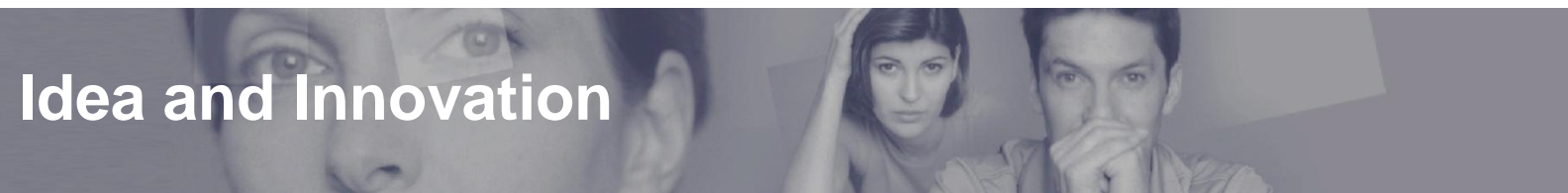
Share of sales created by innovations in the last 3 years	
Average of all Top 100	65%
Average of the best 10	70%
<i>Average SME (Source: ZEW)</i>	<i>14%</i>
Share of provit created by innovations in the last 3 years	
Average of all Top 100	67%
Average of the best 10	77%
Savings from process innovation in 2008	
Average of all Top 100	13%
Average of the best 10	15%
<i>Average SME (Source: ZEW)</i>	<i>4%</i>



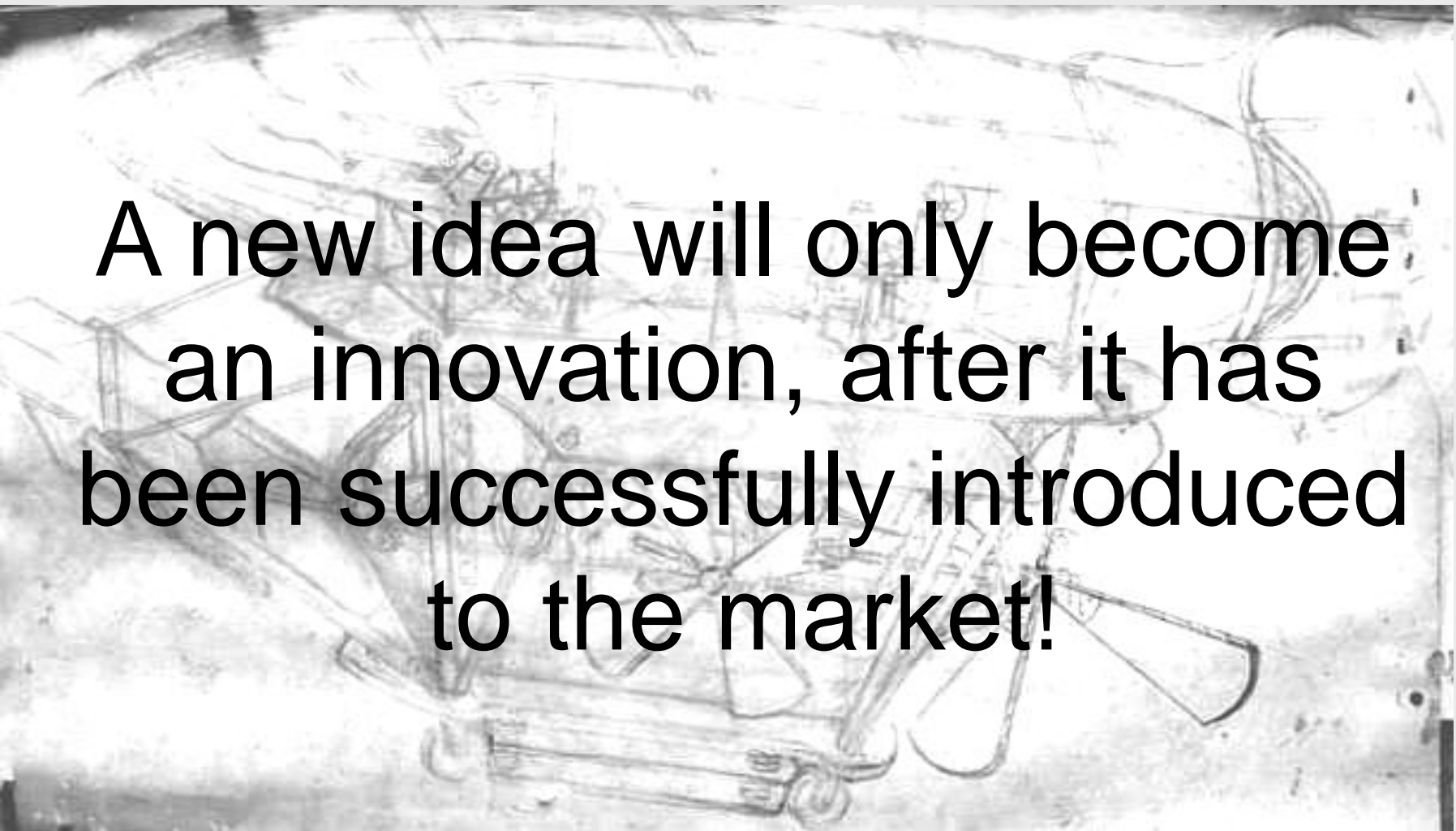
Idea and Innovation

Have you been innovative today?

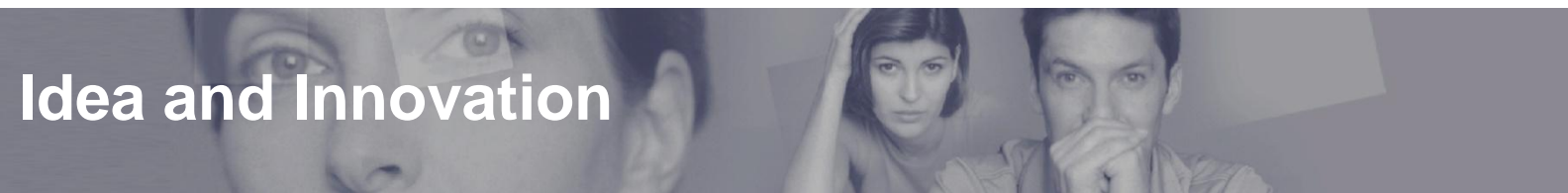




Idea and Innovation



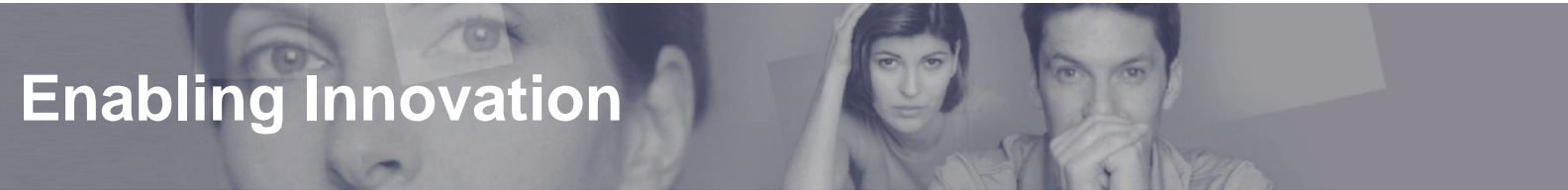
**A new idea will only become
an innovation, after it has
been successfully introduced
to the market!**



Idea and Innovation



Most of the innovations do not fail on the idea but on its implementation!



Enabling Innovation

- Entrepreneurs (Schumpeter)
- Employees with attributes such as curiosity, knowledge and know how, ability to learn, phantasy, punch and entrepreneurial instinct
- A corporate culture which provides personal space, fault tolerance and personal responsibility
- Unexpected events, all kinds of environmental changes , new knowledge



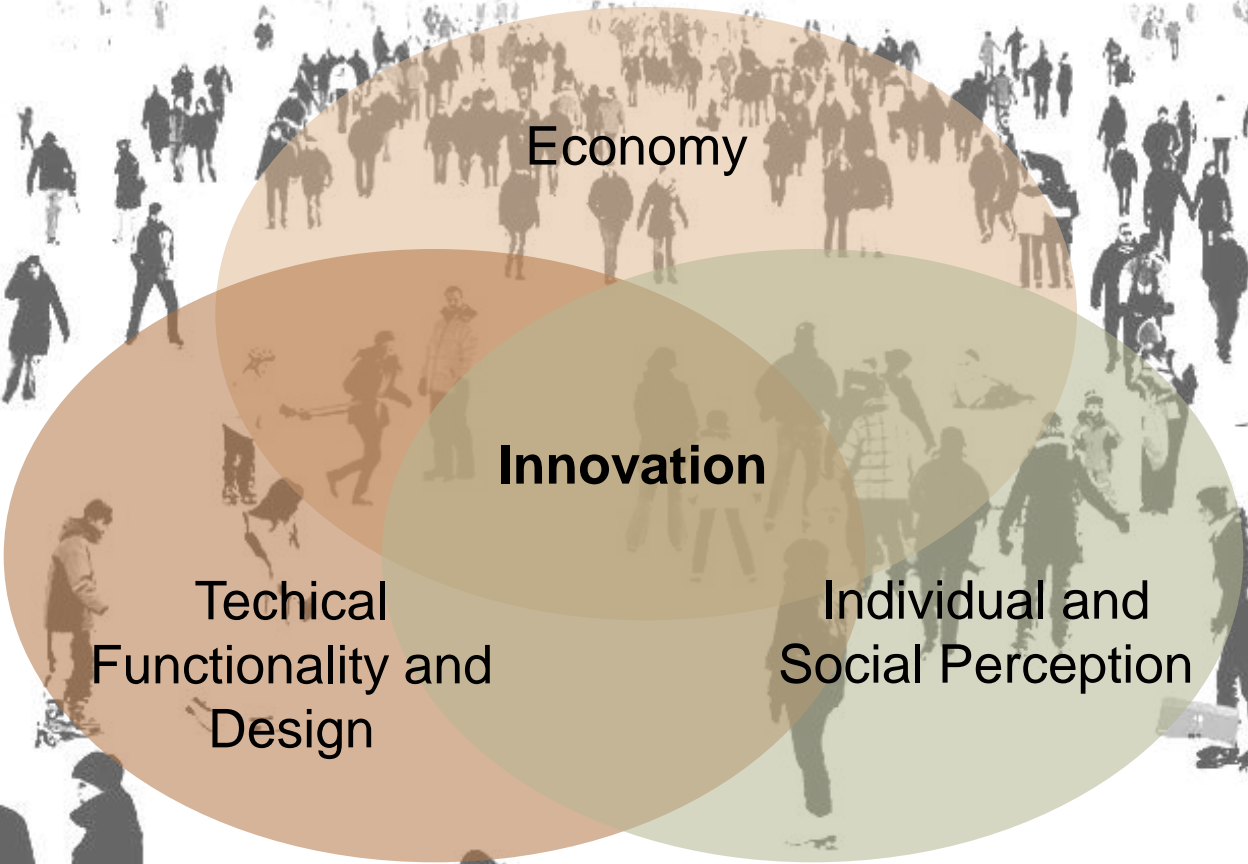
Enabling Innovation: Top 100 Study (Lothar Späth, 2008)

No. of suggestions for improvements, respectively ideas per employee and year	
Average of all Top 100	7
Average of the best 10	30
Average SME (Source: ZEW)	4
...% of the Top 100-Companies working with interdisciplinary project teams	
SME (Source: WU Wien)	55%
...% of the Top 100-Companies, which provide internal venture capital	
SME (Source: WU Wien)	2%
...% of the Top 100-Companies which run established incentive schemes	
SME (Source: WU Wien)	34%
...% of the Top 100-Companies, which give their employees personal space to develop their own ideas	
SME (Source: WU Wien)	35%

Source: TOP 100, Lothar Späth, 2008

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Enabling Innovation: Interdisciplinary Approach

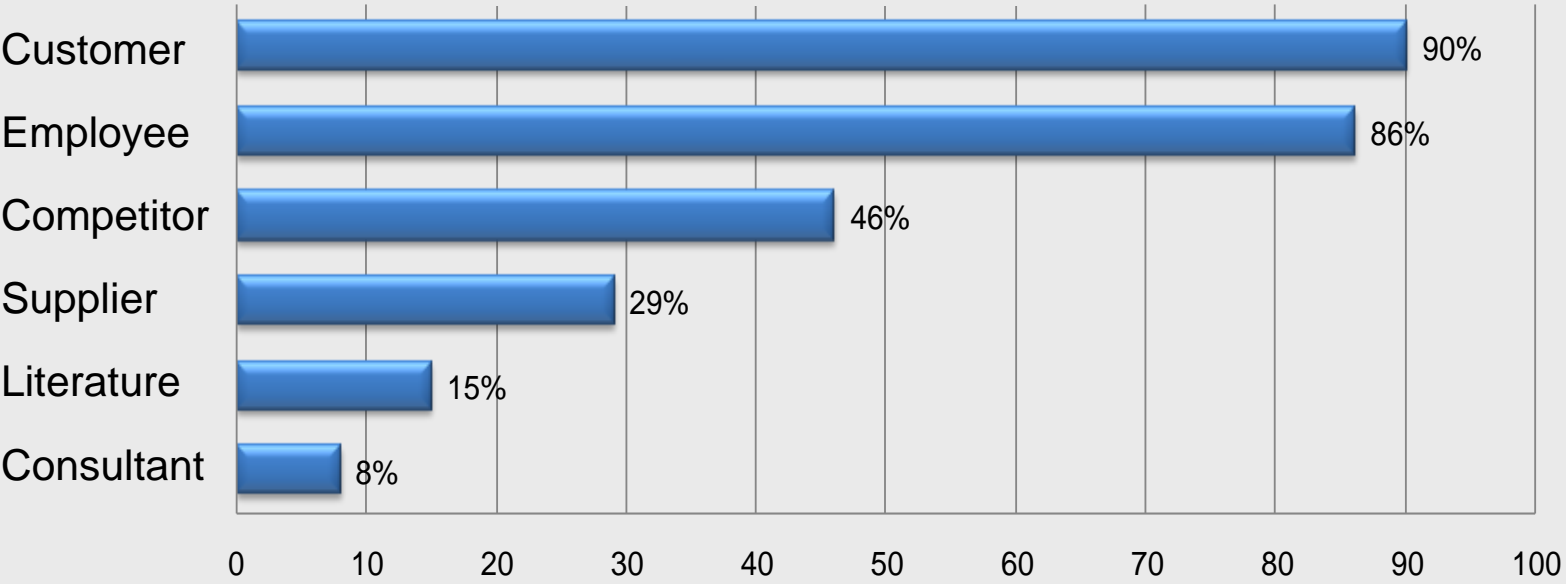


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Enabling Innovation: Study SME from Eastern Switzerland (ICSG 2009)

Ideas for innovation
n=59





Enabling Innovation: Top 100 Study (Lothar Späth, 2008)

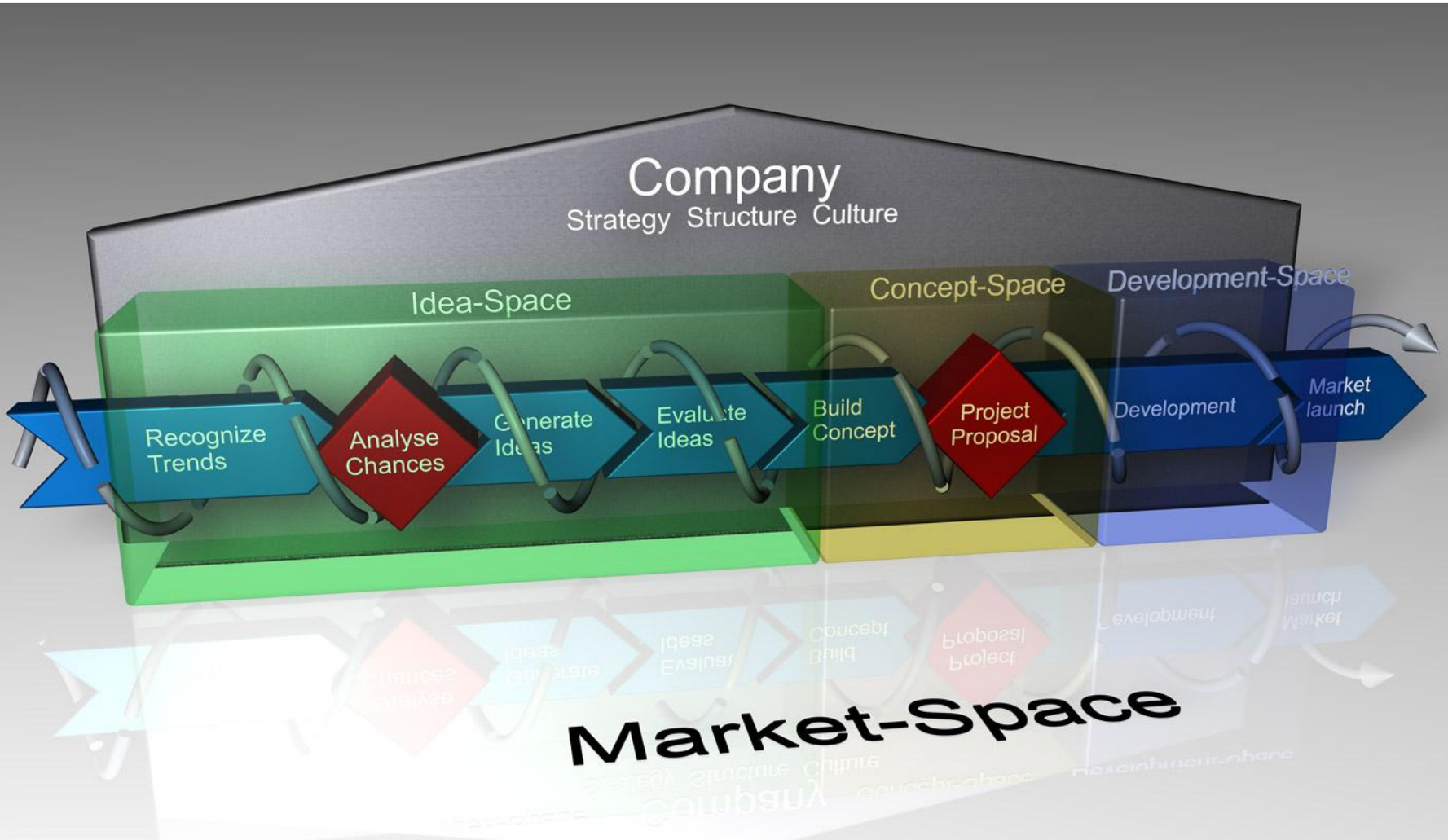
...% of the Top 100-Companies, which work regularly with the following R&D cooperation partners

	Top 100	SME
Customers	96%	(28%)
Suppliers	86%	(18%)
R&D Institutions	80%	(11%)
Competitors	46%	(5%)

Source: TOP 100, Lothar Späth, 2008

Enabling Innovation: A systematic Approach

Innovation model by ICSG





Enabling Innovation: Top 100 Study (Lothar Späth, 2008)

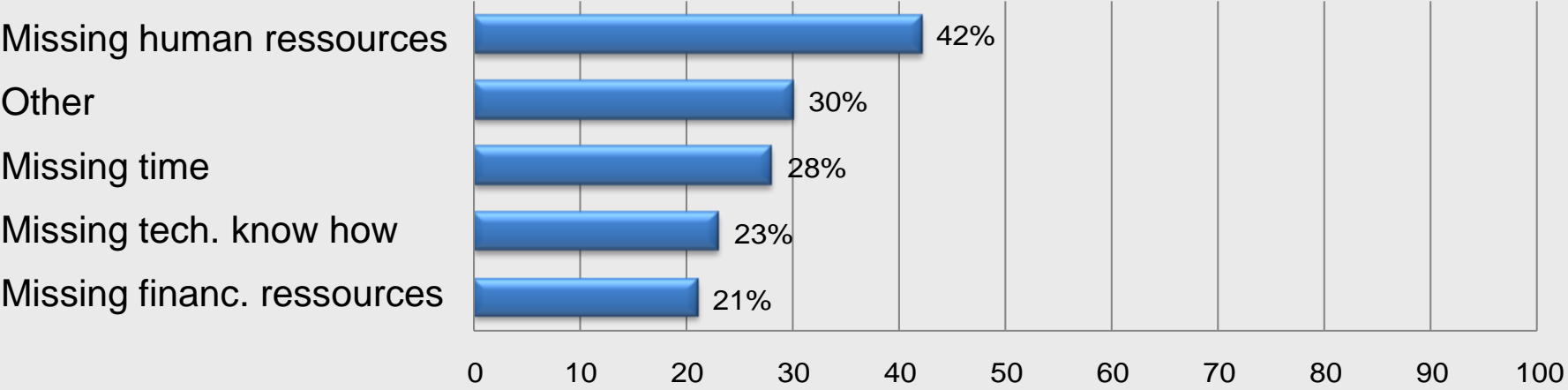
	Top 100	SME
...% of the Top 100-Companies, which define clear objectives for each phase in the innovation process	94%	(52%)
...% of the Top 100-Companies, which have the following phases within their innovation process clearly defined and controlled		
Collection of ideas	96%	(28%)
Audit ideas	96%	(40%)
Efficiency analysis/Feasibility	94%	(36%)
Construction and development	98%	(72%)
Analysis of the success of innovation	88%	(33%)

Source: TOP 100, Lothar Späth, 2008



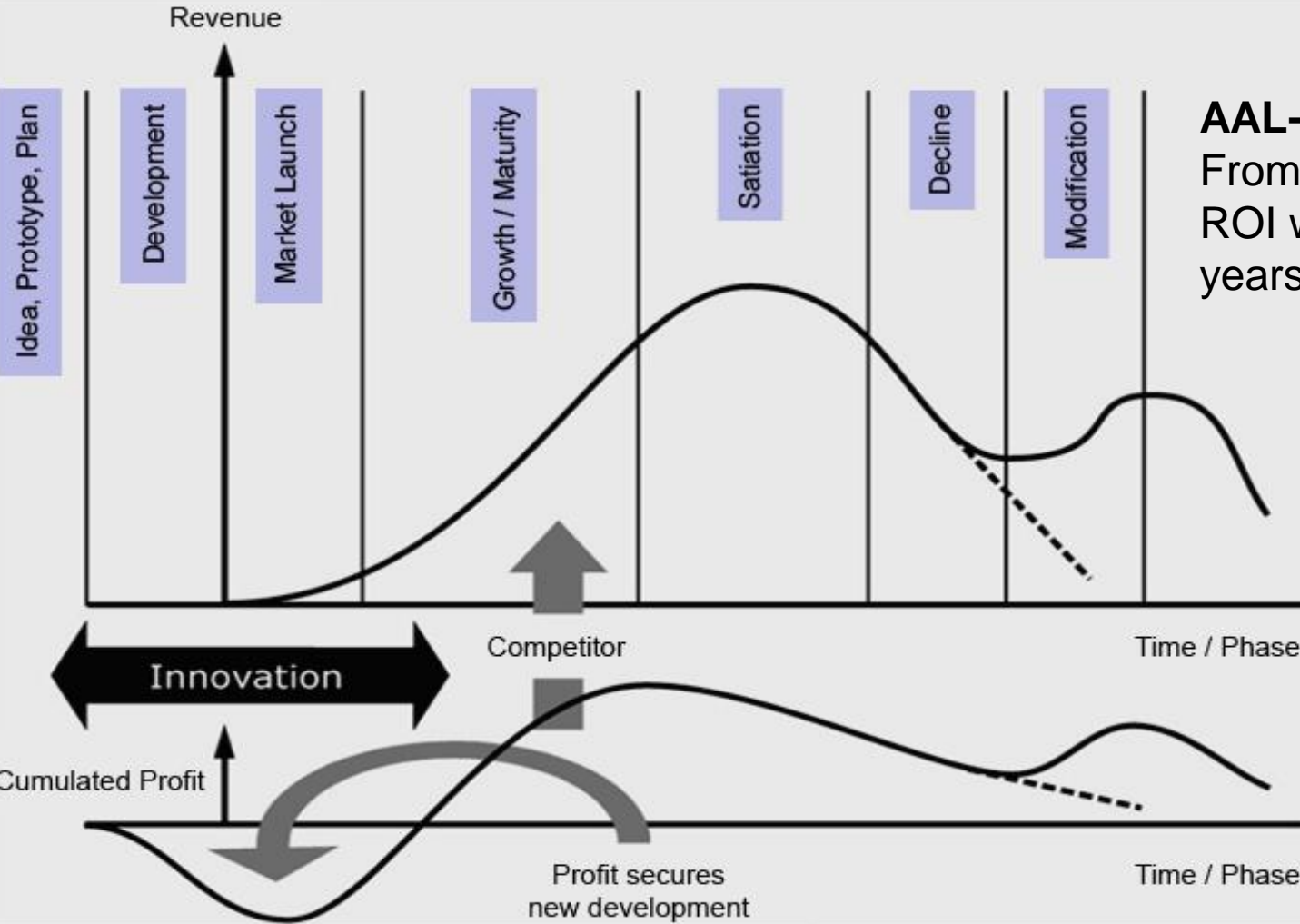
Barriers to Innovation: Study SME from Eastern Switzerland (ICSG 2009)

Reasons for brakeing up the innovation process
n=43





Barriers to Innovation: Length of Innovation



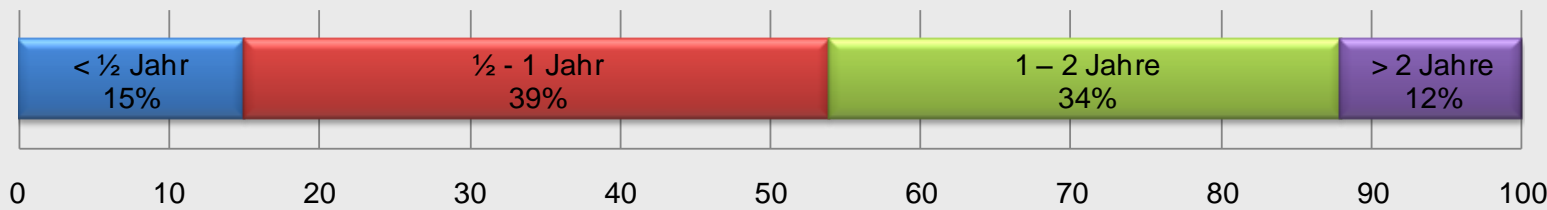
AAL-Projects:
From the idea to the ROI will last 8 – 12 years



Barriers to Innovation: Study SME from Eastern Switzerland (ICSG 2009)

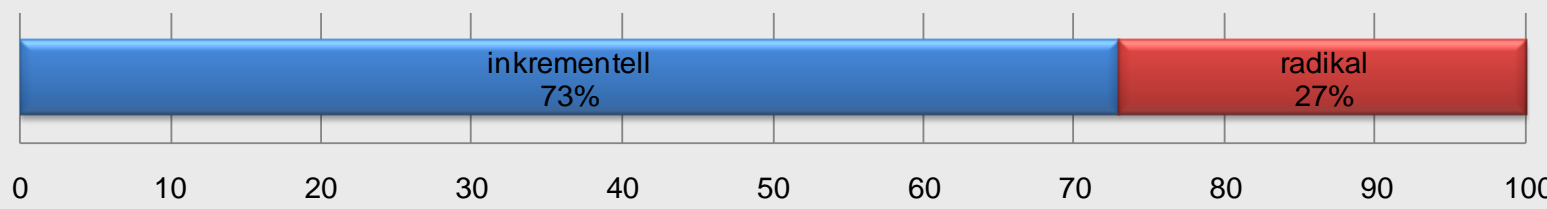
Length of an average innovation process

n=59



Type of the successful Innovations

n=51



Summary and Questions for AAL JP



1. What is required to promote innovation?
 - Leadership
 - A corporate innovation culture
 - An interdisciplinary approach
 - Inclusion of stakeholders
 - An innovation process
2. What is hindering innovation?
 - The length of innovation
 - Lack of strategic planning
 - Missing resources
 - Lack of knowledge about the scope of innovation