

The Class Reminiscences of Oct 10!!!

So far, without any doubt the innovation is carrying the flag of creativity. Nonetheless, the innovation is not confined to produce only original products, also improvements in processes and services pursuing a higher value. Thus, ¿do you think if any company do not innovate will die?. From the audience perspective, the companies continually must adapt to external factors and progress. As the innovation opens new possibilities, the companies can discover unforeseen advantages in the environment. Even though, there are undeniable risks.

As a consequence, it is possible to recognize companies more inclined to control the risks keeping **innovation close**, meanwhile the companies less averse to risks pursuit **open innovation**. So, ¿How a company can be the first in the market?, and ¿How can this company diversify its offer?. Probably, open innovation is the key, although such transformation is not linear, as Thomas Khun describes in his work, the paradigm shift.

Nowadays, we can recognize a variety of enterprises doing innovation, such as General Electric who is committed with innovation through initiatives like the GE Global Research strategy. Another example it is IBM, who are deploying new businesses models, and also developing broad studies like Global CEO Study about innovation. Even, Time Burners Lee, the creator of World Wide Web, has encouraged online innovation.

In general, innovation has a direct impact in the market, it creates a reality not known before, transforming problems in solutions. So, once this paradigm already emerges, the people perceive the change. This transformation implies the shift from the close to the open innovation, where we find disruptive innovation changing the social perspective.

Inside a close innovation business, they try to develop the knowledge within the company. The innovation process is not systematic in this scenario. Nevertheless, the linear model allows predictable sequences of activities to reach some level of innovation. To exemplify, the push sequence start with a local research and development stage, then the outcome is produced, to follow at least two sales interactions before be ready to go live with the support of marketing. Conversely, the pull sequence follows a descending direction, first from the marketing, and then interacts with two sales iterations, to finally produce the outcome. From this close perspective, the people and resources are attracted, increasing the control of every process. Clearly, the direct advantage is the minimization of dependency, but deals with the lack of flexibility as disadvantage. Probably the people working under this culture are complacent with the state of innovation, see Nokia.

Inside an open innovation business, they take the ideas from the outside, and also they diversify the opportunities. This dynamic brings capacity of reaction, responding faster to any change factor. To exemplify, Cisco it is an open company, they have external teams and external projects, although intellectual property is an issue there. Clearly, the direct advantage is flexibility, but deals with the process controlling.

Hope this helps! All the best,

Berioshka - Notekeepers Team