



Best practices in innovation management for sustainable growth

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Agenda

- The IMP³rove – European Innovation Management Academy
- Innovation – the underestimated driver for sustainable growth
- Managing innovation to create value – best practices
- Benchmarking innovation management performance

The IMP³rove – European Innovation Management Academy is an innovation itself

From innovation support project to start-up



IMP³rove academy

EEIG, non for profit
www.improve-innovation.eu



ATKearney



In foundation by the IMP³rove Consortium members

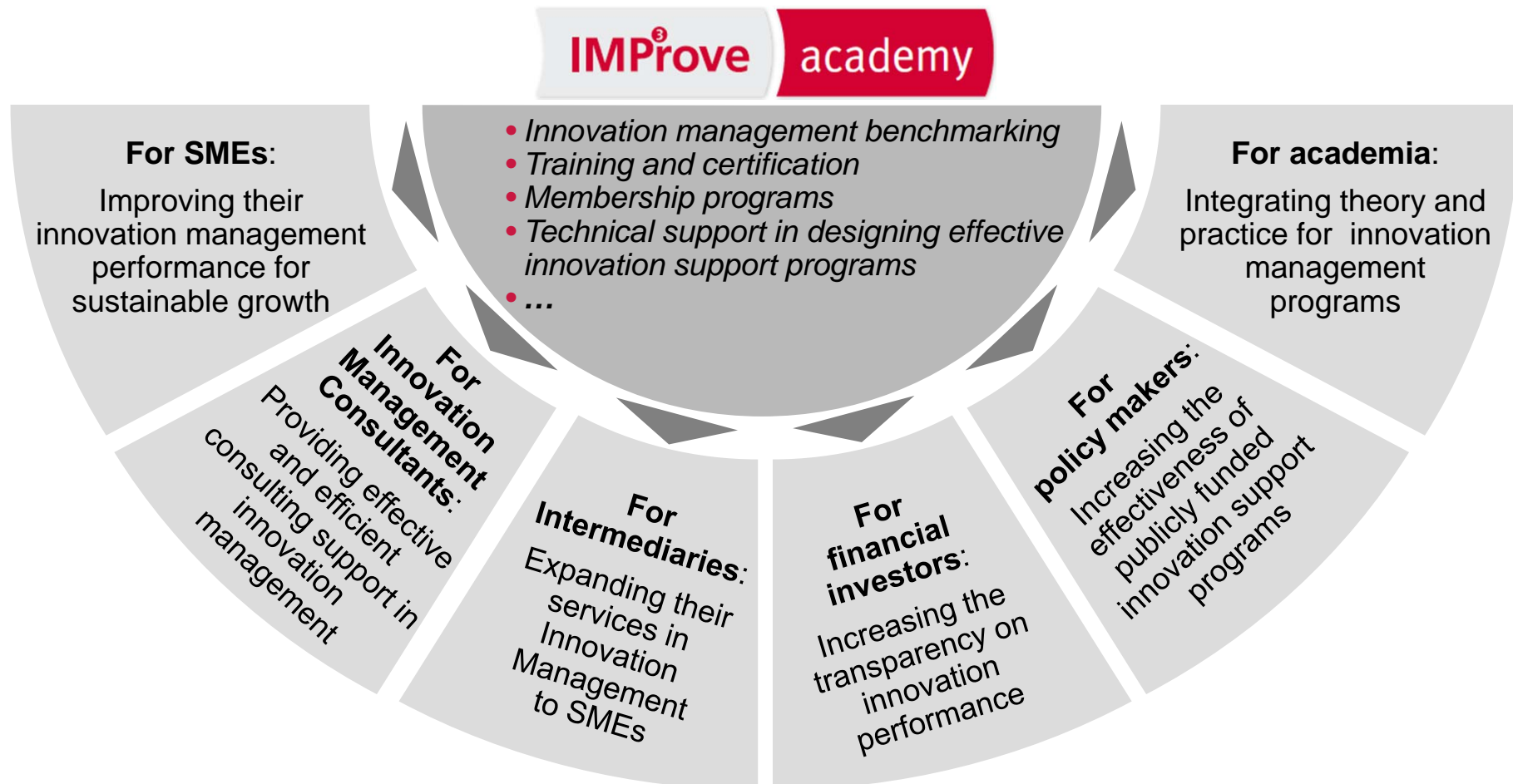
Rolled out across Europe and beyond by a European consortium

Developed under the leadership of A.T. Kearney with support of Fraunhofer-IAO

Flagship project initiated by the European Commission for better support in innovation management

The IMP³rove – Academy offers innovation management support services to very different stakeholders

Offerings and target groups of the IMP³rove Academy



The IMP³rove – Academy builds on strong value propositions

Value-propositions of the IMP³rove Academy



Largest international innovation management database with > 3,500 up-to-date data sets less than 5 years old

CEN¹

Compliant with the European standards on innovation management (TS 16555-1 and CWA 15899)



Comprehensive training and certification scheme on innovation management



Large international network of more than 600 consultants trained in the IMP³rove Approach



Proven approach to enhance academic education on innovation management (IMP³rove4students)

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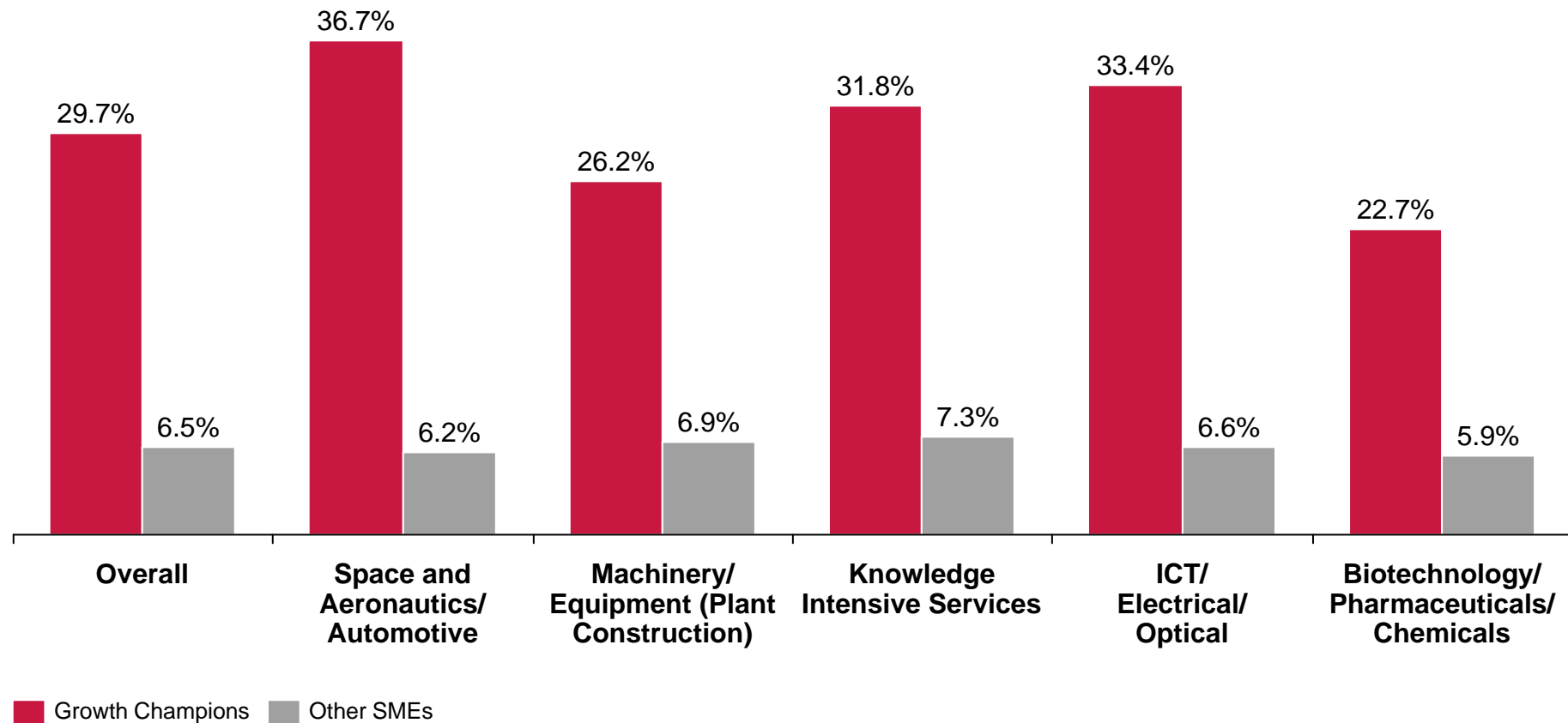
Complementary insights for investors in the SMEs' future competitiveness and the investment risk

Innovation – the underestimated driver for sustainable growth

It is proven that innovation management is a key driver of profitable growth for SMEs

Annual growth rate of income from sales over the last 4 years (median)

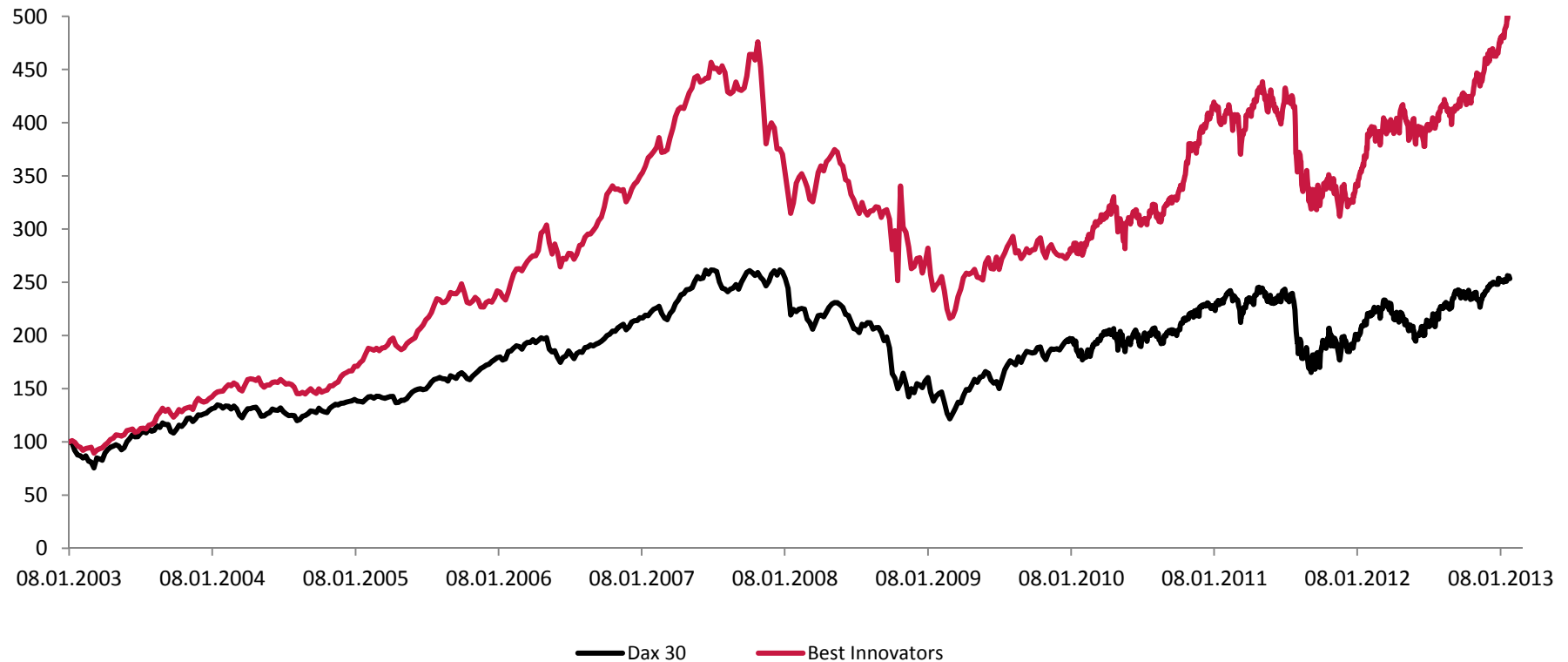
Preliminary results



SME = Small and medium sized enterprise
 Source: IMProve Core Team, 2011; N = 1516; www.improve-innovation.eu

... as well as for larger corporations

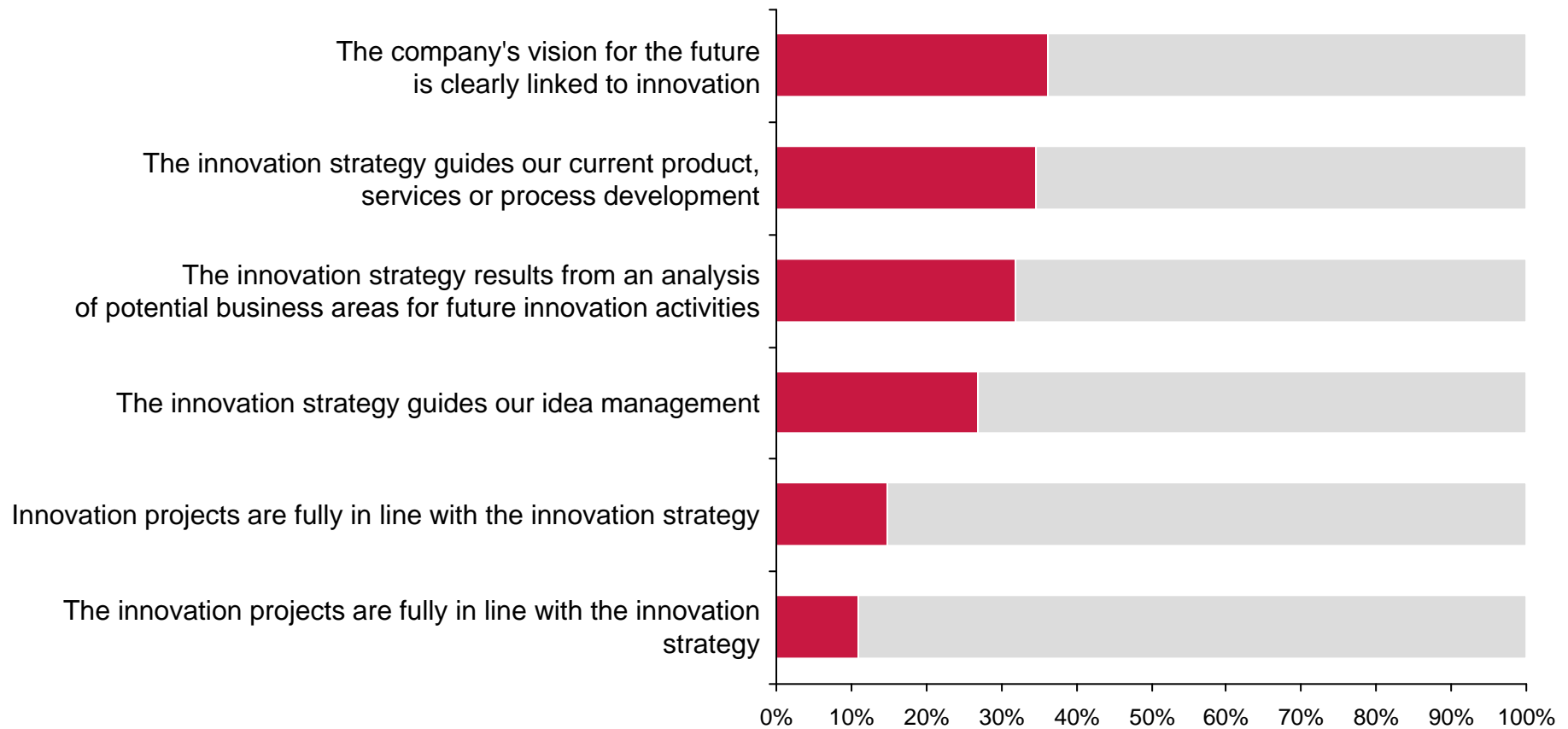
Share price development Best Innovator Winner¹ vs. DAX-Index (1.1.2003 – 31.01.2013, indexed)



1. Average of listed Best Innovator Winner in DACH 2003-2011
Source: Best Innovator Competition 2003 – 2011, A.T. Kearney analysis

However, the strategic focus of SMEs on innovation is rather low

SMEs' strategic focus – results from the IMP³rove database



Managing innovation to create value – best practices

A lot is said about innovation – but how to manage innovation for value is not always well understood

Innovation and Innovation Management



Product innovation
e.g. new drug



Process innovation
e.g. MicroReaction Technology



Service innovation
e.g. mobile
telecommunication services



Business model innovation
e.g. online shopping

An innovation is ...

... an invention/idea of

- new products, processes, production methods, organizational forms

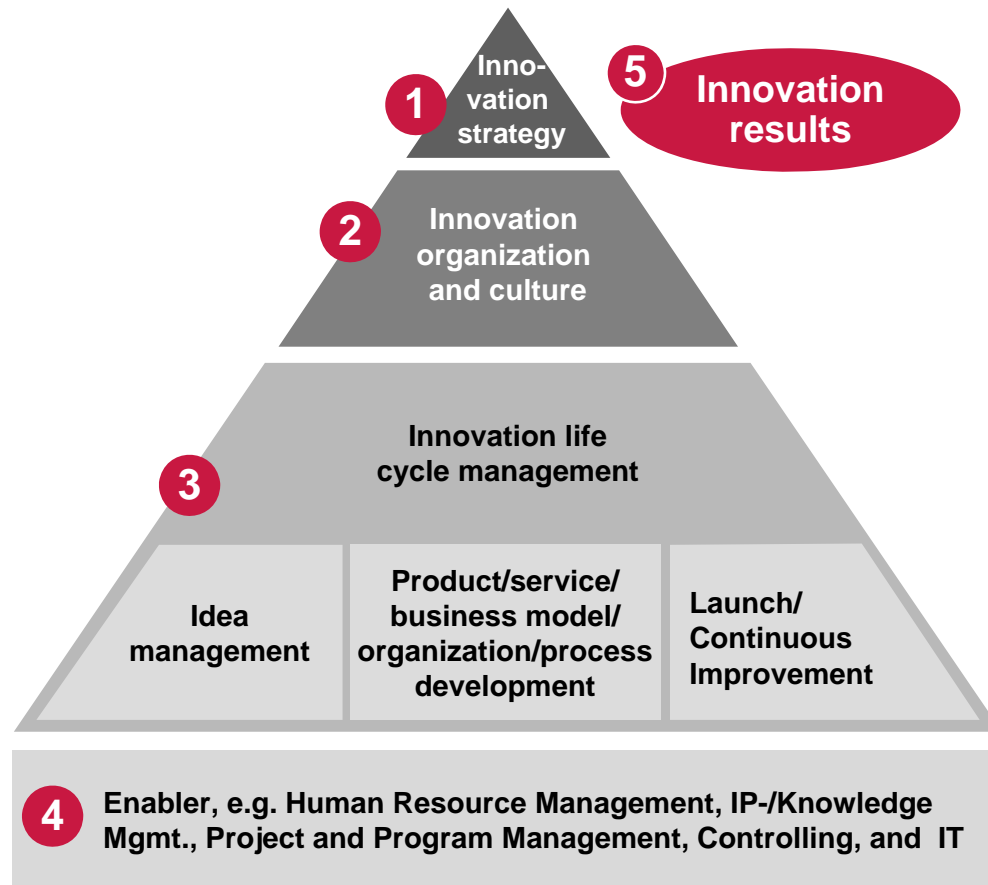
or

- an elementary improvement of a system

and its successful realization

All dimensions of innovation management have to be mastered to reach superior innovation results

A.T. Kearney "House of Innovation"

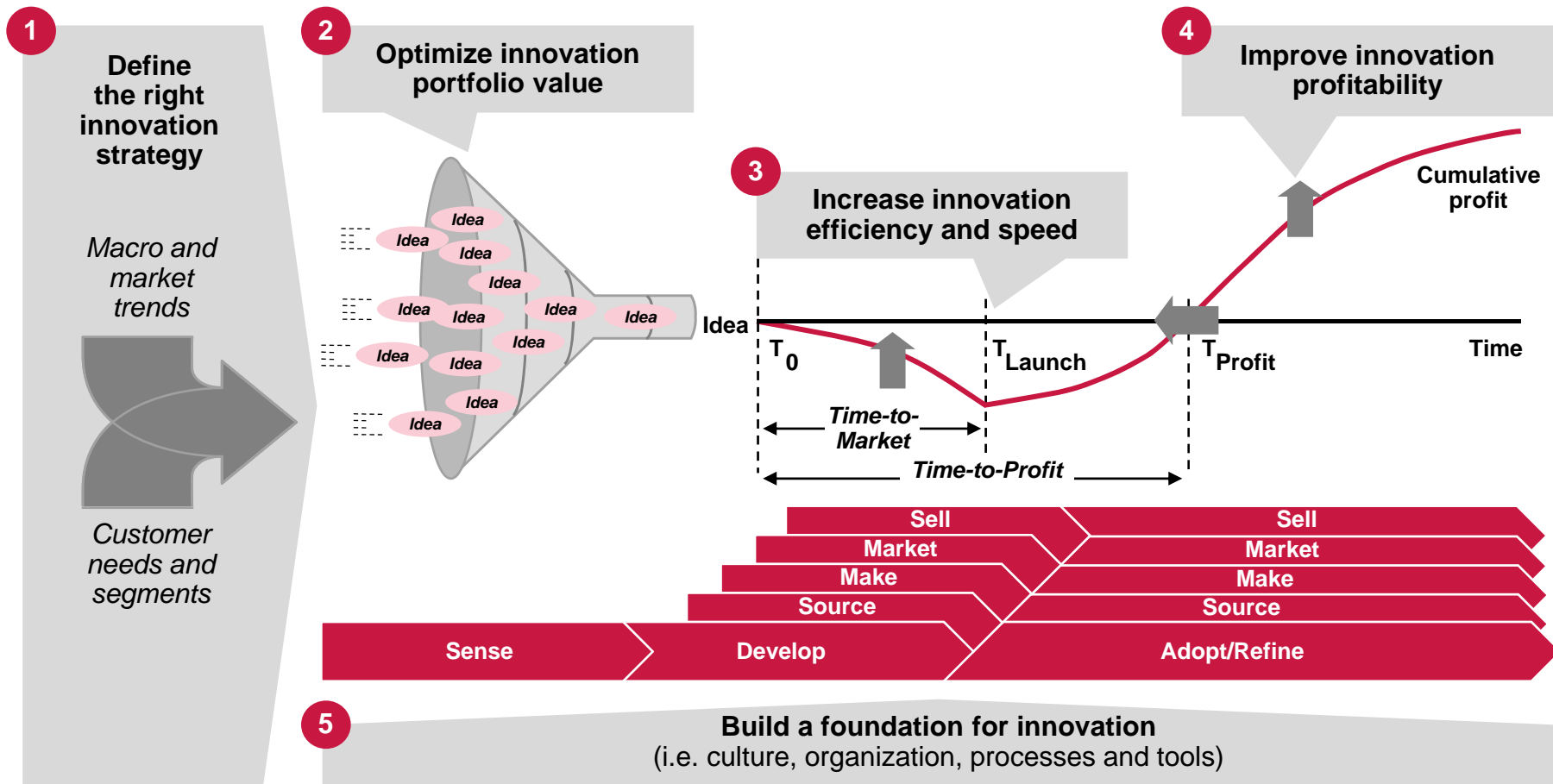


Description

- 1 Innovation strategy**
 - Vision and strategic focus on innovation
 - Implementation of strategy
- 2 Organization and culture**
 - Roles and responsibilities
 - Organizational structure
 - Organizational culture and climate
- 3 Innovation life cycle processes**
 - Idea management
 - Product/Service/Business Model/organizational or Process Development
 - Launch and Continuous Improvement
- 4 Enabling factors**
 - Project Management
 - Human Resources and Incentives
 - IT and Knowledge Management
- 5 Innovation results**

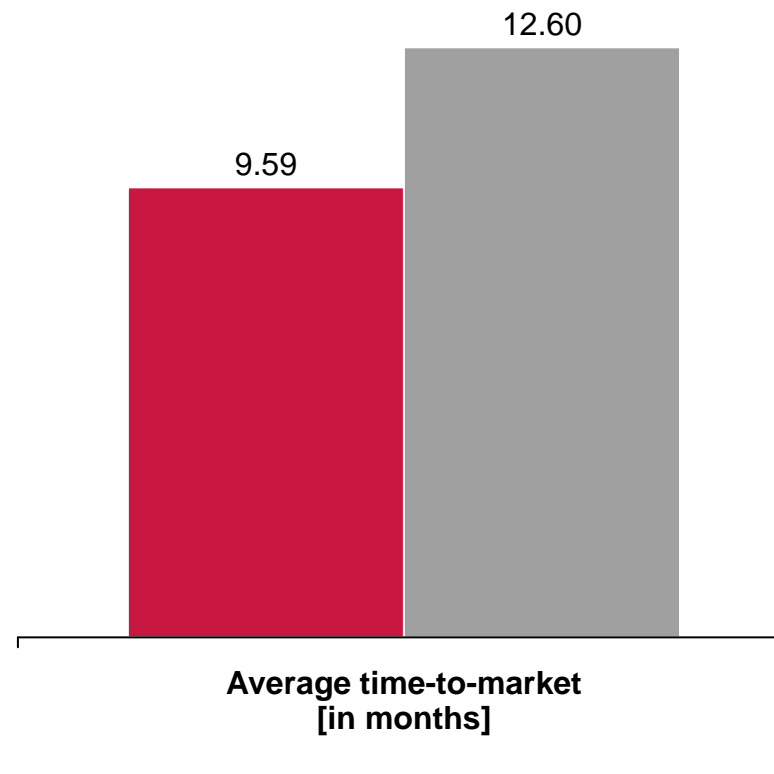
Five levers help to increase value from innovation

Innovation Management Value Levers



Growth Champions¹ achieve on average almost a 30 % shorter time-to-market receiving revenues 3 months earlier

Comparison of Time-to-Market in Months between Growth Champions and other SMEs

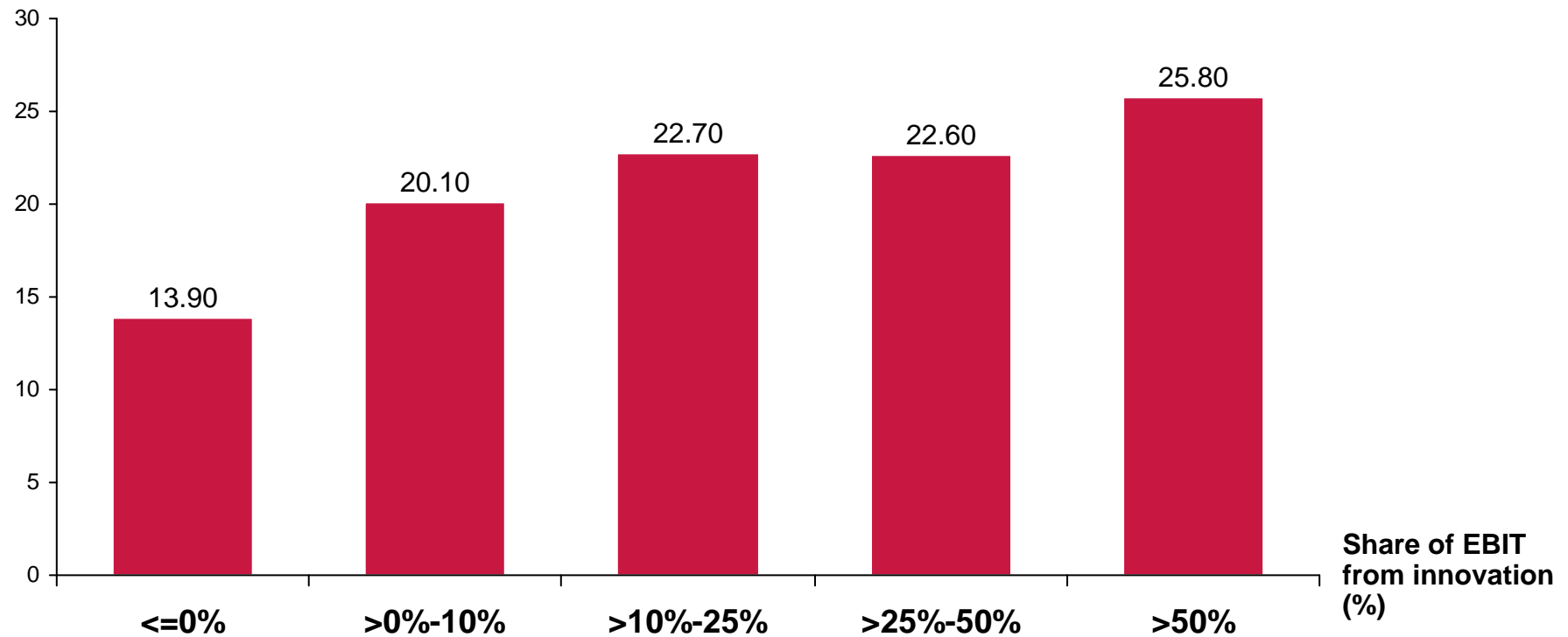


1. Growth Champions are defined as the average of the top 10% of SMEs in the benchmarking sample with the highest growth in revenue, EBIT and number of employee during the last 4 years
 N = 1,660
 Source: IMP³rove Academy; Figures as of November 2012; www.improve-innovation.eu; IMP³rove is a registered trademark

A successful innovation management increases the access to export markets

Entering International Markets with Successful Innovation Management

Export share of sales (%)

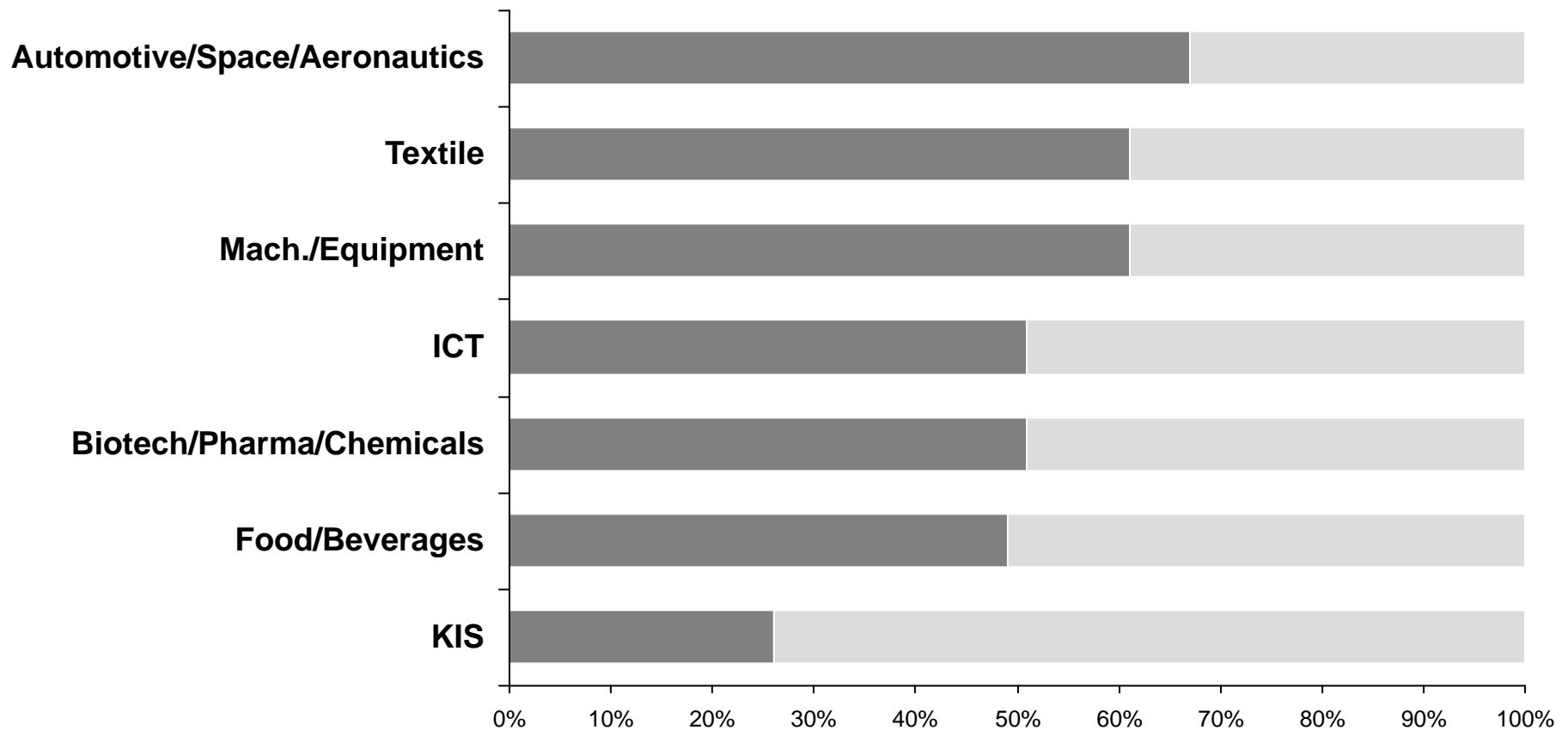


N = 1,973

Source: IMP3rove Academy; Figures as of September 2013; www.improve-innovation.eu; IMP3rove is a registered trademark

There is still room for further internationalisation of SMEs

Share of exporting SMEs in Europe (in per cent)

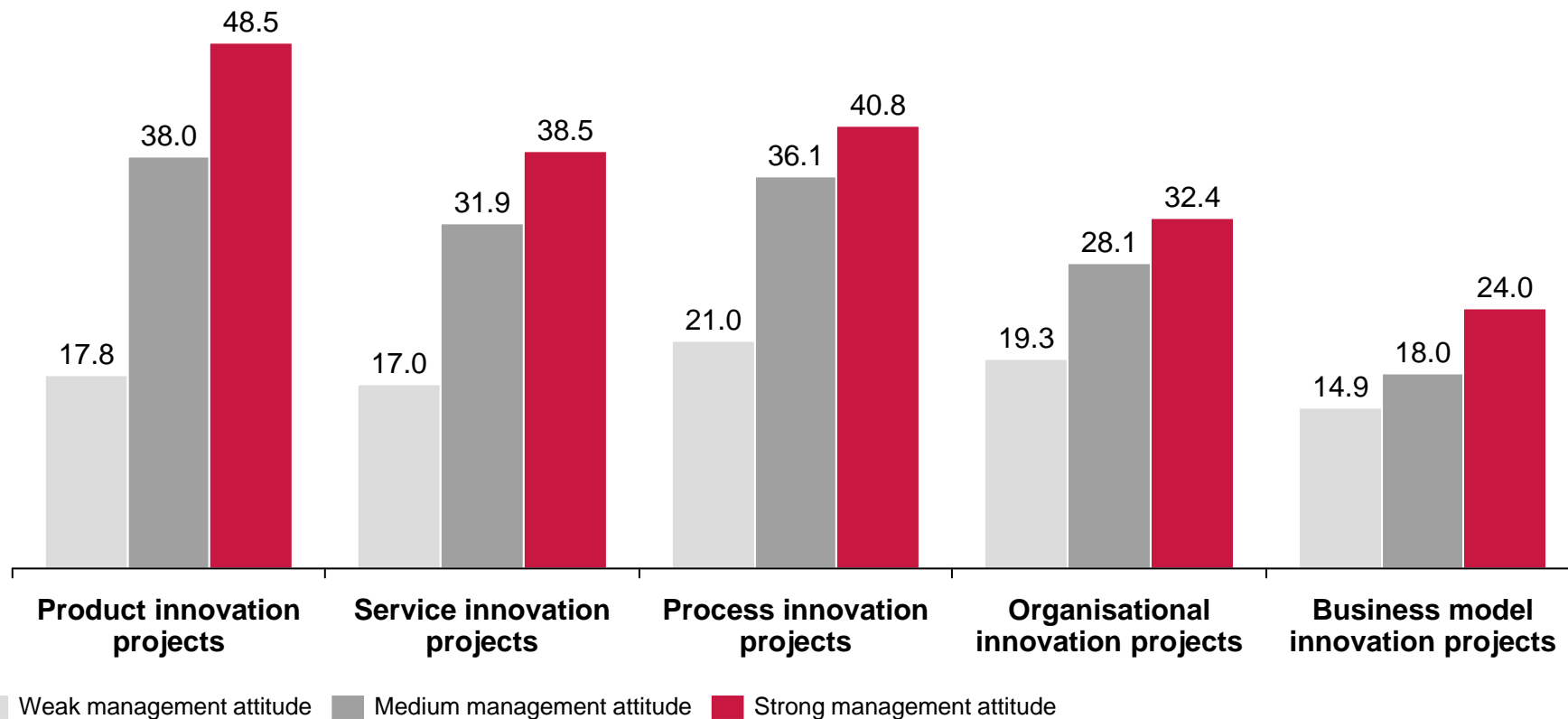


N = 1,801; KIS = Knowledge Intensive Services; ICT = Information and Communication Technologies
 Source: IMP^{rove} Academy, IMP^{rove} Database, September 2013, www.improve-innovation.eu; IMP^{rove} is a registered trademark

If top management has a stronger attitude¹ towards innovation the success rate of innovation projects increases

Influence of Top Management on Innovation Project Success

Success rate for innovation projects (%)



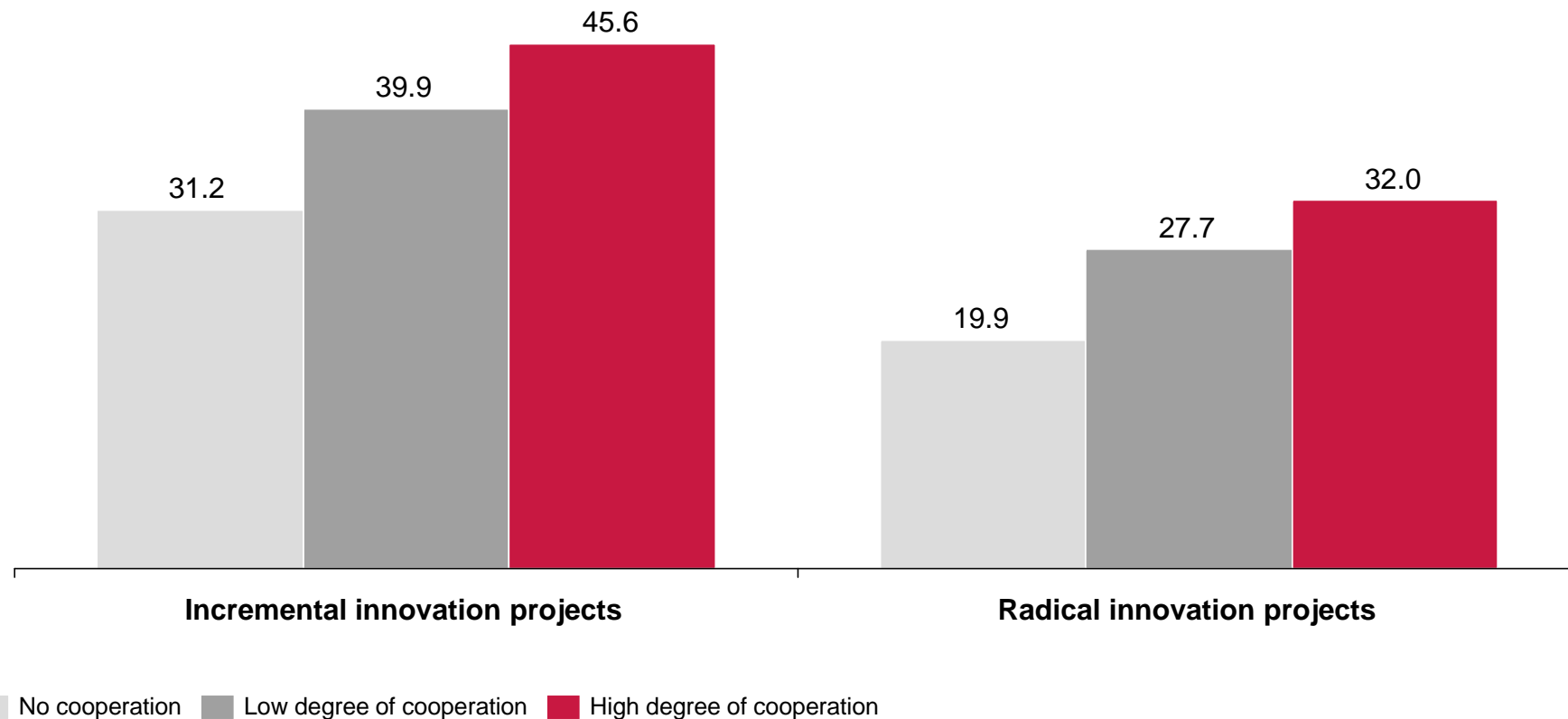
1. Top management attitude towards innovation measured on a 7-point Likert scale
N = 1,847

Source: IMP³rove Core Team; Figures as of May, 2013; www.improve-innovation.eu; IMP³rove is a registered trademark

External cooperation during the innovation life cycle¹ increases the success rates of innovation projects

External Cooperation Increases the Success of Innovation Projects

Success rate for innovation projects (%)

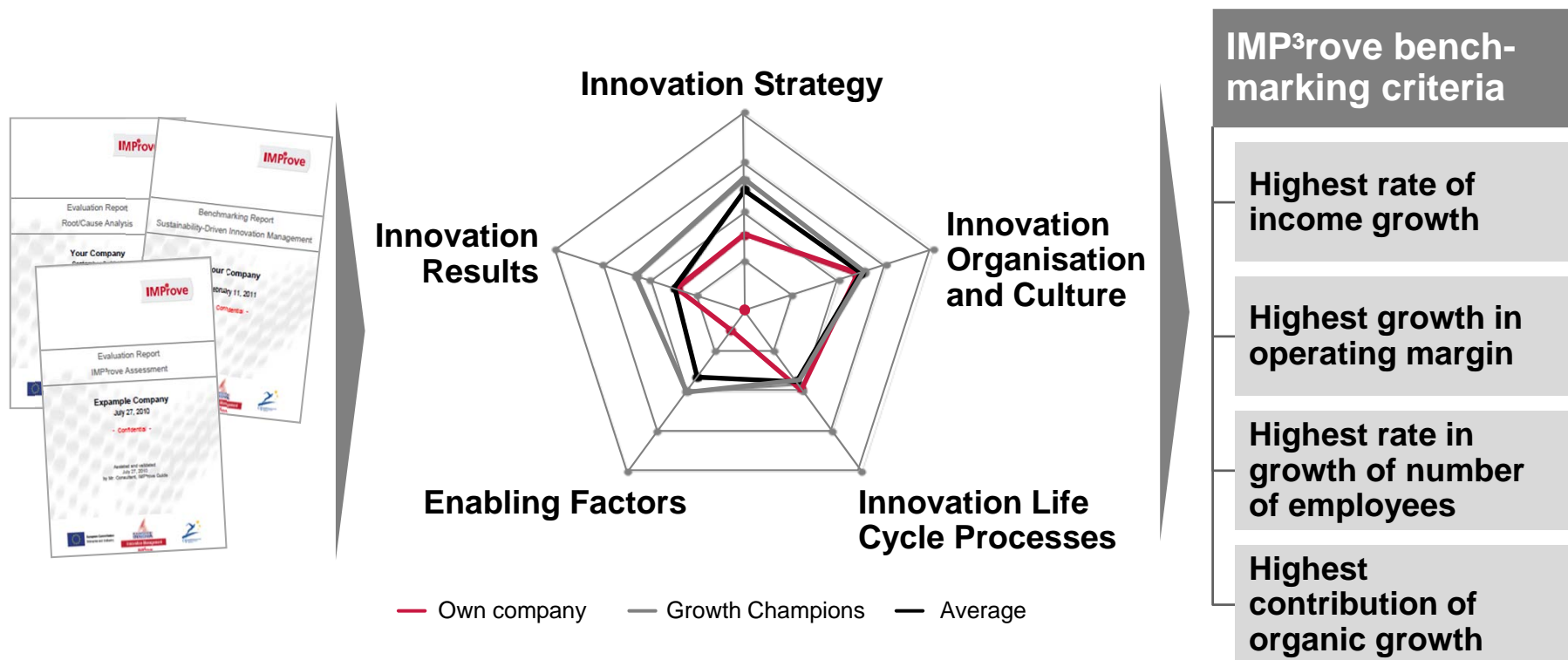


1. Degree of external cooperation measured on a 7-point Likert scale; N = 1,847
 Source: IMP^{rove} Core Team; Figures as of June, 2013; www.improve-innovation.eu; IMP^{rove} is a registered trademark

Benchmarking innovation management performance

The IMP³rove Assessment measures the profitable growth from innovation management

From IMP³rove Assessment to Transparency on the Areas for Improvement

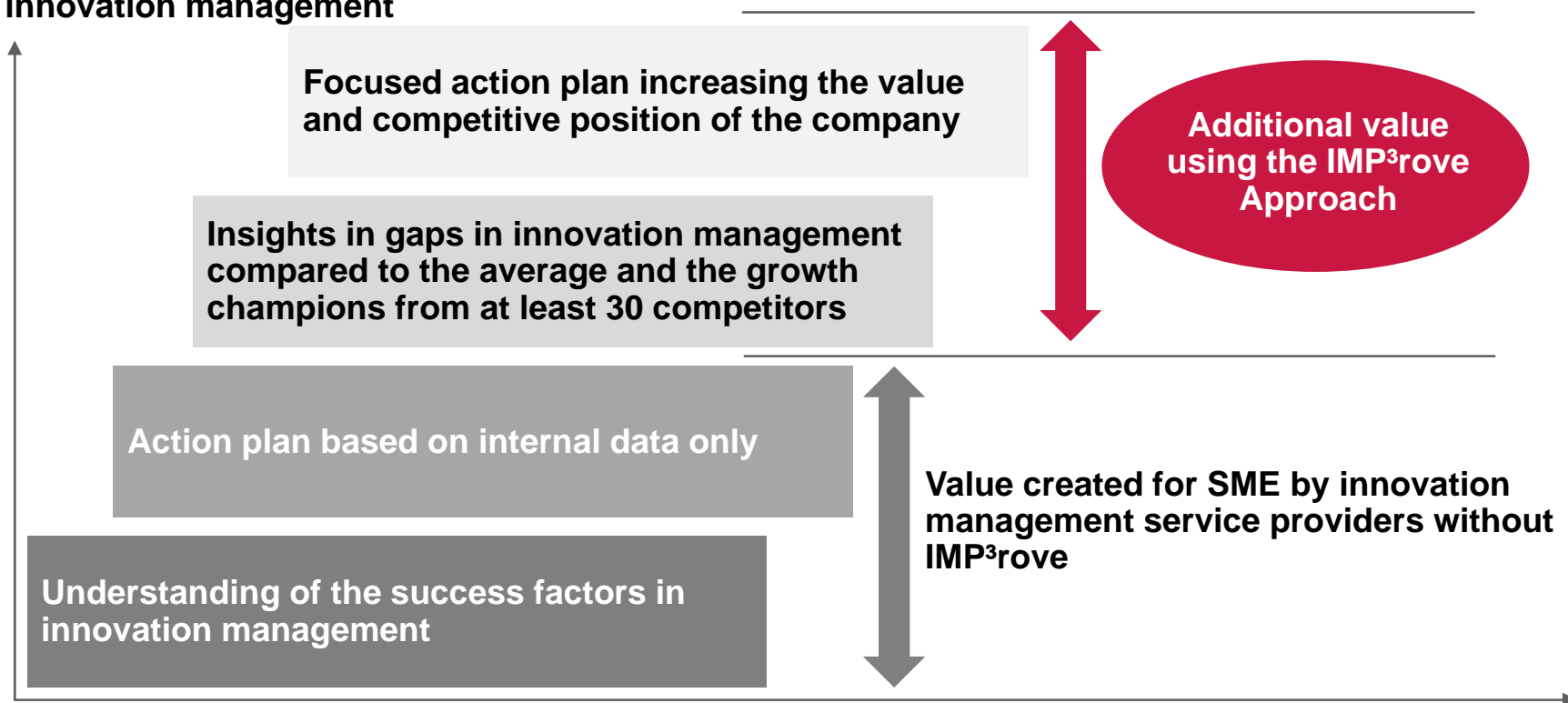


The IMP³rove benchmarking offers transparency on the value created by innovation management – and leads to actions for improvement

The IMP³rove benchmarking creates significant value for the SME compared to traditional support services

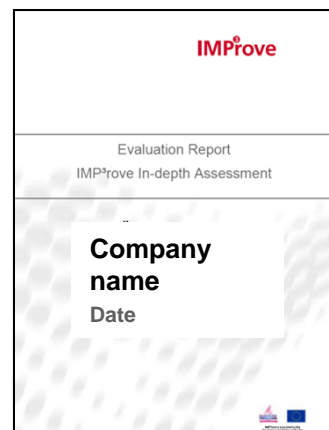
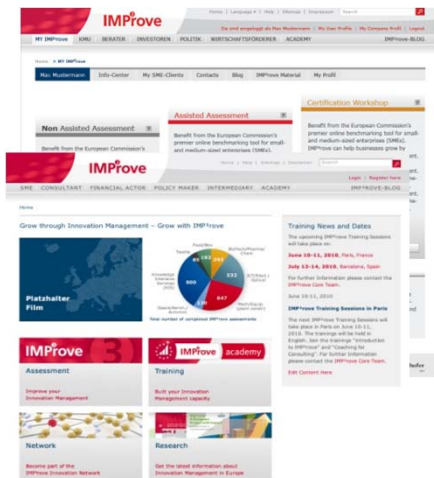
Value for SME without and with the IMP³rove Approach

Education of SMEs in innovation management



The IMP³rove process includes the innovation management benchmarking, feedback and continuous improvement

IMP³rove Process – Designed for Value Creation at Each Step



Covering all dimensions of Innovation Management and its economic results

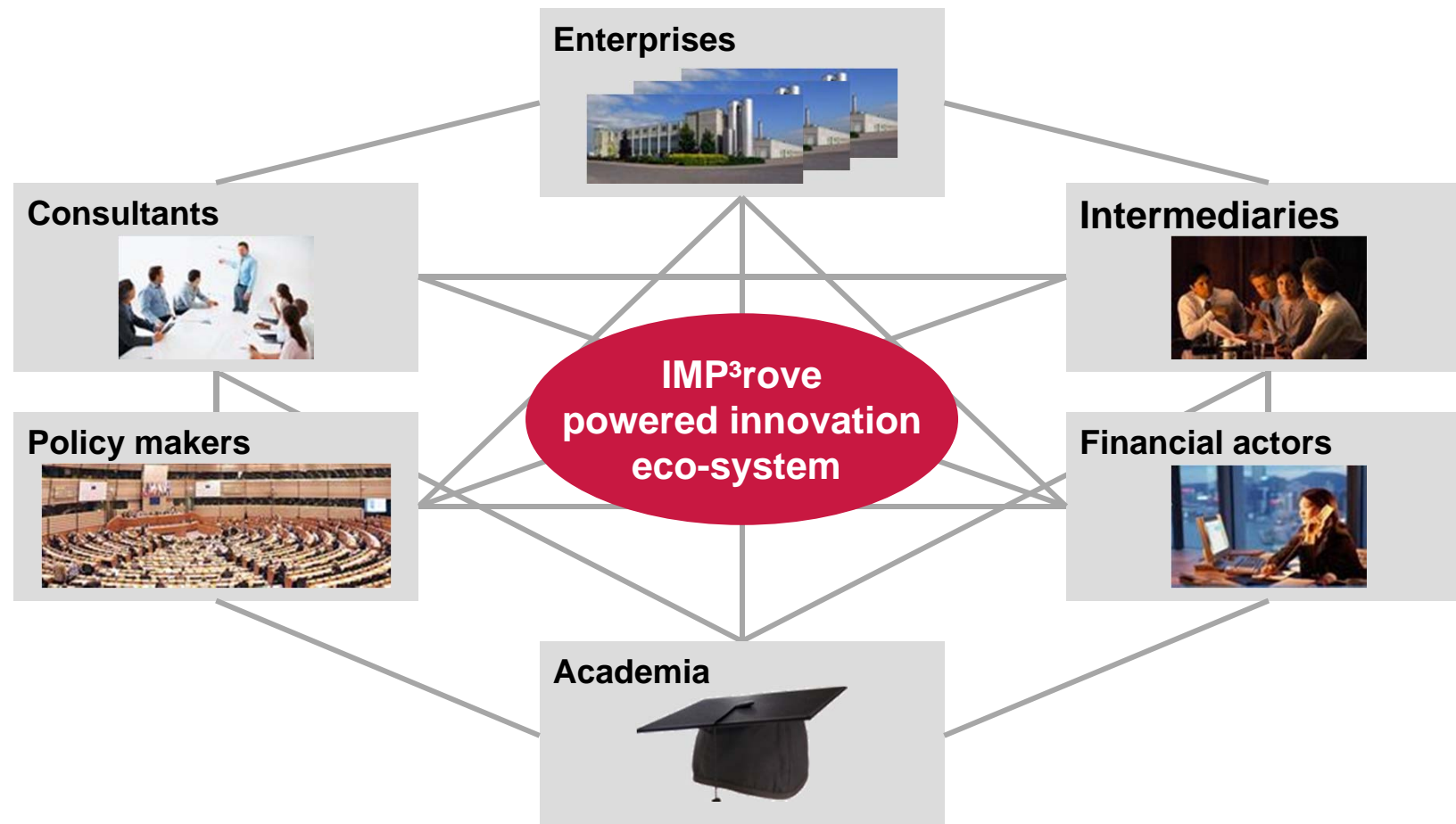
Transparency on current Innovation Management performance

Concrete measures with high impact on Innovation Management performance

Recurring IMP³rove Assessment triggered by the IMP³rove platform

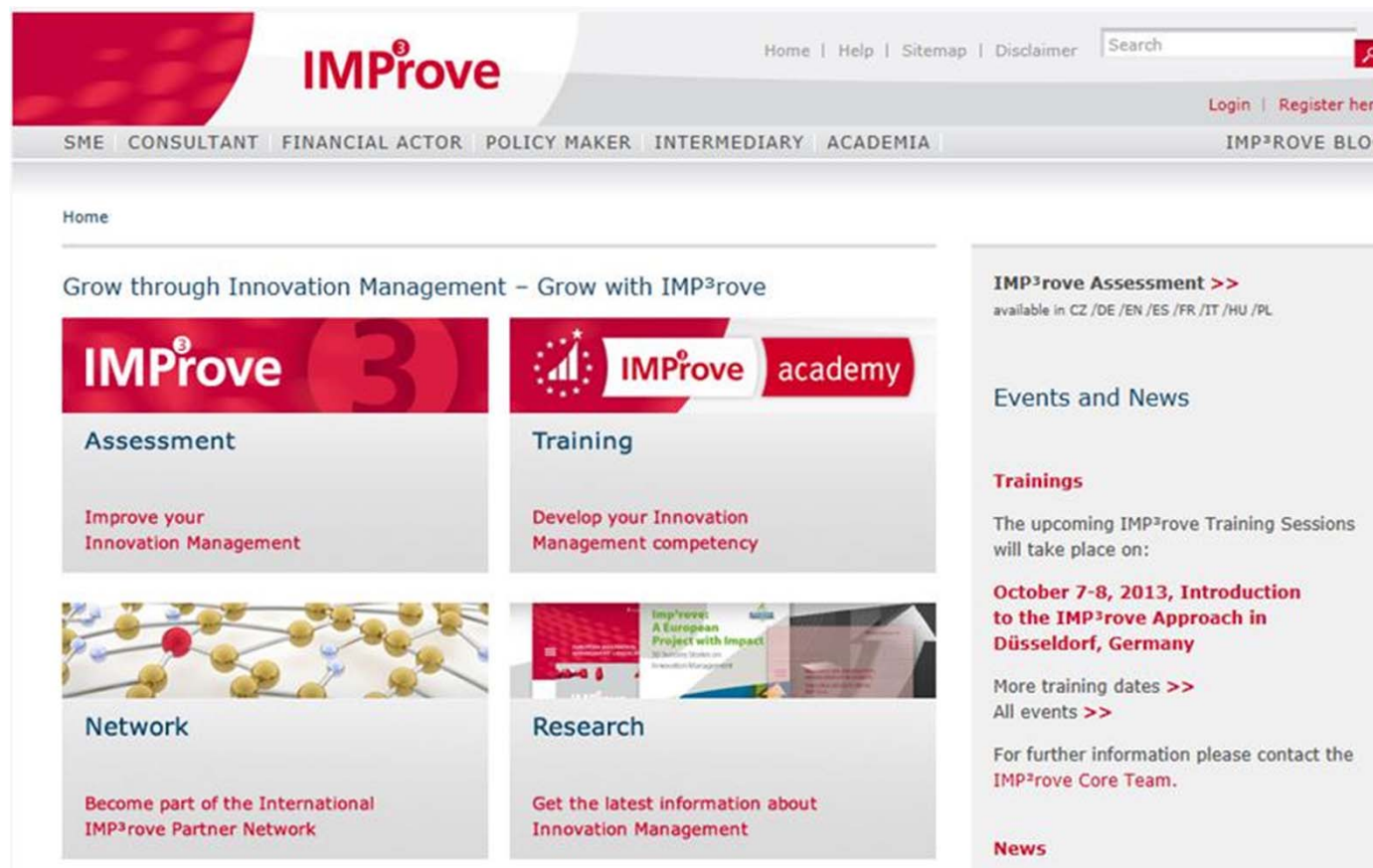
IMP³rove services are designed to develop a powerful innovation eco-system

The IMP³rove Innovation Eco-system



You are invited to use the IMP³rove support services!

Access to IMP³rove: www.improve.innovation.eu



Thank you very much for your attention and for your questions!

IMProve academy

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