

**Key “take aways” from the high level
roundtable of innovation experts organised on
8-9 June 2009, Brussels, in preparation of the
European Innovation Plan**

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A high level roundtable was organised by DG Enterprise and Industry to bring together leading innovation experts for an open and informal discussion on future EU innovation policy, as part of the preparations for a new European Innovation Plan. The discussion was focused around four topics.

1 A societal challenges approach to innovation

A societal challenges approach to innovation policy is an emerging trend in several countries, including the US, Japan, the Netherlands and UK. It provides a rationale for political action beyond market failure (c.f. the importance of addressing societal challenges) and a focus for systemic actions, well suited for the systemic nature of innovation.

This approach has great potential to mobilise the larger layers and interest groups in society (NGOs, the young, employers and employees, etc.) needed to build an “innovation society”, if integrated with existing approaches such as demand side innovation policy and research. Evaluation of the approach is furthermore needed.

A societal challenges approach cannot be purely top-down, but must be complemented with bottom-up, small scale, national and regional initiatives. In this context, the importance of niche players, specialisation and knowledge diffusion was emphasised. The advice to the Commission is to “define the problems, and let the solutions emerge”.

Ideas for actions

- Foresight and weak signal analysis are needed for a societal challenges approach.
- High level objectives and targets are needed to achieve focus, but also lower level objectives and targets to make the approach operational. A hierarchy of interlinked objectives and targets is suggested.
- A societal challenges approach would help breaking down “policy silos”.
- For a broad societal approach to innovation, transversal innovation platforms (e.g. public private partnerships) are needed for players to meet. The creation and support of these platforms could be the role of the Commission, as well as providing incentives and support for knowledge diffusion.
- Companies could be encouraged to use or sell non-commercialised patents.

2 High level targets for EU innovation policy

EU innovation policy would benefit from high level targets that align with and communicate the objectives and provide focus. However this must recognise the limitations of the evidence base and go along with research on providing better indicators and understanding the implications of existing indicators.

Innovation surveys show that more firms innovate than do R&D. This raises questions about how these firms acquire and combine knowledge in order to create value through innovation.

Ideas for action

- The 3 percent target is too limited (reflects only one driver of innovation) and flawed (quantitative rather than qualitative).
- Broaden the R&D target to include Higher education and ICT expenditure as other critical inputs to innovation. Consider quality and excellence, and not just quantity, of these indicators.
- Introduce targets of companies that are high growth, that are introducing innovations (in many cases without performing R&D), and that are adopting major new technologies/ innovations.
- Introduce targets relating to the people dimension, which could be related to mobility, openness, and creative work. Give special attention to young people and reducing youth unemployment.
- Consider targets explicitly related to societal challenge orientation of innovation policy, e.g. on wellbeing, and ways to measure the diffusion and flow of innovation through the single market.
- Further work is needed to improve the measurement of innovation, in particular company surveys on adoption and diffusion of innovation, population surveys on user involvement in innovation, and greater use of employee/ workforce surveys linked to innovation.

3 “New” forms of innovation, creativity and networks

There are no “new” forms of innovation, with the possible exception of ICT-enabled user innovation. Employee driven, design driven and service innovation are, for example, forms of innovation that have always existed; we are just getting increasingly aware of their existence. Our understanding of these innovation drivers and their policy implications are however still relatively underdeveloped, compared to e.g. R&D. Further research, conceptualisation and measurement are needed.

- Workplace creativity, workplace learning and organisational practices may be *the most important drivers* of innovation, judging from an analysis of the correlation between the existence of these factors and innovation performance at national level.

Their relative absence in innovation policy is therefore surprising. Flexicurity, life long learning and broad, competence-based education are also factors correlated to national innovation performance.

- Design is a holistic and visionary method which helps solving complex problems and integrating human/societal aspects into innovation. In its most user-centred form (“design with users”) it could be a suitable mechanism for implementing a human-centred, societal challenges approach to innovation.

- Companies are increasingly open to ideas from the outside, including the user. Innovation by the end user is more frequent than most manufacturers or policy makers assume. Its importance from an economic/competitiveness point of view and its policy implications are however not clear. Only few programmes in support of user innovation exist, notably in Denmark and Finland, and these take a broader, more *user-centred* approach.

Ideas for actions

- The need to diffuse good practices as regards non-technological drivers of innovation to “moderate innovators” and “catching up countries” is particularly pressing.
- Public procurers should get training in how to tackle the risks involved in innovative procurement (e.g. risk assessment, risk sharing). Awards for public procurers? Public Procurement Directive needs a revision?
- Young people should be involved earlier in the innovation process, e.g. through internships in companies already in secondary school.
- Awareness raising needed in the area of design, e.g. by “demonstrator projects”, as well as a better evidence base, and better integration of design thinking into education, particularly in engineering and business education. Design schools could function as idea labs/market places for solutions.
- User innovation needs better measurement to be understood, e.g. by inclusion in Innobarometer or Community Innovation Survey.
- Learn from existing knowledge and research in these areas, e.g. on non-R&D-performing innovators.
- Re-thinking of education is needed. Curricula need to contain more problem solving (e.g. 50 percent); school books need to be re-written.

4 Public sector innovation

The public sector has an important role to play as a catalyst for innovation, with potentially important spill over effects, but the barriers for innovation in the public sector are considerable (and well-documented).

Voluntary organisations could be better involved in public sector innovation than at present. Public private partnerships also have untapped potential. Space for reflection is essential to stimulate innovative thinking.

Ideas for actions

- The role of the Commission could be to give visibility to good practices, and to encourage knowledge diffusion to countries with inefficient public sectors.
- A “Lead Public Services Initiative”.
- Up-scaling of public sector innovation initiatives.
- Efficient division of labour of EU tasks, e.g. allocating the tasks of Eurostat to the best performing national statistics office.
- Public sector assessment based on view of mobile professionals.

ANNEX: Participants

External experts:

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