

# The New Nature of Innovation

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FORA

# About FORA

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FORA is an **independent research unit** under the Danish Ministry for Economic and Business Affairs

FORA delivers **innovative analyses** that focus on the challenges faced by the business world. Building on facts we deliver **cutting edge-knowledge** for decision makers and proposal for regional, national and international **business policy**.

FORA's vision is to build new knowledge that will strengthen Denmark's position in the **innovation society** of the 21st century. We collaborate with researchers and companies from around the world to secure a strong **international** perspective to our efforts.

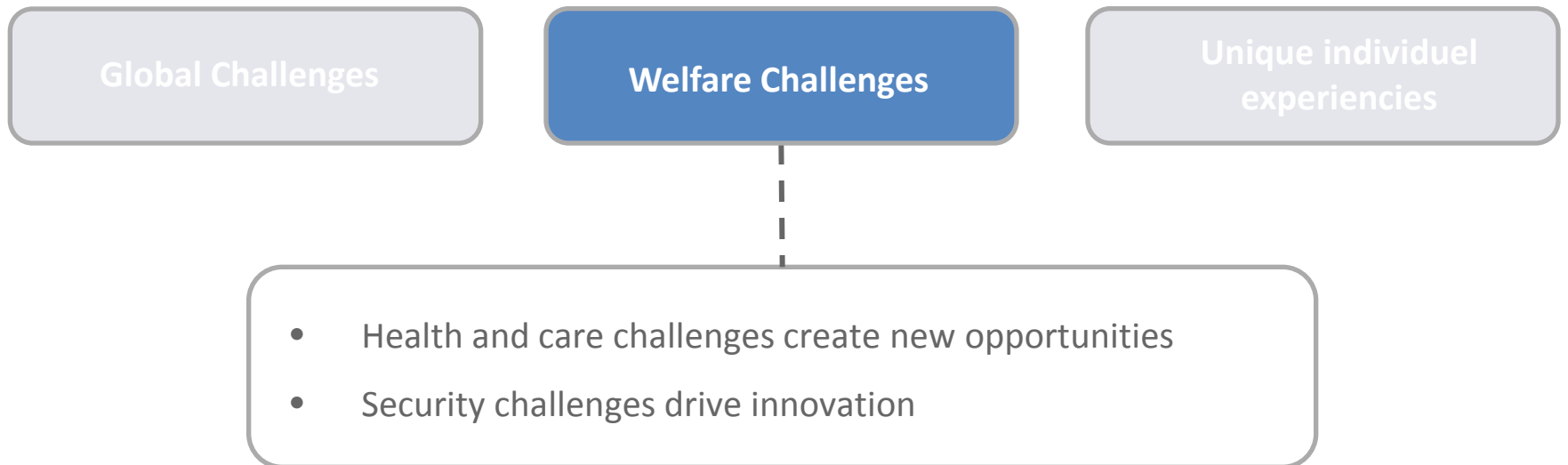
# Innovation Drivers and Principles

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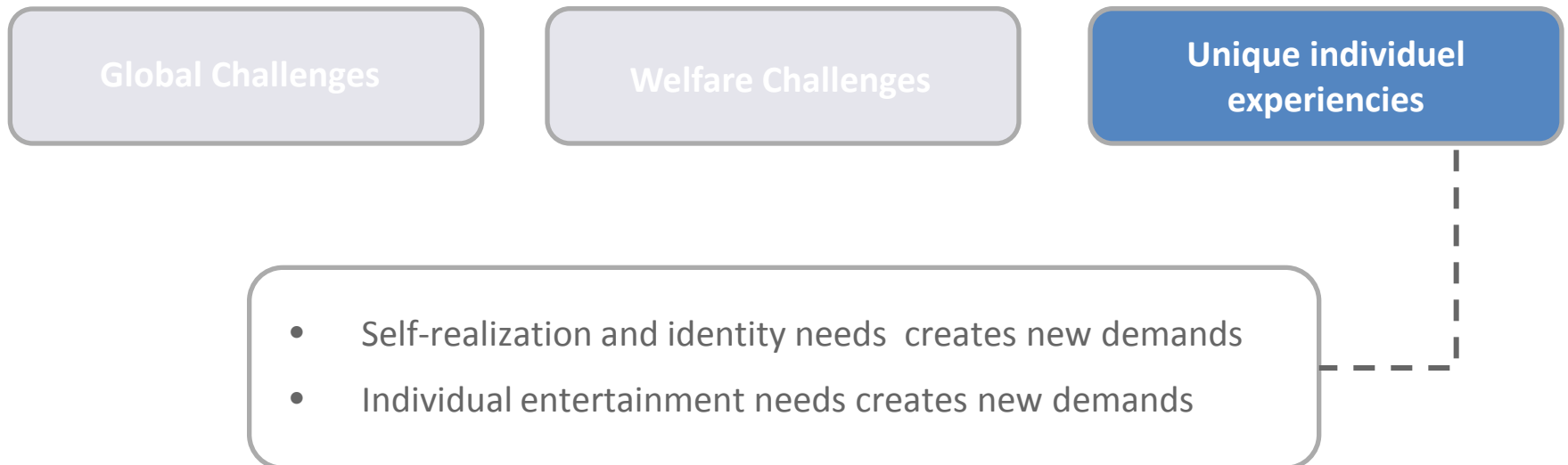
# Innovation Drivers and Principles

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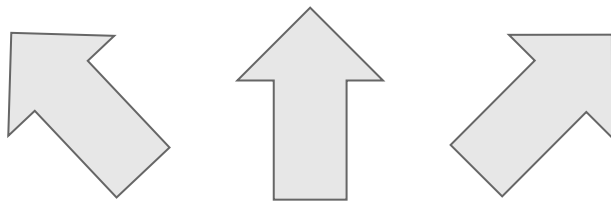


# Innovation Drivers and Principles

**Global Challenges**

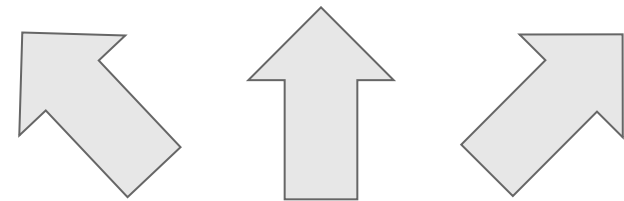
**Welfare Challenges**

**Unique individual experiences**



**Global Knowledge Sourcing and collaborative networks**

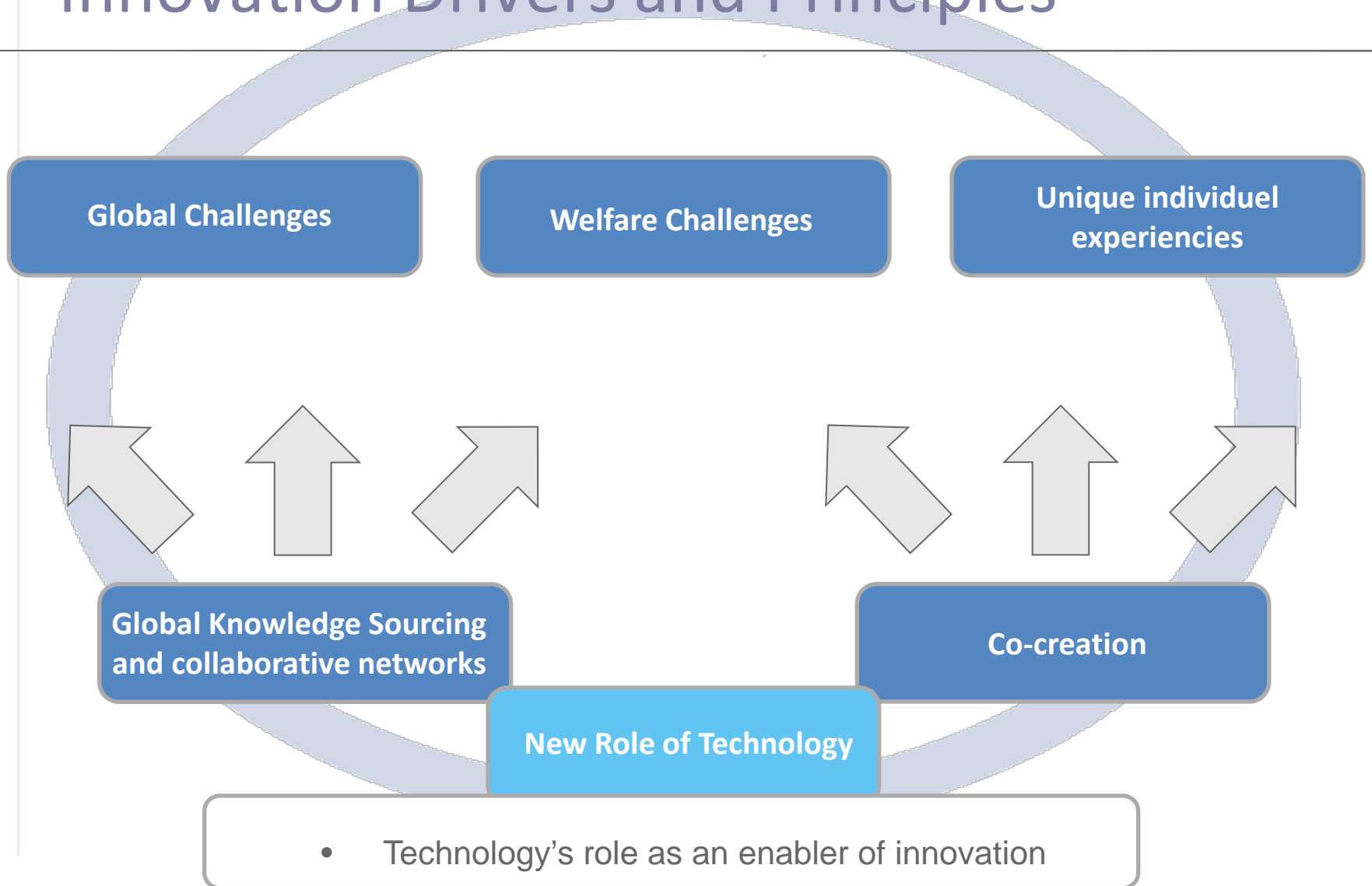
- Accessing and Combining globally dispersed knowledge
- Forming collaborative networks and partnerships
- Dynamics between large companies and entrepreneurs



**Co-creation**

- Co-creating value with customers
- User's involvement in innovation process

# Innovation Drivers and Principles



# Four Key Elements in Co-creation Between Companies and Customers

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D

- Dialogue with users

A

- Access to company platforms

R









- Risk sharing with customers

T

- Transparency for users

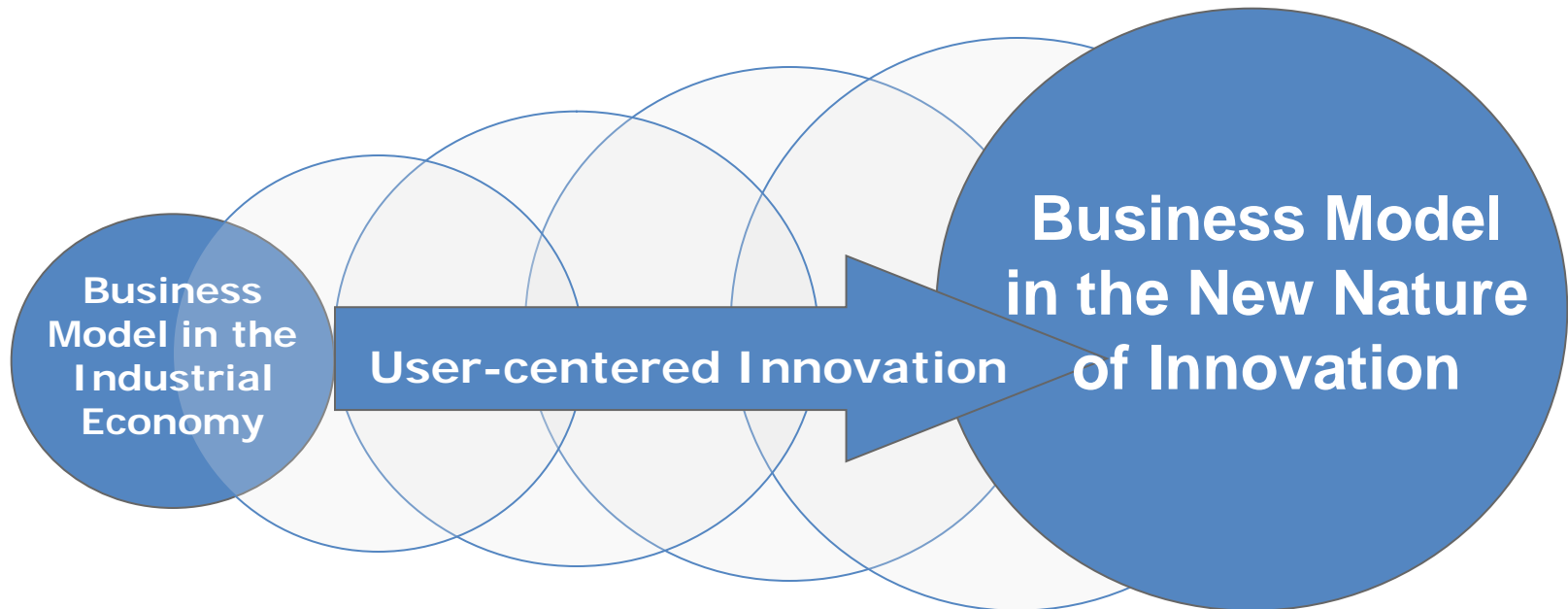
*Source: Prahalad & Ramaswamy (2004)*

# Business Models Now and Then...

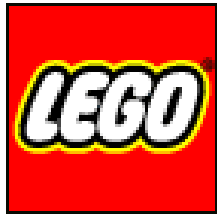
	<b>D</b> Dialogue	<b>A</b> Access	<b>R</b> Risk	<b>T</b> Transparent
Business Models in the Industrial economy				
Business Models in the New Nature of Innovation				

# User-centered Innovation Optimizes Co-creation

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# Case: Lego



Advanced users

Knowledge & insight



Product development

Online communities



# Case: Dong Energy

**Dagspris kvartal**  
 Her kaff du se navnet på den el-faktura du har hus os. Du kan frit vælge el-erhvervs- og hvilken el-tælle du ønsker. Form afregningspunkt for nu Basispris Kvartal, hvis du ikke selv vælger en anden løsning.

**DONG energy**

→ Leveringssted: Nøddehøj 67  
2840 Holte

→ Kundennummer: 600 123 456  
 → Regningsnummer: 512 345 678  
 → Aftalenummer: 71234567891  
 → Målernummer: 512345

Side 3 af 4

**Elabonnement**  
 Dit første elabonnement starter den 1. august 2008. I næste afsnit vil vi fortælle om de forskellige muligheder.

**Specifikation - sådan har vi beregnet din acontoregning**

Dit forventede elforbrug i perioden er på 1.077 kWh

Betaling for el	467,70 kr.
→ Basispris Kvartal (1.077 kWh a 43,43 øre)	30,00 kr.
→ Elabonnement	124,43 kr.
Moms (25 % af 497,70 kr.)	622,13 kr.
<b>I alt *</b>	

Betaling for distribution af el og afgifter	221,86 kr.
→ Transport af el (1.077 kWh a 20,60 øre)	83,73 kr.
→ Offentlige forpligtelser (1.077 kWh a 7,77 øre)	162,00 kr.
→ Netabonnement	586,75 kr.
→ Elafgift (1.077 kWh a 54,48 øre)	43,08 kr.
→ Eldistributionsbidrag (1.077 kWh a 4,00 øre)	95,21 kr.
→ CO2-afgift (1.077 kWh a 8,84 øre)	298,16 kr.
Moms (25 % af 1.192,63 kr.)	1.490,79 kr.
<b>I alt **</b>	2.112,92 kr.

**I alt til betaling senest den 7. august 2008**  
 Vi har gennemført beregningerne med flere decimaler end vist i denne opstilling

**Elabonnement**  
 Elabonnementet består af følgende: 1. Elabonnementet til DONG Energy. 2. Netabonnementet til DONG Energy. 3. Offentlige forpligtelser til DONG Energy. 4. Transport af el til DONG Energy. 5. CO2-afgift til DONG Energy.

- Complex billing
- Possibilities for platform sharing

# Important tendencies

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- > Globalization and the digital technology creates new societal relations between individuals...
  - > Connectivity, activeness and symbiotic relationships
  - > Interdependence of institutions
  - > From control-based to influence-based business and policy

# Four policy areas



- > Build New Knowledge and Competencies
- > Create Platforms and Collaborate
- > Smart regulation
- > Intelligent public demand

# Build New Knowledge and Competencies



- > Universities has an even more important role to play...
  - > Explorative research in individuals behaviour and actions.
  - > Understanding knowledge creation in multidisciplinary networks – global networks and local networks
  - > New skills for human scientists, designers, art people and social scientists

# Case: The Aalto University

Build New Knowledge  
and Competencies

Create Platforms  
and Collaborate

Smart regulation

Intelligent  
public demand

AALTO UNIVERSITY  
= HSE + TaiK + TKK

HSE

Helsinki School of Economics

TAIDETEOLLINEN  
KORKEAKOULU  
UNIVERSITY OF ART AND  
DESIGN HELSINKI



University of Art and Design Helsinki



Helsinki University of Technology

-Aalto University is a newly created university resulting from the merger of three Finnish universities

- Aalto University will begin operating in January 2010, and open up a new world of possibilities for multidisciplinary education and research

# Create Platforms and Collaborate



- > Governments and public institutions has to be more open...
  - > Led companies have acces to public data
  - > Create platforms where companies and citicens can exchange views and collaborate
  - > Create innovation partnerships between public institutions and private companies

# Smart regulation



- > Smart regulation set new standards which claims for new solutions...
  - > Smart regulation promote innovation while follow-up regulation spread advanced but existing technology and solutions
  - > Smart regulation develops through partnerships between regulatory authorities, private companies and research institutions

# Intelligent public demand



- > Intelligent public demand can renew public welfare services without privatizing...
  - > Invite private companies to innovate together with public institutions
  - > Introduce co-creation and user centered innovation in renewing public welfare
  - > Supplement best and cheapest with new solutions in public procurement

# Barriers to Smart Regulation and Intelligent Demand

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- > Barriers to be overcome if smart regulation and intelligent demand should flourish...
  - > Tradition and culture in regulatory authorities
  - > Knowledge transfer from companies to authorities
  - > New competencies in regulatory authorities
  - > Willingness to engage in experiments

Thank you

A New Nature of Innovation Report  
can be downloaded on:

[www.newnatureofinnovation.org](http://www.newnatureofinnovation.org)

