

MEASURING THE DEGREE OF OPEN INNOVATION

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Abstract :

This study evaluates the innovation processes within the European countries. The aim of the study is to compare the performance of different European countries about open innovation. Basically, the first introduction of open innovation goes back to the year 2003, and later in 2011 it defined as a business model; however it is still an emerging field of research.

The general open innovation process can be categorized and measured according to the inside-out, outside-in, and joint activities. The dimensions of open innovation can be illustrated according to the idea generation, experimentation, engineering, manufacturing, and commercialization. In addition, open innovation can have impact on different accepts of portfolio management, such as change, risk and standard management. Furthermore, the impact of open innovation on sustainability is a motivation for this research. According to the extant scholar research the openness ratio can be considered as: costs (that are the ratio of cost of OI to total R&D and IP cost), revenue ratio, disposal ratio, and additions from open innovation.

Open innovation can embrace the co-creation that is considered as a requirement for sustainable development. The interaction of open innovation and sustainability has been mainly been towards business context (model), and less has been about triple bottom line notion.

Some of the future research avenue for open innovation can be: the extension of scale from SMEs to global scale studies, analysis of impact of open innovation on performance, and development of problem solving potential of open innovation.

The results of study reveal the overall performance of the economies and how they are coping with the inside-out, outside-in and joint innovation processes.

Keywords: Open Innovation, Sustainability Modelling, Portfolio Management