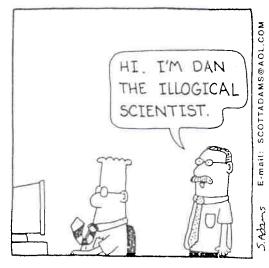
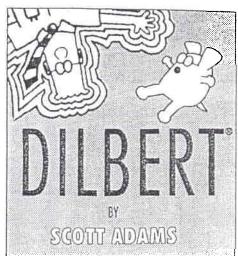
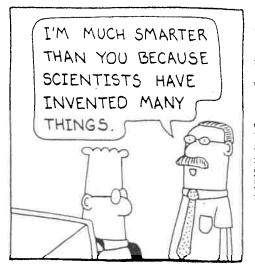
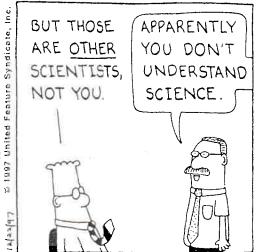
### **TECHNOLOGY**









### INNOVATION

# TECHNOLOGICAL INNOVATION PROCESSES

In order of processes

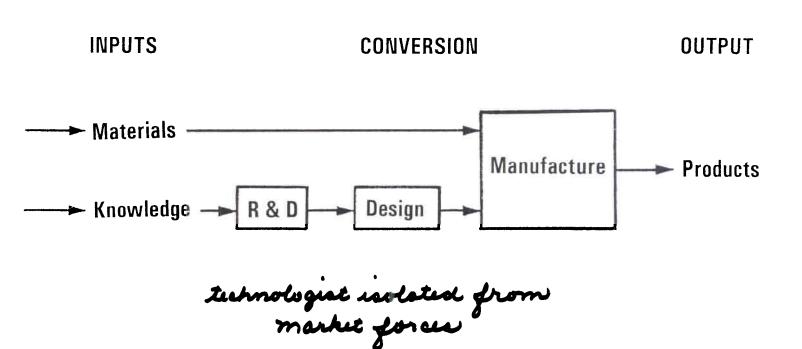
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# APPROACHES TO INNOVATION CONCEPTS

ways of looking at, and sources of,

# PRODUCT-ORIENTED CONVERSION PROCESS

(pre - WW II, per Twiss)
"Jehnology Puch"



## TECHNOLOGY/MARKET-ORIENTED CONVERSION PROCESS

(post - WW II, per Twiss)

Customer needs or satisfactions

Technological Concept

Scientific knowledge

Product design

Materials

Manufacture

Products

increased forces on customer needs

#### THREE-PHASE PROCESS

(by early 1980s, per Walcoff).

Fand on impirite studies

internal organizational perspective

PHASE I

Goal Setting
Project Identification
Project Selection

PHASE II

Research
Development
Production

PHASE III

Diffusion

Establishing climate of innovation

Constructing innovation investment portfolio

Developing organizational structure to support innovation

Defining product and process goals

Information search, basic research and preliminary planning

Designing, engineering and testing the prototype

Developing preliminary market plans

Modifying plant requirements and tooling

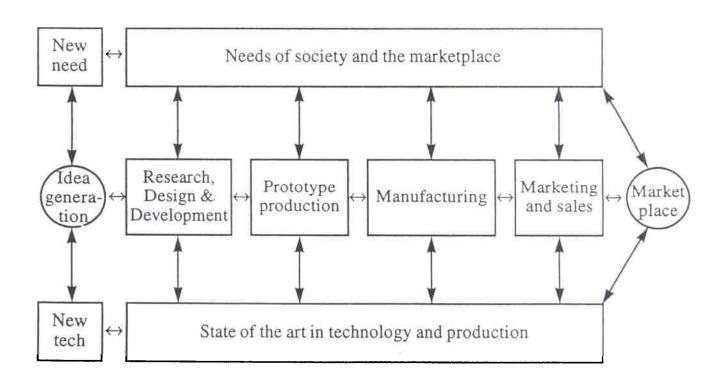
Developing formal market plans

Establishing market introduction

Responding to market needs

#### **COUPLING PROCESS**

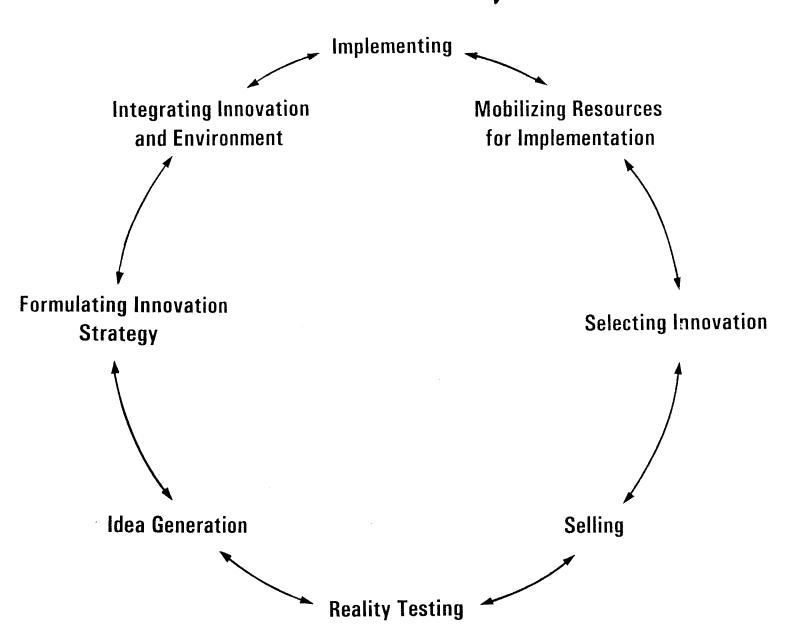
(by early 1908s, per Rothwell)



continuing interactions made explicit

#### **INTEGRATIVE PROCESS**

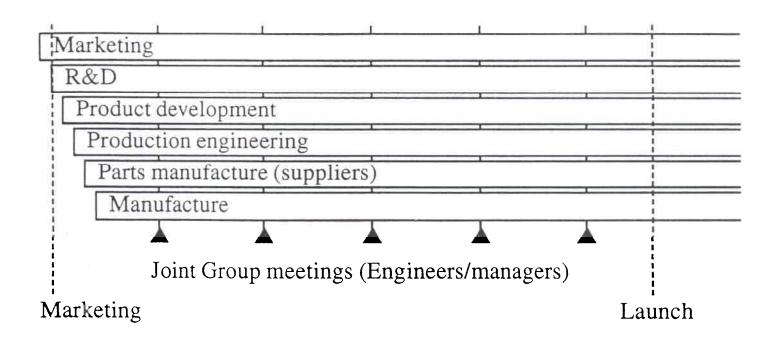
(late 1980s, per Kamm)



#### INTEGRATIVE PARALLEL PROCESS

(late 1980s, per Graves)

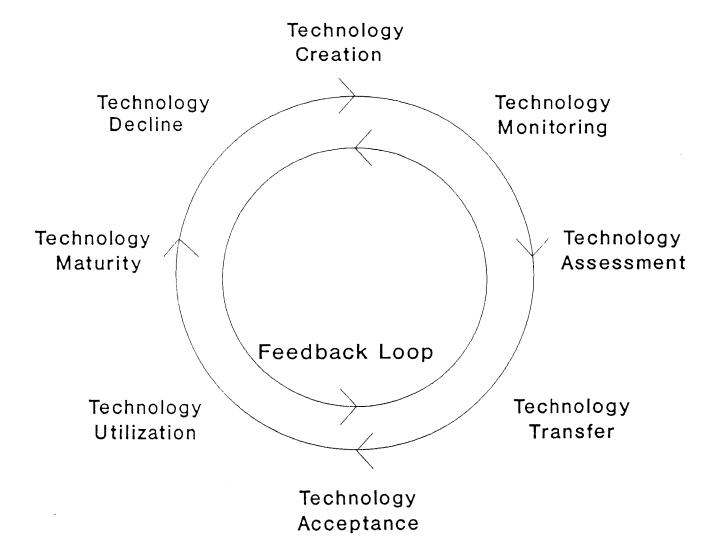
(based on nissen)



#### **INTEGRATIVE SYSTEM PROCESS**

(early 1990s, per Bursic & Cleland)

System Life Cycle Opproach



"Strategic Iechnology management System"

# TECHNOLOGICAL INNOVATION PROCESSES

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# APPROACHES TO INNOVATION CONCEPTS

Where does "The Idea" come from ? Drucker ; Kamm

# Approaches to Innovation Concepts SYSTEMATIC INNOVATION (Drucker)

" ... systematic innovation ... consists of the purposeful and organized search for changes, and in the systematic analysis of the opportunities such changes might offer ... "

# Approaches to Innovation Concepts SOURCES OF INNOVATIVE OPPORTUNITY

(Drucker - 1)

- 1. The unexpected
- 2. Incongruity
- 3. Process need
- 4. Industry/market structure
- 5. Demographics
- 6. Perception
- 7. New knowledge

(additional information follows)

#### SOURCES OF INNOVATIVE OPPORTUNITY

(Drucker - 2)

#### THE UNEXPECTED

the product, process, etc. for which there were no great expectations yet it did very well; the product, process, etc. for which there was every reason to expect success yet it failed; an unanticipated market opens up

#### **INCONGRUITY**

when demand grows steadily but profitability does not; some portion of a process that seems awkward; when producers, suppliers, etc. have arrogant beliefs about what is needed or wanted

#### SOURCES OF INNOVATIVE OPPORTUNITY

(Drucker - 3)

#### **PROCESS NEED**

task-focused; perfecting a process that already exists, replacing a link that is weak, redesigning a process around new knowledge, making possible a process by supplying the missing link

#### INDUSTRY/MARKET STRUCTURE

rapid growth of an industry; viability of the traditional market definition and segmentation; convergence of technologies; the way business is done is changing rapidly

#### SOURCES OF INNOVATIVE OPPORTUNITY

(Drucker - 4)

#### **DEMOGRAPHICS**

changes in the population; its size, composition, employment, educational status, age structure, income, etc.

#### **PERCEPTION**

when a change in perception takes place, the facts do not change, but their meaning does

#### SOURCES OF INNOVATIVE OPPORTUNITY

(Drucker - 5a)

#### **NEW KNOWLEDGE**

the "super-star" of entrepreneurship and innovation; the knowledge is not necessarily scientific or technical; amongst history-making innovations, knowledge-based innovations rank high

## CHARACTERISTICS OF KNOWLEDGE-BASED INNOVATION:

- (1) The longest lead time of all innovations (e.g., 25-35 years)
- (2) Almost always based on the convergence of several different kinds of knowledge

#### SOURCES OF INNOVATIVE OPPORTUNITY

(Drucker - 5b)

#### **NEW KNOWLEDGE (CON'T)**

## SPECIFIC REQUIREMENTS OF KNOWLEDGE-BASED INNOVATION:

- (1) Careful analysis of <u>all</u> of the necessary factors
- (2) A clear focus on the strategic position
- (3) Ability to learn and practice entrepreneurial management

#### SOURCES OF INNOVATIVE OPPORTUNITY

(Drucker - 5c)

#### **NEW KNOWLEDGE (CON'T)**

## UNIQUE RISKS OF KNOWLEDGE-BASED INNOVATION:

- (1) The window of opportunity for establishing a position is small
- (2) A "shake-out" sets in as soon as the window of opportunity closes
- (3) There must be receptivity to the knowledge-based innovation

#### INNOVATION DIMENSIONS

(Kamm)

"Atrustured" approach

**FORM** 

what is it?

**FUNCTION** 

what purpose does it serve?

**EXTENT** 

how "new" is it?

**TIMING** 

first introduction? or ...?

(additional information foclows)

#### INNOVATION DIMENSIONS

(Kamm - 1)

#### **FORM**

#### Generation or adoption of:

- technology (product, process, service)
- market (users, buyers, clients)
- organization
   (structure, function)

#### **INNOVATION DIMENSIONS**

(Kamm - 2)

#### **FUNCTION**

Improves quality

Reduces cost

Performs new functions

Enhances current market attractiveness

Increases current market offerings

Enters market not currently served

Improves learning curve

**Enhances economies of scale** 

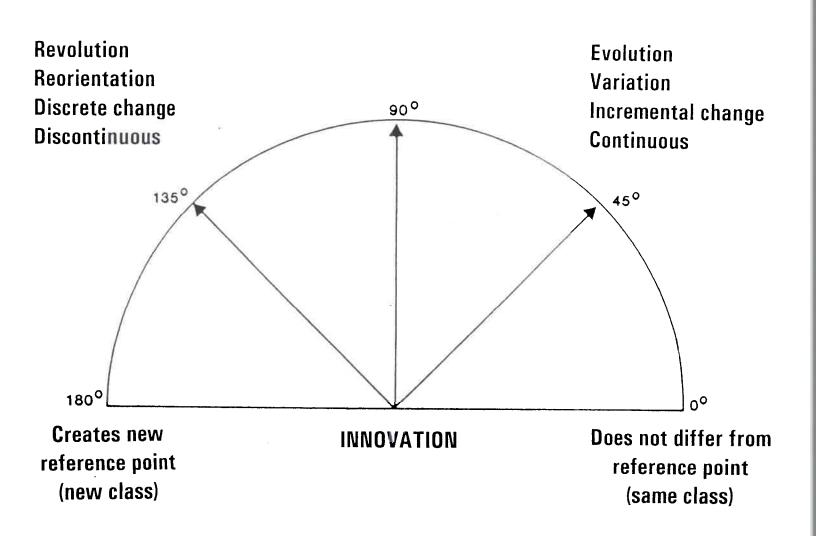
Permits production of better-quality offering

Enhances human growth and potential

#### **INNOVATION DIMENSIONS**

(Kamm - 3)

#### **EXTENT**



#### **INNOVATION DIMENSIONS**

(Kamm - 4)

#### **TIMING**

(introduction or adoption)

First-to-market

**Quick second** 

**Quick third** 

Late follower