

Measured and Managed Innovation (MMI) – 2010-2012

Final report



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Authors:

Terje Vammen
Martin Østervig Larsen
Bjarne Haubo Christensen
Jesper Nielsen

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Author(s):

Terje Vammen

Martin Østervig Larsen

Bjarne Haubo Christensen

Jesper Nielsen

Written by Epinion in collaboration with Nordic Innovation:

Epinion A/S, Ryesgade 3F, DK-2200 København N, Danmark

EPINION

Publisher

Nordic Innovation, Stensberggata 25, NO-0170 Oslo, Norway

Phone: (+47) 22 61 44 00. Fax: (+47) 22 55 65 56.

E-mail: info@nordicinnovation.org

www.nordicinnovation.org

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Preface

Innovation comes from the Latin word ‘innovare’, meaning ‘to change’. When we started out with the Measured and Managed Innovation (MMI) programme, it was from the starting point that innovation policies at national, Nordic, EU and OECD levels had for some time been focused on business framework conditions. These are important; however, they could not explain why company A and company B within the same country and industry and with the same framework conditions often would perform so differently? We realised that only by understanding what happens inside companies would we get a better understanding and possible answer to this question.

Around the same time in 2009, we found out that various studies had shown that companies operating with a business model innovation approach outperformed those companies applying a narrower product or process innovation approach. These observations set us on the path to make a rigorous application of a well-founded and approved tool for business model innovation across 100 Nordic companies of various sizes and from various industries.

In a pilot, we researched and tested various business innovation tools and the one at hand became the Innovation Radar developed by Robert C. Wolcott, Mohan Sawhney, Jiyao Chen, and Inigo Arroniz from the Kellogg School of Management, Northwestern University.

The goal of involving 100 Nordic companies from five countries was a larger scale than former such programmes within Nordic cooperation, and it required cooperation with national Nordic innovation agencies. Hence, we established the MMI programme in cooperation with national Nordic agencies like Vinnova from Sweden, Innovation Norway and Research Council of Norway, IMPRA from Iceland, Tekes from Finland, the Trade Council of Denmark, the Danish Ministry of Science, Innovation and Higher Education and the Danish Business Authority. They played an important role as steering committee throughout the project and provided valuable input to the programme.

A third group of actors was necessary for making the MMI programme actionable, namely a group of management consultants, who could conduct the necessary deep-dive workshops with the participating 100 companies as well as the consultancy Innoption, who would manage background statistics and findings for these workshops.

Finally, we managed to get 100 Nordic companies and 800 managers to sign up for MMI. We would like to thank all involved parties for your continuous dedications and efforts. Without your contributions, it would not have been possible to carry out the MMI programme. We believe we have managed 'to change' the way Nordic innovation agencies and companies regard innovation. In this regard, it has been a big step for us, and hopefully we have changed the Nordic mindset around innovation and made the first step on a journey to make Nordic companies and economies more competitive and focused on innovation strategies.

Jørn Bang Andersen
MMI programme manager
Senior Innovation Advisor
Nordic Innovation

Hans Christian Bjørne
MMI programme manager
Senior Innovation Advisor
Nordic Innovation

Roger Moe Bjørgan
Managing Director
Nordic Innovation

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Executive summary

Nordic Innovation's Measured and Managed Innovation (MMI) programme has from 2010-2012 challenged 100 Nordic companies and a total of 800 managers to work holistically and systematically with innovation. The Innovation Radar diagnostic management tool, developed by professors at Kellogg School of Management in Chicago, has allowed the Nordic companies to score and track their innovation focus and efforts up to three times during the programme period. The companies have participated in MMI-designed strategic workshops to assess their radar profiles and how they can innovate in different dimensions to create new value. 70 companies have recently updated their innovation radar profiles, and this report examines their development from 2010 to 2012.

Looking across all the companies, the analyses show that the innovation efforts are on the rise in the MMI companies. At the same time, the companies as a whole have increased their innovation focus and are thus more focused on selected dimensions. While only 3 % of the companies had both a high level of innovation effort and high innovation focus when starting out in 2010, this is now the case for 24 % of the companies. This indicates a higher level of awareness and determination.

The MMI programme teaches companies to take a more holistic approach to innovation by analysing four different macro dimensions and 12 sub-dimensions related to new value creation. The participating companies are in 2012, as well as in 2010, focusing most of their efforts towards the Offering-related macro innovation dimension. This dimension reflects innovation in the traditional understanding as product development, also including development of platforms and integrated solutions. When exploring the companies' expectations for the future, we see that, in addition to the focus on the Offering dimension, they plan to focus more on both the Customer- and Operations-oriented innovation dimensions.

When exploring the innovation processes in the companies, one of the very clear findings is that no two companies have the same way of handling innovation. Each company has unique challenges and opportunities and their work in this programme reflects this. It is clear that the companies find the Innovation Radar tool to be very useful, and many express that it has given them a much broader understanding of innovation and made

them able to apply the tool in very different contexts. The analysis also shows that working with innovation in a structured manner with external consultants facilitating the process, is viewed as valuable by the companies.

This analysis cannot show whether the increased innovation effort and focus will eventually yield more competitive and stronger companies, however, it is a clear result that the Nordic MMI companies as a whole have managed to become more innovative.

1. Introduction

The Nordic countries – Sweden, Denmark, Finland, Norway and Iceland are small open economies and they all score relatively high on international rankings for innovation performance at national level. The Nordic countries have for years based their innovation policies on a continuous upgrading of national business framework conditions – e.g. fibre to the home for ICT – used public procurement and regulation to develop the new green industries and various innovation support policies for nurturing industry clusters and their management. A second feature of Nordic and most European innovation policies is that they historically have been subject to or been formulated in the context of national policies for research and development of new technologies. It is just within the last five years that the notion of innovation really has gained its own currency and profile. The publication of Blue Ocean Strategy in 2003 and IBM's Global CEO's study in 2006, comparing the performance between companies focusing on product and process versus companies focusing on business model innovation, have been influential for the later year's work with innovation policy, and in particular the introduction of business model innovation. The Measured and Managed Innovation (MMI) programme is in line with these developments, and it was arguably the first of its kind in the Nordic countries and certainly the first at a Nordic level involving 100 companies and a total of 800 managers¹. The tool of choice for the MMI programme was the Innovation Radar, first time published in MIT Sloan Magazine in 2006, which had strong reviews from companies, the business press and academics. Through the MMI programme, the Nordic companies have scored their innovation focus and efforts 2-3 times during 2010-2012, and participated in MMI strategic workshops to digest and develop their innovation focus and strategies. Traditional views of innovation focus rather narrowly on technological innovations. These may be important, but in reality innovation is about creating new value, not just new products. Starbucks Corp. is a prominent example of this. Through a focused strategy, the company managed to establish itself as the “third place” between home and work. Its core product (coffee) was not radically different from that of its competitors. However, Starbucks still managed to create significant value for its customers. The shift in focus from inventing new products to providing the services that its customers demand meant that Starbucks experienced exceptional growth rates.

¹ See chapter 7 for Methodology & Data, including company demographics

The MMI programme is based on the Innovation Radar, a multi-faceted approach to innovation that not only includes product innovation, but instead provides a comprehensive overview of all the different ways in which a company can innovate to create new value for its customers and itself.

1.1 About the Measured and Managed Innovation programme (MMI): History and origin

Since the 1950s, innovation policy has been characterized by different ‘paradigms’. Each paradigm has come with a selection of tools based on assumptions of the main ‘drivers’ of economic development. For example, the paradigm for innovation and economic development was dominated by research in the period 1950-1970. This paradigm was challenged in the 1970s, but continued to play a significant role in the shaping of innovation policy. From the early 1990s, the paradigm of ‘clusters and economic framework conditions’ took over the political agenda, and until around 2005, it had a prominent role in the allocation of programme funds in OECD countries.

Globalisation has in recent years demonstrated that newly industrialized countries like South Korea, Taiwan, Singapore etc. can build and develop the necessary conditions, conducive regulative frameworks, business clusters and science parks to a level corresponding to that of the European countries. Frameworks for research and education are still important, but the point is that they no longer offer the same competitive advantage as they did just 10 years ago.

A key area for economic development, which historically has received relatively little funding, is competencies within companies. However, the potential represented by the individual company’s internal and external organization, and its use of resources, is getting more and more attention. The rapid development of “Innovation programmes”, e.g. for growth in start-ups and SMEs reflect this development. Companies’ dynamic capacity to engage in innovation, internationalization, introducing new technology, learning, and skills in developing new business models and markets, are today high on the innovation policy agenda. The Nordic countries’ programmes for entrepreneurship, internationalisation and marketing, user-driven innovation, etc. all fall within what can be called ‘the company’s dynamic capabilities and competencies in innovation policy’.

Within this general context, Nordic Innovation² launched the pilot initiative *Innovation for Growth* (InnoGrowth, 2009). Hereby Nordic Innovation drew attention to innovation tools as a key area for developing the competitiveness and innovative capacity of Nordic industries. In the InnoTools pilot project, Nordic Innovation tested two innovation

² Formerly Nordic Innovation Centre, NiCe

tools (the Kellogg School of Management's "Innovation Radar" and Stanford Research International's "Five Disciplines of Innovation") in five Nordic and three Baltic countries.

The two innovation tools were tried out in companies from different industries, of varying sizes (SMEs and large companies), and from all the Nordic countries. Nordic Innovation established a number of success criteria for InnoTools, and a steering committee with members from Tekes, Vinnova, FI, IMPRA and the Norwegian Research Council was linked to the project. The results, presented in June 2009, showed that both tools were very well received by company managers.

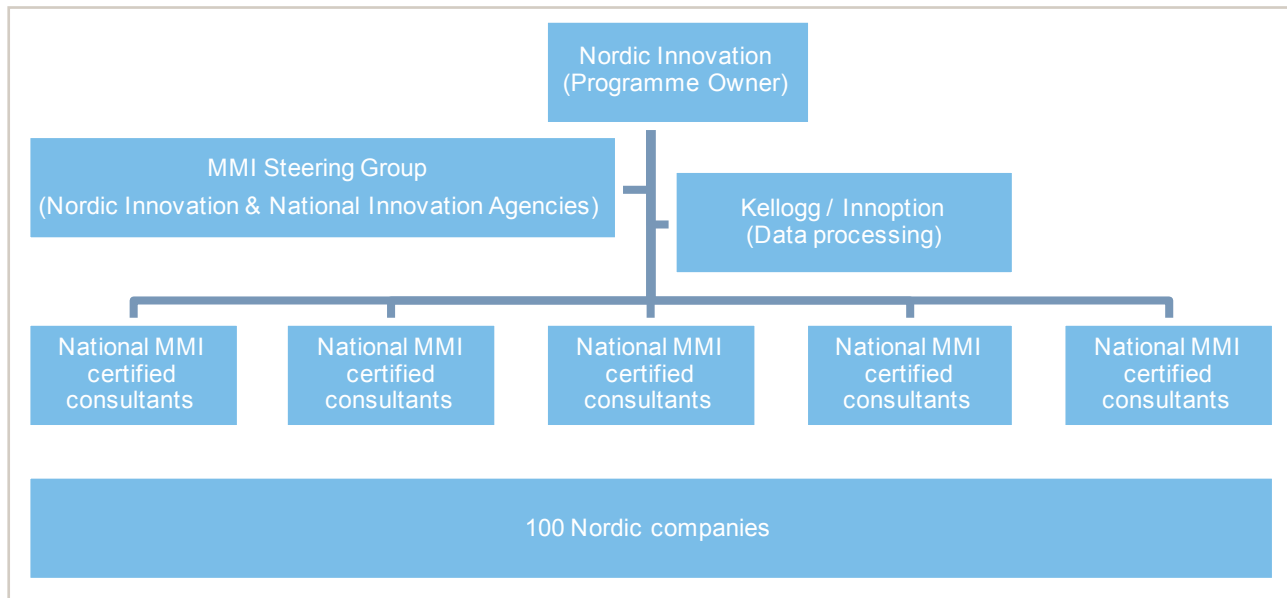
Convinced by the promising results of the pilot phase, the steering committee suggested that Nordic Innovation should proceed with a larger Nordic project focusing on the Innovation Radar. Nordic Innovation underlined that a potential follow-up project should have a strong foundation in the Nordic countries innovation systems, and based on this premises developed the Measured and Managed Innovation programme (MMI) in dialogue and cooperation with the innovation actors in the Nordic countries. To ensure a balanced involvement of all Nordic countries, the working model was based on a commitment of both participation and co-funding from the national Nordic innovation agencies.

1.2 Objectives of MMI

On programme level, the overall objective of MMI is to strengthen Nordic companies' innovation competence and focus and through this make them more competitive. In addition, there is a number of stated sub-objectives including 1) strengthen cooperation between key innovation actors in the Nordic region, 2) gain new knowledge about the innovation efforts, focus and needs of various Nordic companies and industries, 3) provide input and experiences to the policy implementation of the innovation systems in the Nordic countries and 4) contribute to the Nordic region being a "winners' region".

On company level, MMI is expected to 1) offer a structured and systematic approach to innovation management that helps Nordic companies to manage and work strategically with innovation (pragmatic rather than theoretical approach), 2) help firms to address several facets of innovation - from technical focus to broader business model, 3) strengthen competitiveness of participating companies as a result of improved innovation management, 4) provide a diagnostic tool to identify strengths and weaknesses in companies' innovation focus at different levels (collectively, division, business unit), 5) enable companies to benchmark their innovation focus in relation to industry and other competitors, and then work to diversify their business model for the development and design of new ventures.

1.3 MMI: Programme setup

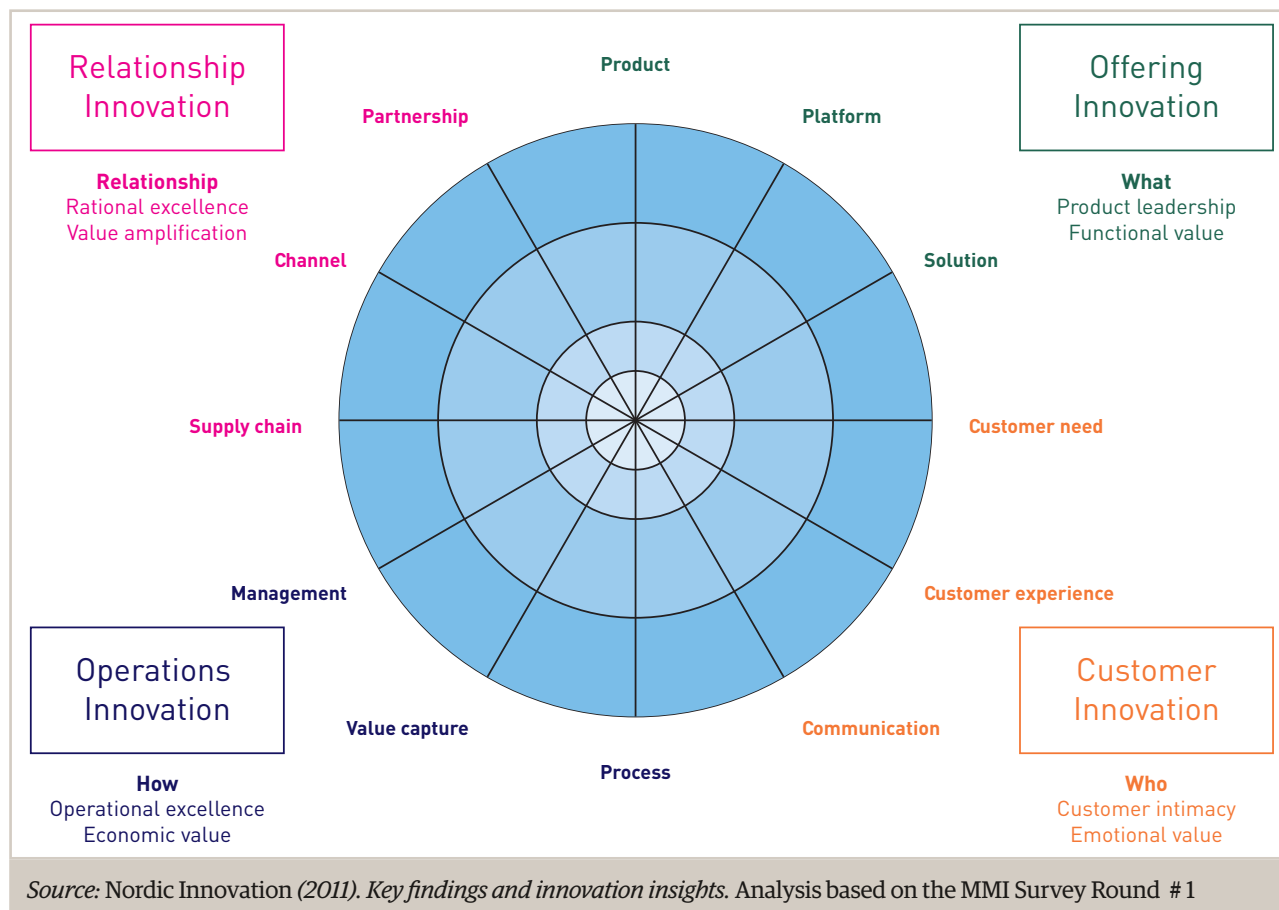


The MMI programme was designed to run for 24 months, i.e. from 2010-2012. During this period, the following activities have been carried out under the programme:

- Recruitment and training of MMI consultants in the Innovation Radar framework methodology
- National recruitment of companies
- National kick-off workshops in Reykjavik, Oslo, Copenhagen, Helsinki and Stockholm
- Each participating company was invited to take up to three radar surveys over the course of the programme
- Deep-dive assessment strategic workshops animated by an external consultant with each company
- Two Nordic joint workshops for sharing experiences (mid-term and final conference)
- Data analysis studies 2011 and 2012
- Programme evaluation 2012
- Dissemination of programme and results to national Nordic innovation environments, academia and a wider audience, through relevant seminars and conferences.

1.4 The Innovation Radar 2.0 framework used in MMI

Figure 1. The Innovation Radar 2.0



The Innovation Radar (IR) is a strategic management tool, developed by the Kellogg School of Management's researchers; Mohan Sawhney, Robert C. Wolcott and Inigo Arroniz and Jiyao Chen. The IR provides a 360 degree visual overview of companies' current innovation focus and strategic positioning as according to four major business dimensions:

1. Offerings a company creates (WHAT)
2. Customers it serves (WHO)
3. Processes it employs (HOW)
4. Points of Presence it uses to take its offerings to market (WHERE).

From these four dimensions, the radar will enable businesses to innovate in 12 areas: Offerings, platforms, solutions, customers, customer experience, communication,

processes, value capture, management, supply chains, channels, and partnerships.

The Innovation Radar contains a total of 12 dimensions along which a company can innovate. The dimensions have been validated through extensive empirical research, and each contains aspects that can give the Nordic companies a competitive advantage. The different dimensions are presented in Figure 1.

The description of the dimensions below is based on the original work by Sawhney et al. (2006)³:

- The offering or product dimension captures the typical meaning of the word “innovation”. This dimension relates to the products and services that a company offers to its customers. Innovation along this dimension involves creating new “things”. Apple’s iPad is an example of innovation along this dimension.
- The platform dimension covers the common components, assembly methods or technologies that serve as building blocks for the products or services that a company offers. This involves using, say, the same small engine block to build a wide variety of vehicles.
- The solution dimension covers the customised and integrated combination of products and services that a company offers to its customers. This could involve creating end-to-end solutions for the customers.
- The customers consume a company’s solutions and offerings. The customers include both other businesses and consumers. Innovation along this dimension involves discovering new customer segments. These could include different age groups, or even countries. The increasing use of mobile phones in Africa is an example of the latter. This dimension is also called customer need.
- The customer experience dimension captures everything that a customer experiences when consuming the product or interacting with the company. Innovation along this dimension involves new developments in the interface between the company and the consumer. Specifically, this could involve creating more comfortable waiting rooms or re-designing the store.
- The communication dimension involves the implementation of creative marketing communications to position, promote or brand the products and services that a company sells.
- Processes are the combined business activities used when conducting internal operations. This could involve outsourcing parts of the operations to well-educated but low-cost countries.

³ Sawhney, Arroniz, Robert C. Wolcott and Inigo Arroniz (2006): The 12 Different Ways for Companies to Innovate, MIT Sloan Management Review, vol. 47, no. 3, p. 75.

- The Value capture dimension describes how a company recaptures the value it creates for its customers. This could involve the development of pricing systems, discover potential revenue etc.
- The management or organisation dimension describes the way in which a company organises itself. Is the firm strictly hierarchical or does it delegate responsibility to all members of its staff? Innovation along this dimension could involve novel ways of defining roles and incentives for its employees.
- The supply chain covers the company's innovative efforts to improve sourcing and fulfilment.
- Points of presence of a company are the channels that a company employs to take its offerings to market. This could entail entering new and previously undiscovered markets. Hence, this dimension is also called channels.
- The final dimension in the Radar, the partnership dimension, covers the way its products and services are connected to its customers.

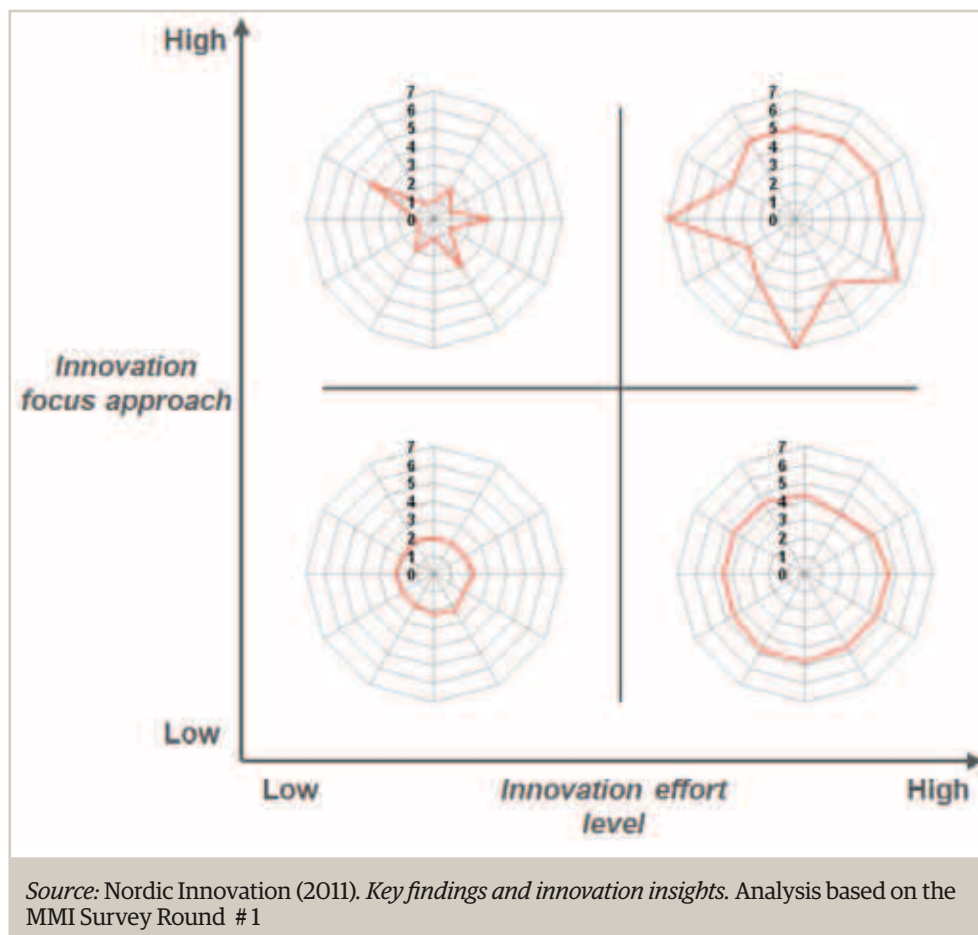
The tool lets a company get an overview of its status on each dimension and allows it to get a more strategic and multifaceted view of their innovation efforts.

The company IR profile is computed based on an online survey of 75 Likert scale questions on the company's innovation effort and performance across different operations. A minimum of six or more managers with different functions from each company answered the IR questionnaire independently.

The radar profile serves as a point of departure for strategic discussions and development in the deep dive workshops, by broadening the spectrum beyond product delivery and into value creation.

The innovation radar profile reveals the **innovation focus approach** and **innovation effort** level in a company, as illustrated in Figure 2:

Figure 2 Innovation focus approach versus Innovation effort level (four examples)



1.5 The structure of this report

This report covers the results of the MMI programme from many perspectives. Throughout the report, comparisons between the 2010 results and the 2012 results of the participating companies' Innovation Radar surveys are at the core.

In section 3, we analyse the key results regarding overall developments and the four macro dimensions (Offering, Customer, Operations, and Relationship). This section also analyses developments in innovation strategies and innovation focus across the companies.

In section 4, we dive into the sub-dimensions that collectively define innovation. This section gives an overview of the developments on each aspect of innovation.

Section 5 analyses the non-existing trade-off between innovation effort and innovation focus.

Section 6 presents the qualitative insights from 15 case studies. This section elaborates the trends in the previous sections. Based on the empirical results, section 7 presents conclusions and the policy implications of the MMI programme.

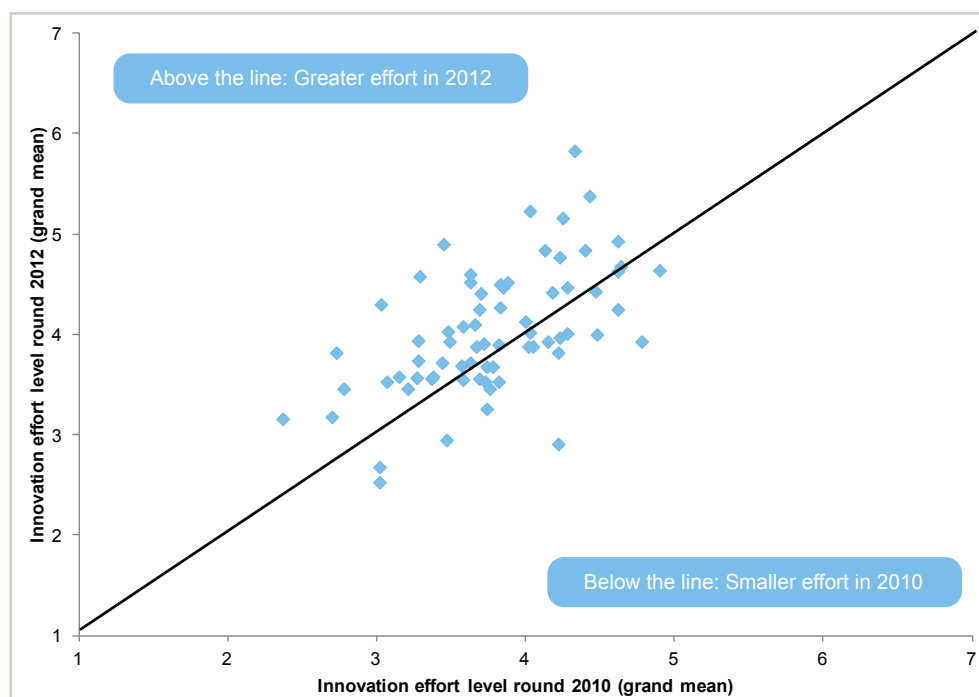
Finally, section 8 presents the methods and data used in the analyses.

Appendix A presents 15 company case examples, Appendix B contains a list of the participating companies, and Appendix C a list of the participating consultants.

2. Key insights and findings

The most central key finding in this study is a clear, positive trend regarding innovation among the companies participating in the MMI programme when comparing 2012 results with 2010. This goes for both the overall innovation effort in the companies, but also with respect to the innovation focus. This is the subject of this chapter. Figure 3 compares the overall innovation effort in 2010 and 2012 for the 70 companies still active in the programme⁴. Companies located on the black 45-degree line maintain the same innovation effort in 2010 and 2012. Companies below the line show less innovation effort in 2012 than in 2010. Companies above the line have increased their innovation efforts.

Figure 3. Innovation effort level (grand means) for the MMI companies 2010 and 2012

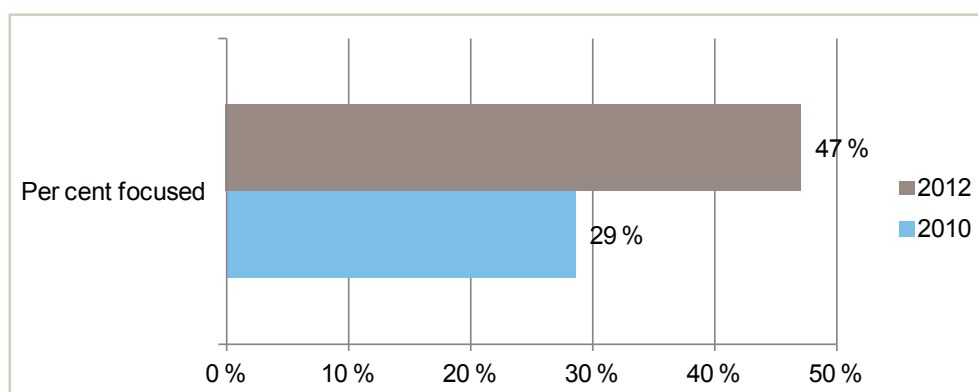


⁴ 70 out of 100 companies that signed up for the MMI programme completed their 2012 Innovation Radar surveys, and are included in this time series analysis

As Figure 3 shows, the majority of companies are located above the line. Thus, the majority of the companies have moved towards greater innovation effort. This trend applies to most companies, regardless of their previous commitment to innovation.

Another general indicator of how the companies innovate is the innovation focus. Figure 4 shows the per cent of companies with a focused approach in 2010 and 2012.

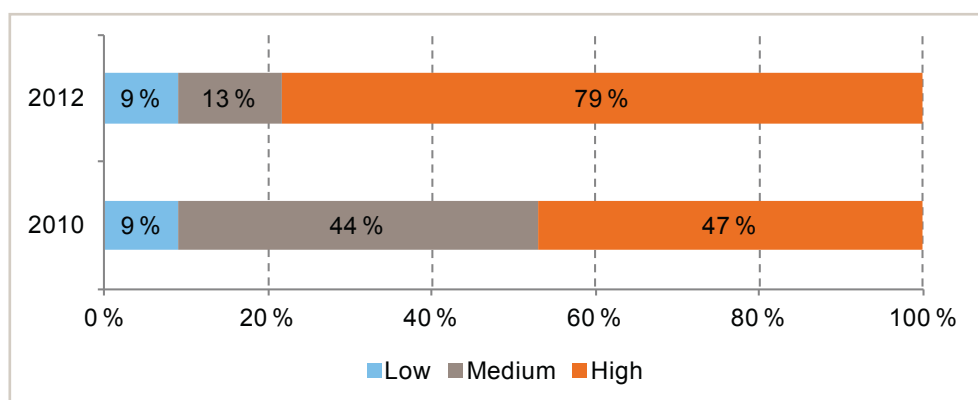
Figure 4. Innovation approach: Focused versus unfocused innovation approach for the MMI companies. Per cent focused in 2010 and 2012



As Figure 4 shows, more companies now have a focused approach. While this was only the case for 29 % of the companies in 2010, almost half the companies had a focused approach in 2012.

As shown in Figure 5, we also see a marked increase in the share of companies with a high internal agreement level from 2010 to 2012.

Figure 5. Internal agreement level in the MMI companies in 2010 versus 2012



In 2010, 47 % of the companies had a high level of internal agreement. This is now the case for 79 % of the companies.

For the remainder of this report, we take a closer look at these overall developments and give the reader a more nuanced view of how the companies in the programme have changed the way they work with innovation.

KEY INSIGHTS

- There is a clear increase in both innovation effort and innovation focus among the companies in the MMI programme from 2010 - 2012.
- This indicates that there is no apparent trade-off between prioritising these two goals.

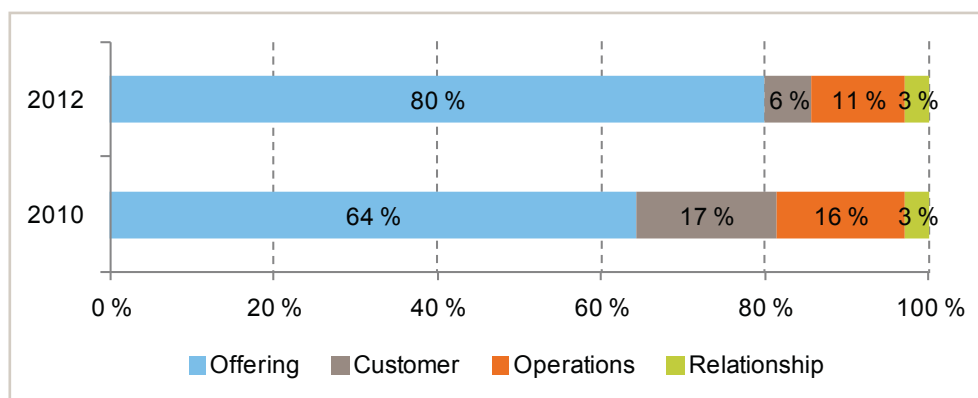
2.1 On what business dimensions do the companies primarily innovate to create new value, and how has this changed over the course of the programme?

As we have seen, the companies have both increased their innovation efforts and focus, but it is relevant to look at what dimension the companies innovate on and how this changes over the course of the programme.

2.1.1 Nordic MMI companies are biased towards Offering-related innovation

Figure 6 shows the distribution on the four macro dimensions.

Figure 6. Primary scored innovation radar macro dimension for Nordic MMI companies in 2010 versus 2012



As can be seen from Figure 6, there is a marked change from 2010 to 2012. 80% of the participating companies' primary focus is on Offering-related innovation activities.

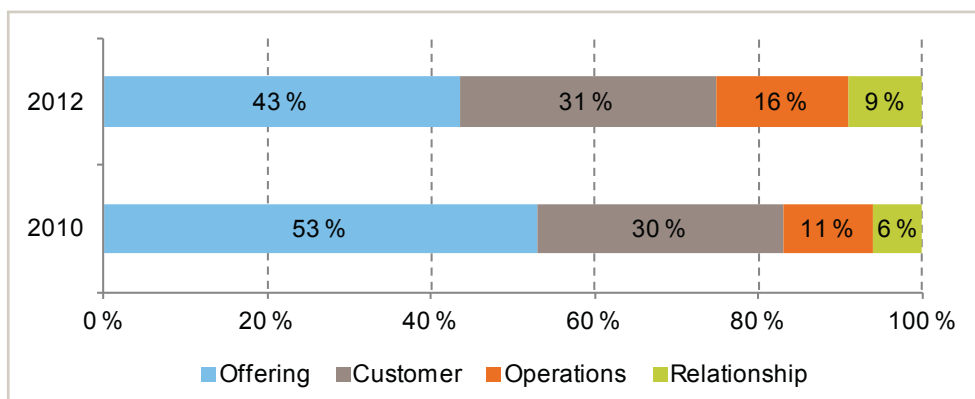
The companies are still primarily focusing on the Offering innovation macro dimension in 2012 (innovating on their offering, platform and solutions), and the share of companies focusing on this dimension has actually increased since 2010.

8 of 10 companies now primarily invest their efforts on innovation within the Offering macro dimension.

2.1.2 Nordic MMI companies seek new ways of creating value in the future

However, the companies have also indicated what they see as the most important areas for future investments, across the four innovation macro dimensions. This is shown in Figure 7.

Figure 7. Most important future innovation radar macro dimension for the Nordic companies. Per cent of ratings



As can be seen from Figure 7, the companies acknowledge a need to broaden their innovation efforts and wish to allocate resources to the other macro dimensions. Innovation efforts within the offering macro dimension are still expected to be primary, with 43 % of the companies assessing this dimension as their most important future macro dimension for focusing their innovation efforts. However, this is a drop in the number of companies that stated Offering as their preferred future innovation dimension in 2010, and almost a 50% reduction from actual current share of companies having this as their current primary macro dimension, which indicates that the companies will broaden their efforts and focus on new areas to create value.

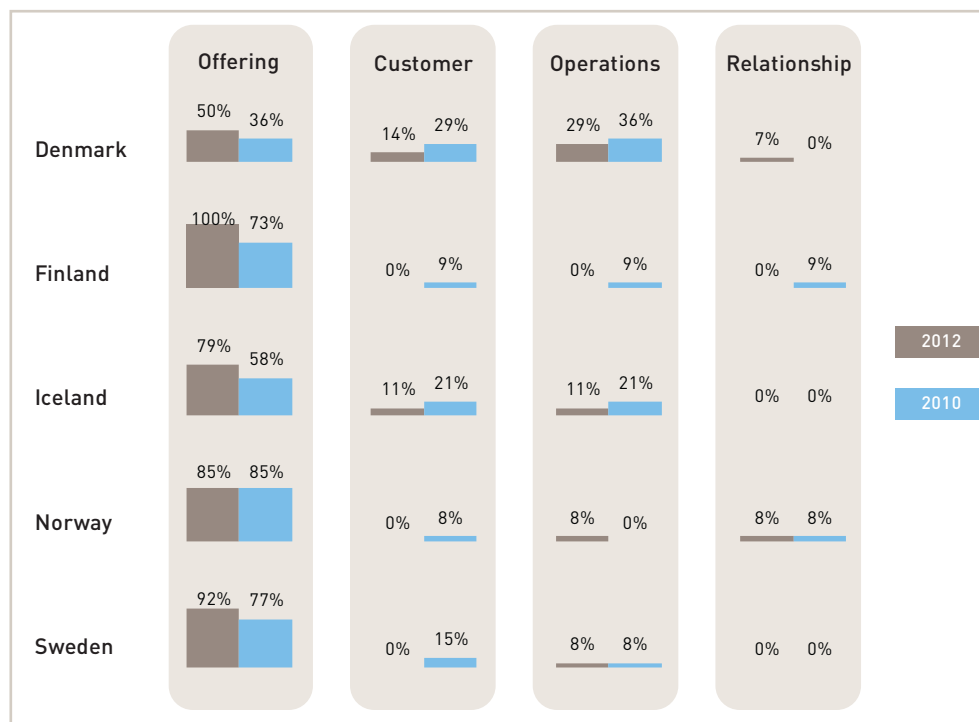
KEY INSIGHTS

- Despite being introduced to a framework emphasising the importance of multi-faceted innovation, 4 out of 5 Nordic MMI companies still favour innovating on their Offerings (products/services, platforms and solutions)
- The companies are investing even more in Offering-oriented innovation, and less on other areas, than when starting out in 2010.
- About half of the companies wish to change their primary focus to other macro dimensions in the future, but a change of focus is yet to happen.

2.1.3 Companies from all Nordic countries have Offering as their primary macro dimension, but national differences exist

Figure 8 shows the primary macro dimension of the companies from each country in 2010 and 2012.

Figure 8. Primary macro dimension by country



Consistent with the overall results, all the Nordic countries are biased towards the Offering innovation dimension. This is no surprise, given the previous results. There is, however, also a clear difference between the countries:

- The Danish companies participating in MMI have a more balanced mix between Offering and Operations than the other Nordic countries and also higher shares focusing primarily on Customer and Relationship.
- The Finnish companies participating in MMI stand at the other extreme with no companies primarily focusing on the other dimensions in 2012.⁵

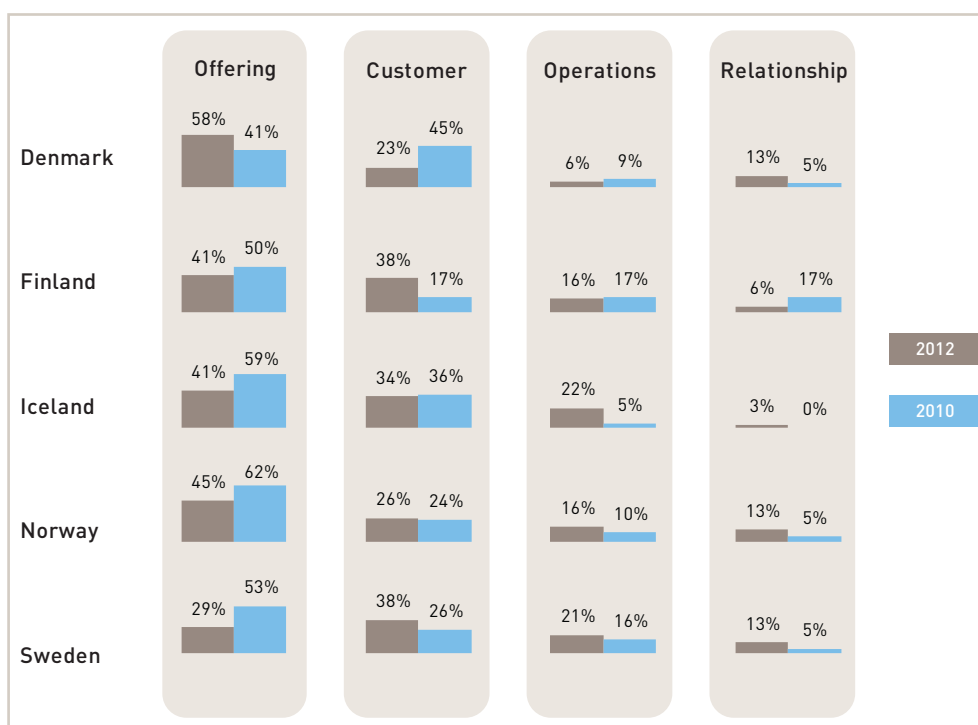
⁵ The mid-term MMI study (conducted by Capgemini Consulting) showed that 17% of Finnish companies participating in the programme had a primary focus on Partnership oriented innovation, at that point comparably more than the participating companies from other Nordic countries. However some of the Finnish companies that had a clear focus on Partnership-oriented innovation did not complete the 2012 survey and are hence not represented in this report.

2.1.4 National differences in future innovation focus

Looking at the future innovation macro dimensions stated as the most important by companies in each country, the picture changes.

Figure 9 shows the percentage of companies per country favouring each macro dimension in their future development.

Figure 9. Most important future macro dimension by country. Per cent of ratings.



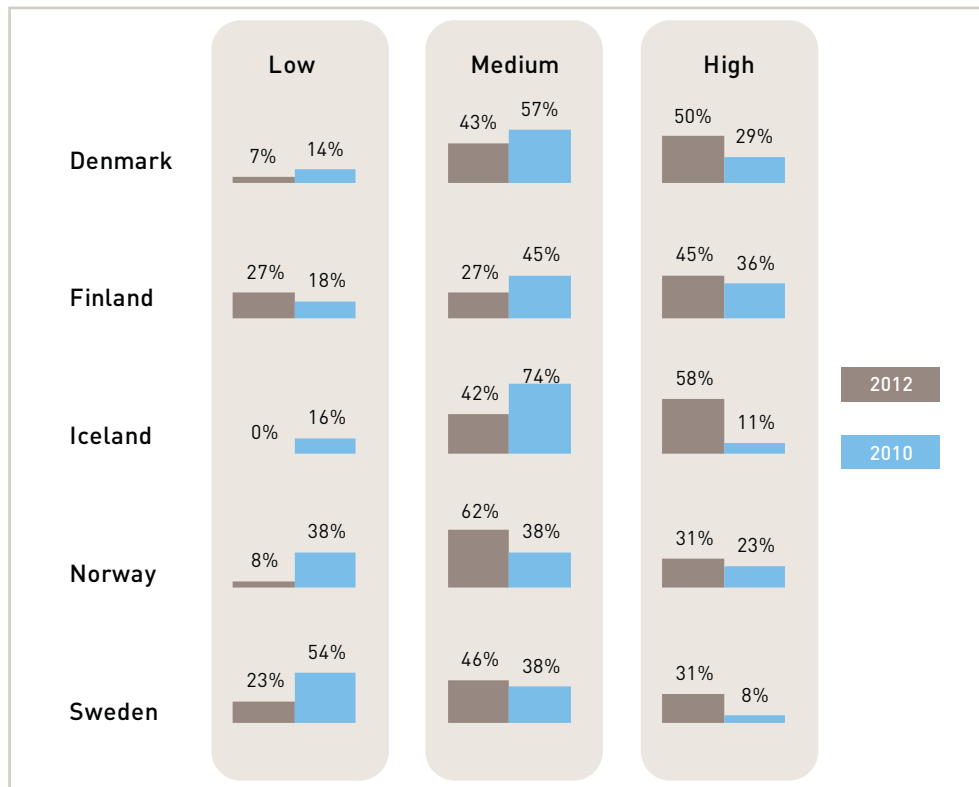
Again we see a number of differences between companies from the five countries:

- In all countries, except Denmark, the focus on Offering is declining compared to the other dimensions, even though there is still a tendency for many companies to favour this dimension.
- In Sweden, 38 % of the participating companies now rate Customer as the most important future innovation macro dimension for investment, making it the most favoured dimension.

2.1.5 The innovation effort level of companies varies between the countries

There is also a substantial difference between the countries with respect to the share of companies with low, medium and high innovation effort.

Figure 10: Innovation effort level of MMI companies by country, 2012 and 2010.



Looking at developments from 2010 to 2012, Icelandic MMI companies stand out with 58 % now having a high innovation effort level and no companies having a low effort. This is quite a dramatic increase from only 11% having a high effort in 2010. The Danish MMI companies have a similar 2012 profile, but more companies with a higher effort at the outset. Norway and Sweden are alike in so far as the largest shares of the MMI companies fall in the middle category with a medium effort, but with Sweden having more companies with low effort. Finland has the most even distribution with 27 % falling in the low and the medium categories respectively.

KEY INSIGHTS

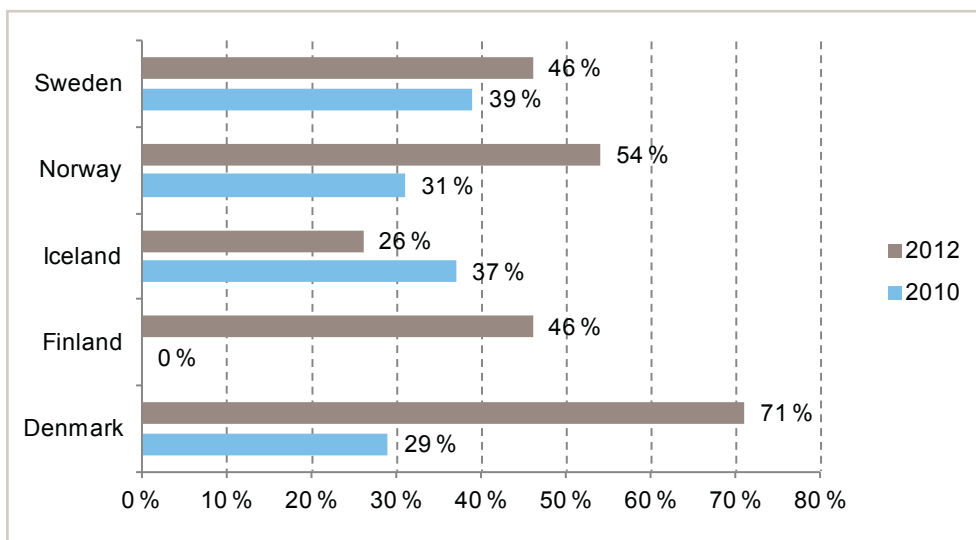
- In each of the Nordic countries we see an increase in innovation effort, but especially so among the Icelandic, Danish, and to some extent, Finnish companies.
- Across the Nordic countries, focus is shifting even more towards Offering, but the expectations for the future indicate that this will change.

2.2 Towards a more focused innovation approach

As we have seen above, companies in the programme have increased their overall innovation focus in addition to increasing their effort. Further insights can be gained from breaking down the results.

For example, there are distinct differences between the countries in the programme also in this regard, as Figure 11 shows.

Figure 11. Innovation focus by country. Per cent focused in 2010 and 2012

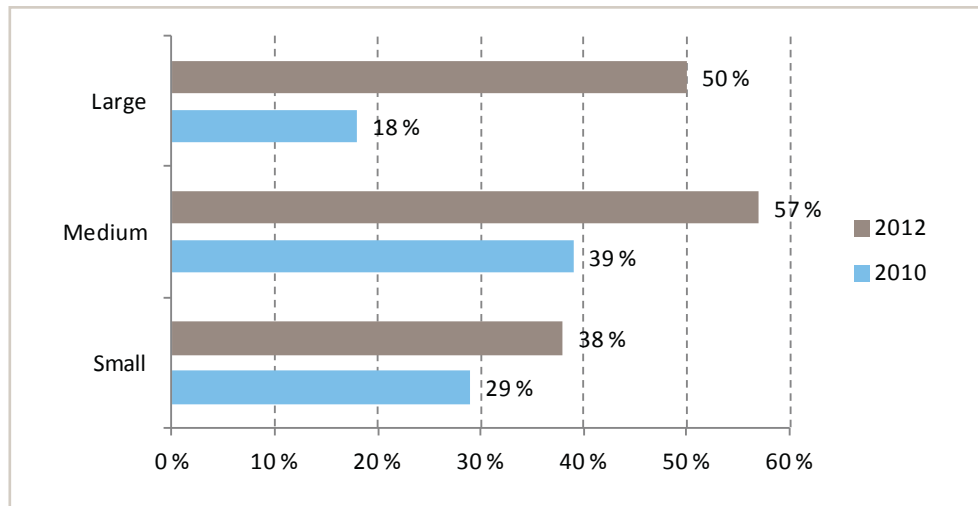


A number of very interesting differences between the countries stand out:

- Unlike the other Nordic countries, Icelandic companies have not increased their innovation focus.
- In the rest of the countries we see increases in the share of companies having a focused approach from 2010 to 2012.
- The most dramatic changes are seen among Danish companies - where more than 7 out of 10 now have a focused approach - and among Finnish companies, where 46% are now focused, which was not the case for any of the companies in 2010.

This general increase in focus is also apparent across different company sizes as Figure 12 shows.

Figure 12. Innovation focus approach by company size, 2012 and 2010. Per cent focused.



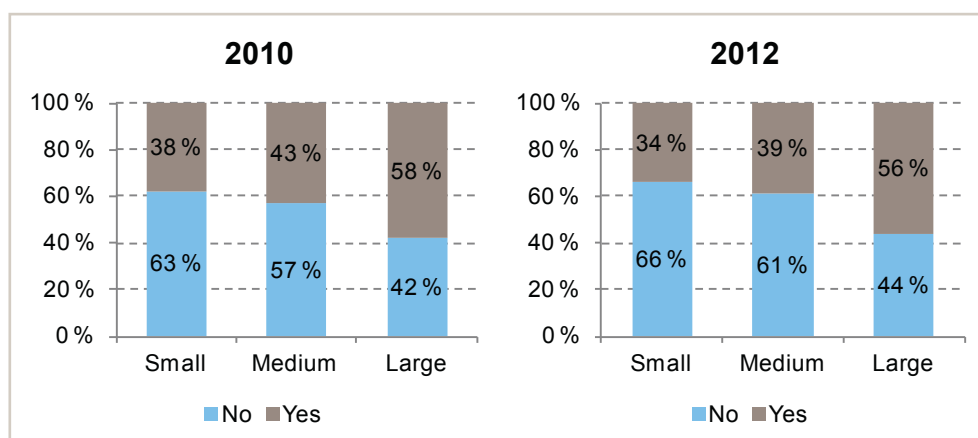
Comparing the different sized companies in 2010 and 2012 we see that

- There is an increased share of focused companies across all company sizes, but less so for the small companies, where 38% now are focused.
- The large companies stand out with half the companies now having a focused approach. This was only the case for 18% of the large companies in 2010.

2.3 Differences between companies with and without an innovation strategy

A parameter, which deserves special attention, is whether the companies have a defined innovation strategy or not. As Figure 13 shows, the number of companies having an innovation strategy is status quo, but it is still closely related to company size.

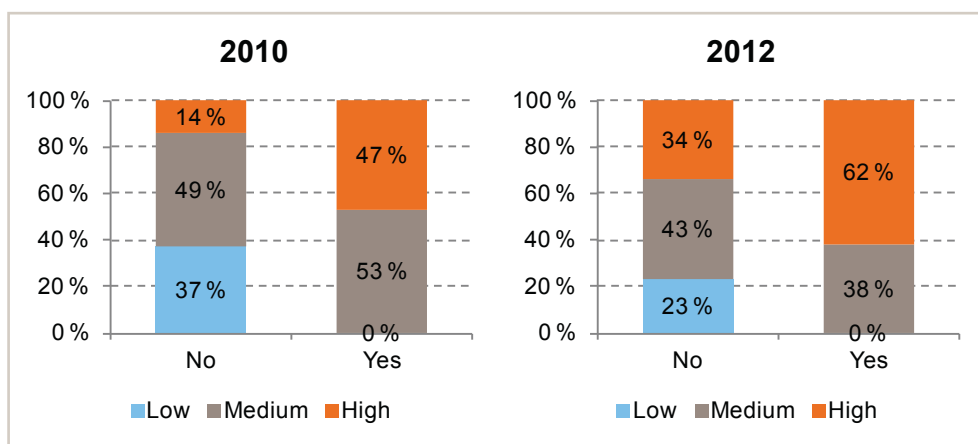
Figure 13. Presence of innovation strategy by company size, 2012 and 2010



The tendency to have a defined innovation strategy increases with company size, and among the group of large companies more than half (56 % in 2012) have a formulated strategy. The reason behind this is most likely that an innovation strategy requires significant resources that are primarily found in large corporations, but probably also that larger companies require more formulated strategies in order to secure a consistency across different divisions and a greater number of employees.

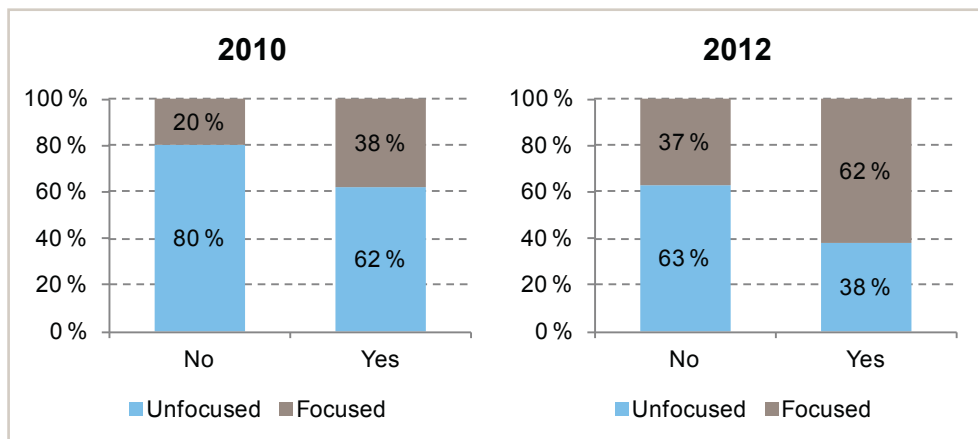
Does having an innovation strategy result in a markedly higher or more focused innovation effort? The apparent answer is yes. Figure 14 shows the effort level.

Figure 14. Innovation effort level by innovation strategy, 2012 and 2010



The difference is quite clear - 62 % of companies with an innovation strategy have a high innovation effort level in 2012 and no companies have a low level. In the group of companies without a strategy, only 34 % have high innovation effort levels and 23 % still have a low innovation effort. The same tendency can be seen looking at innovation *focus*.

Figure 15. Innovation focus approach by innovation strategy, 2012 and 2010



Again there is a clear difference. 62 % of companies with an innovation strategy now have a focused innovation approach, while only 37 % of companies with no innovation strategy have a focused approach.

KEY INSIGHTS

- In both 2010 and 2012 it is clear that companies with a defined innovation strategy have both a more focused innovation approach and a greater innovation effort.

3. Sub-dimensions in innovation

In this section, we take a closer look at the various sub-dimensions⁶ that the companies innovate on within the Innovation Radar's 360 degrees framework. In Chapter 2, we analysed aggregate differences in the innovation profiles according to the Nordic companies' focus and effort levels within the Innovation Radar's four macro dimensions. To get a more accurate picture of innovation focus and efforts, we will in Chapter 3 explore changes on all 12 dimensions. Even though companies may favour one macro dimension, they can be innovating on a series of sub-dimensions. Chapter 3 will investigate in further detail the sub-dimensions along which the Nordic companies innovate.

The MMI programme is a dynamic programme. Thus, an important aspect of analysing the sub-dimensions is to investigate the developments from 2010 to 2012. The programme's success is in part measured by how much the companies have developed from the first radar exercise to their most recent radar take. We measure each company's innovation efforts across each dimension, as well as how focused their innovation efforts are. Generally speaking, companies with higher focus and higher innovation efforts tend to be better performing than companies with lower innovation focus and lower efforts. Hence, the programme intends to make companies more aware of how they allocate their innovation resources. Positive developments are a sign of an effective programme that promotes innovation in the Nordic region. In this section, we break the results down by looking at the development in some of the sub groups.

Figure 16 and Figure 17 show the top four favoured dimensions for the companies from each country in 2012 and 2010, respectively. The 2012 figure show the clear orientation towards offering in all countries but Denmark, which now has a more balanced mix. Comparing with 2010 data, it becomes evident that even though offering is still very dominant, it is less so in 2012. We investigate this change further in the following sections.

⁶ The Innovation Radar has 12 dimensions. They are referred to as sub-dimensions as they are grouped in 4 macro-dimensions.

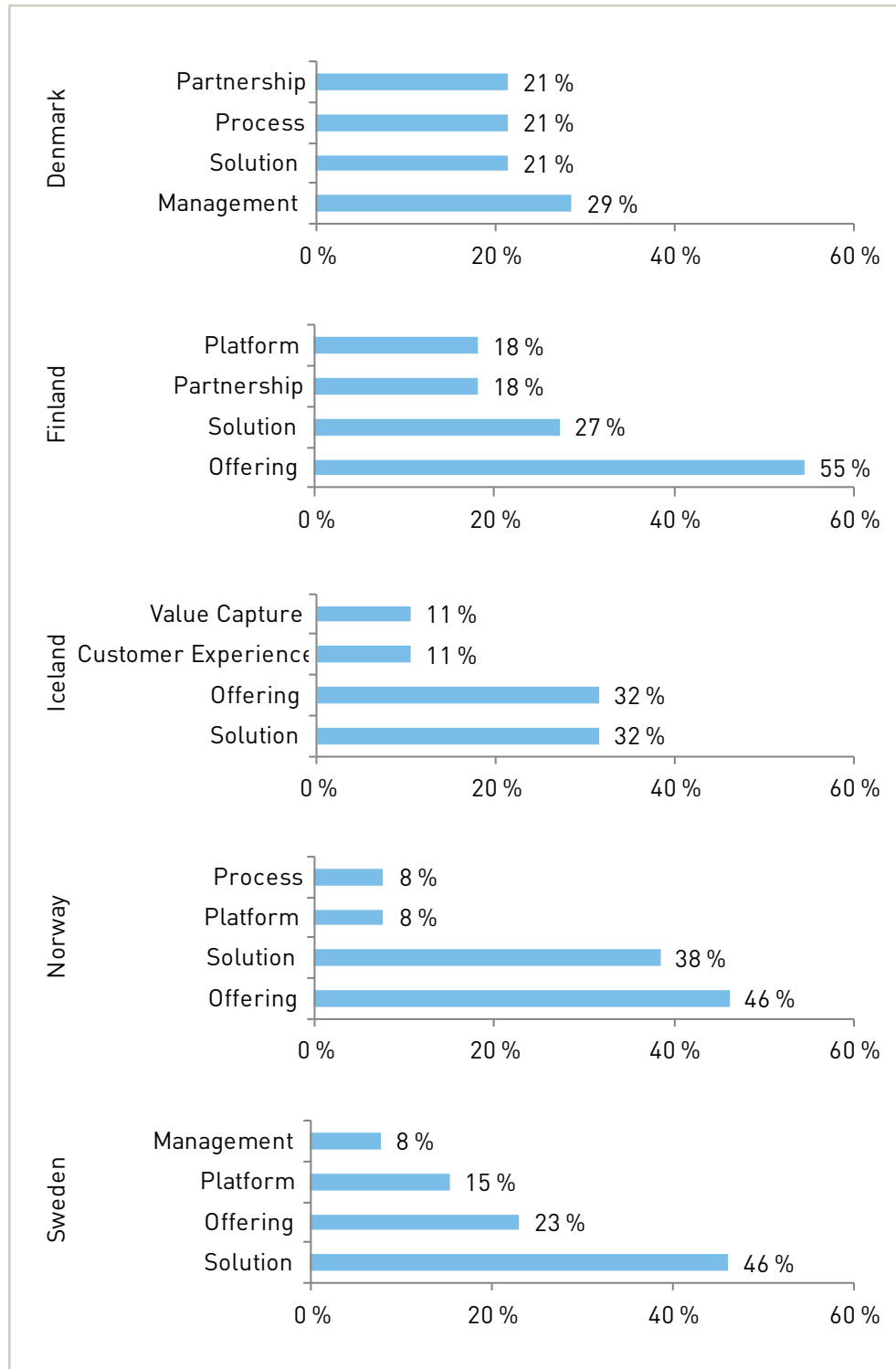
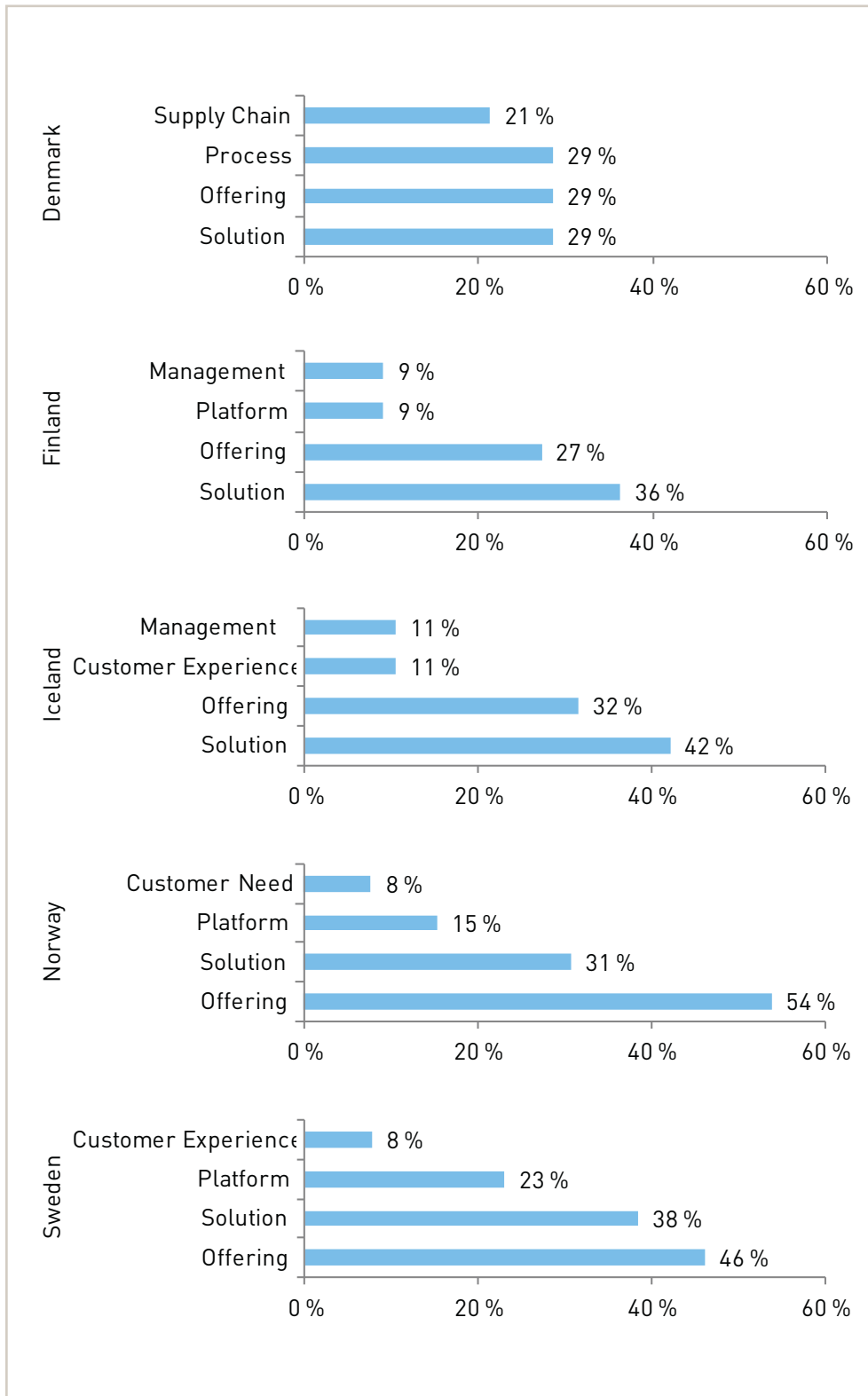
Figure 16. Top four favoured dimensions for each country 2012

Figure 17. Top four favoured dimensions for each country 2010

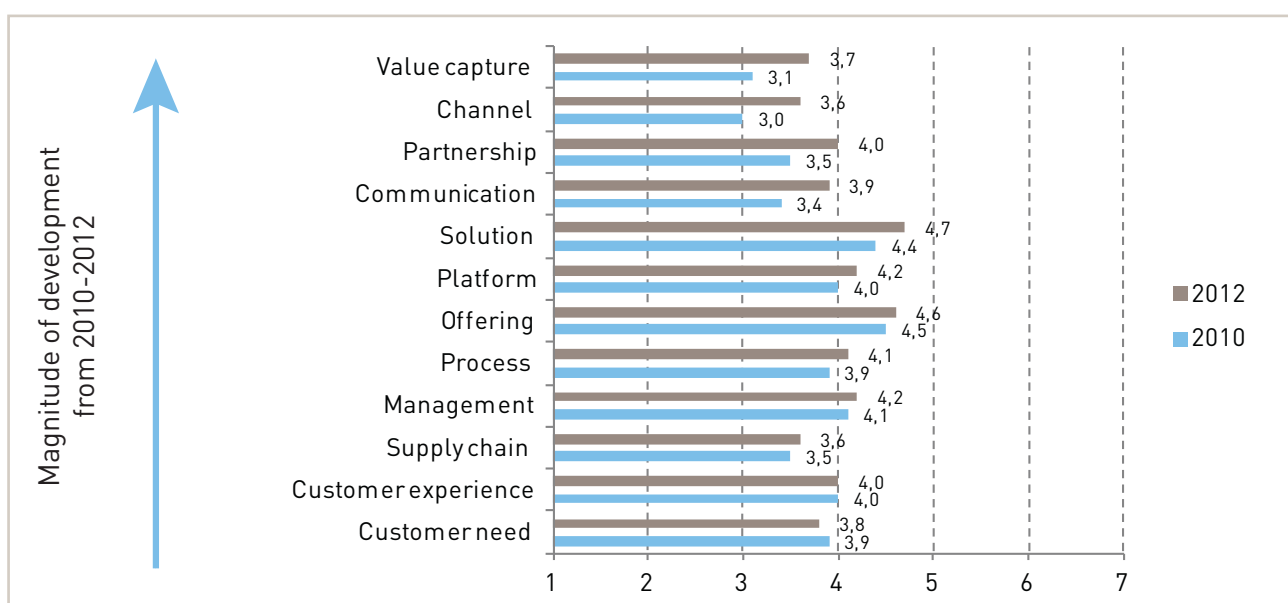
3.1 Developments in innovation efforts across sub-dimensions

3.1.1 Overall trends

Overall, the companies participating in the programme, show positive developments across a broad range of dimension, as shown in Figure 18. Specifically, innovation efforts have increased markedly regarding the Channel dimension, Value Capture dimension, Communication dimension and Partnership dimension. There is an element of “catching up” in these improvements, in so far as the largest improvements have taken place along dimensions where the overall innovation effort was relatively low in 2010. This indicates that the participating companies are applying increasingly diverse innovation strategies. Instead of increasing innovation efforts along dimensions, where they already are relatively innovative, they are exploiting new opportunities in previously overlooked areas.

While there are strong signs of increasing innovation efforts along these dimensions, it is more questionable whether substantial developments have taken place along the other dimensions. Figure 18 indicates that the other dimensions are characterised by a higher degree of stability than four dimensions that have shown the greatest change. On only one dimension has the overall innovation level decreased, namely customer needs. However, the decline of a mere 0.1 point is a sign of a high degree of stability.

Figure 18. Change in innovation sub-dimensions from 2010 to 2012 for the participating Nordic companies. Sorted from greatest increase to smallest increase (as percentages).



In short, the Nordic companies tend to have higher efforts on the hitherto overlooked innovation dimensions from 2010, and there are many positive developments.

KEY INSIGHTS

- The MMI companies have increased their innovation efforts in the Channel, Value Capture, Communication and Partnership dimensions
- The other dimensions are characterised by stability

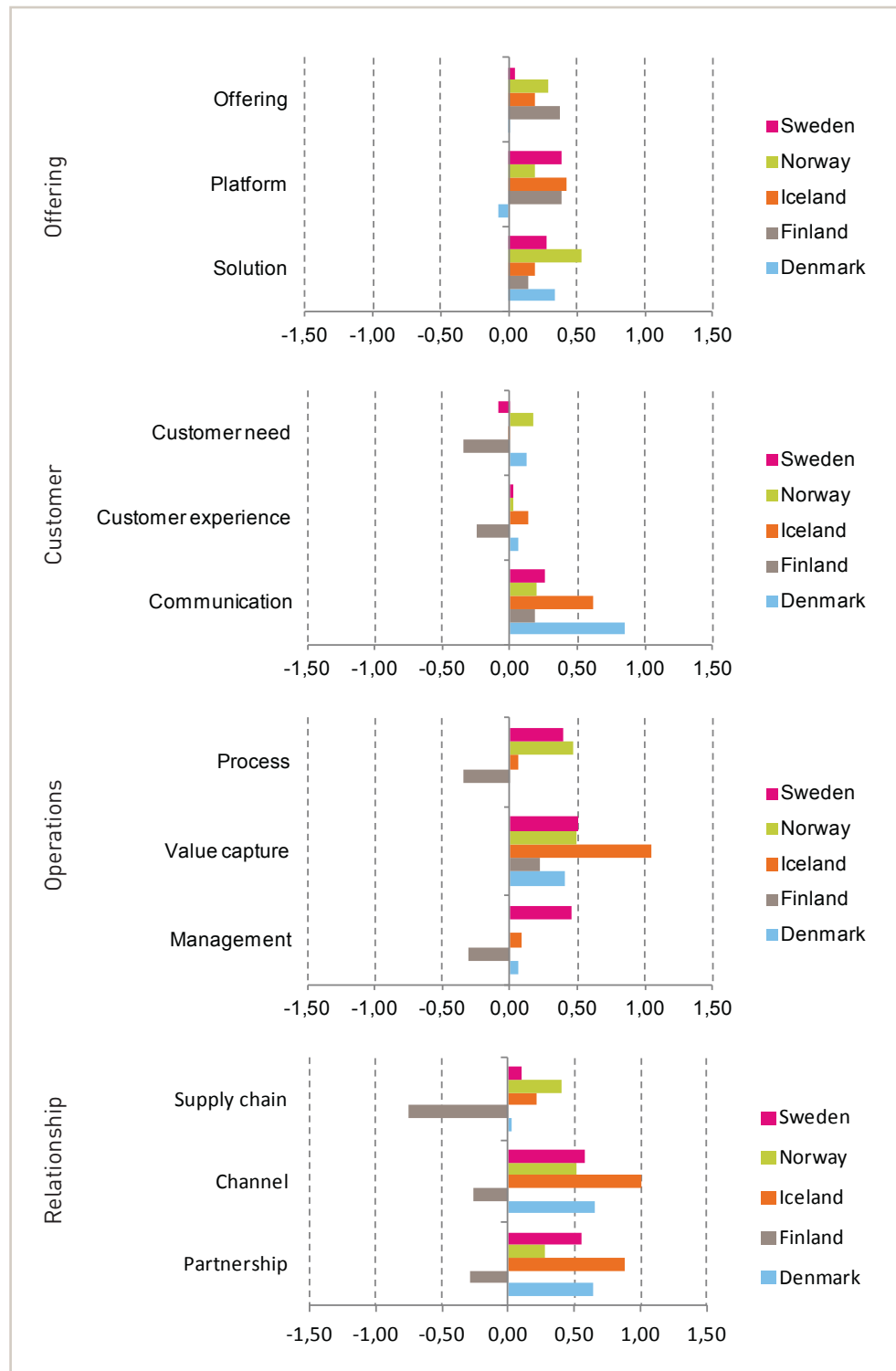
3.1.2 Developments in innovation efforts comparatively by country of origin and company size

The question is which companies show increasing innovation along which dimensions. The following analyses try to uncover this.

When looking at the changes in innovation effort across countries, as in Figure 19, it becomes evident that an increasing dedication to innovation can be found in most companies. However, the companies from Finland still active in the programme, have generally decreased their innovation efforts on especially partnership, channel, supply chain, management, process, customer experience and customer need.

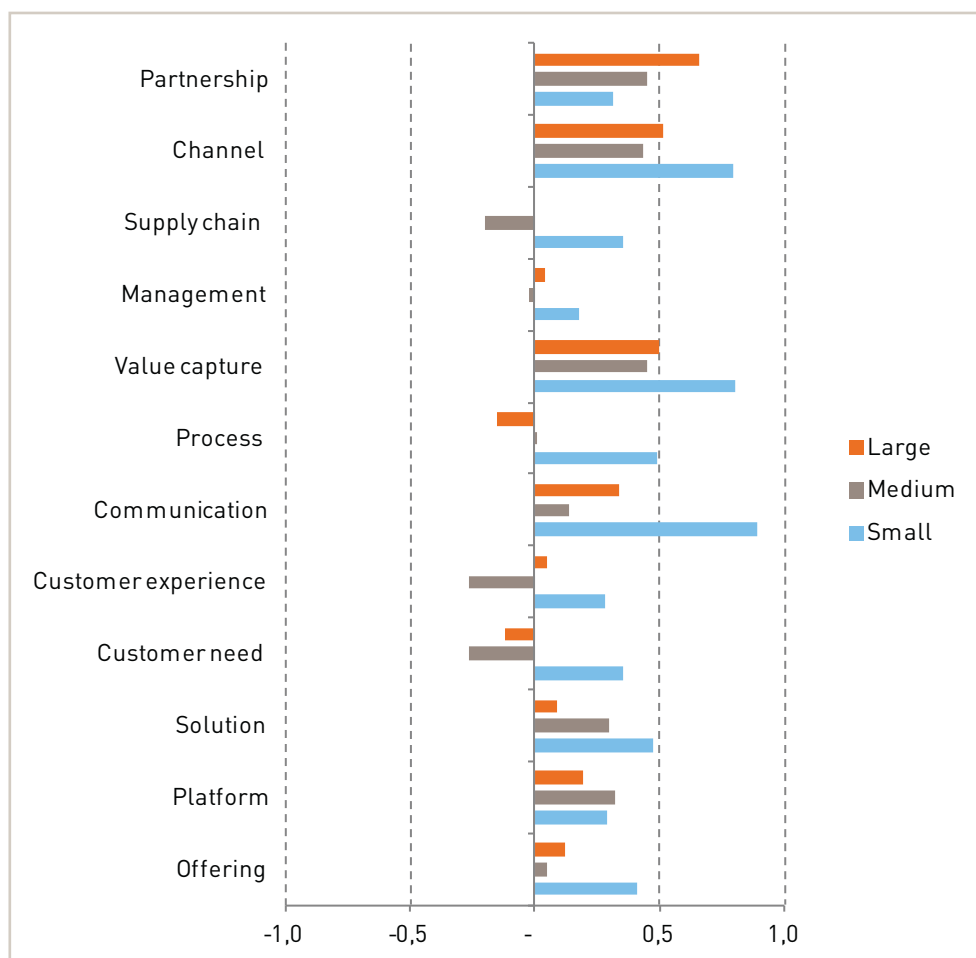
Guide to reading Figure 19 and Figure 20 below: Both figures display change from 2010 to 2012 on each of the 12 sub-dimensions. That means that if the bars are positive (to the right hand side), we see an increase in effort on this dimension from 2010 to 2012. If the bars are negative (to the left hand side), we see a declined effort from 2010 to 2012. Each of the bars reflects a subgroup (either country or company size group) and displays this subgroup's change on each dimension.

Figure 19. Change in innovation sub-dimensions by country from 2010 to 2012



The same pattern emerges when looking at the development across different company sizes as in Figure 20: The innovation effort has increased on many sub-dimensions from 2010 to 2012. However, for medium-sized companies, the innovation effort has decreased on supply chain, customer experience and customer need. For large companies, the innovation effort has decreased on process and customer need. Given the magnitude of these negative changes (all less than 0.5 points), it is questionable whether the negative developments are substantial. It is more likely that there is some degree of stability or a generally positive development, regardless of company size.

Figure 20. Change in innovation sub-dimensions by company size. 2010 to 2012



But which dimensions do the companies regard as the most important in the future? This is analysed in the following section.

KEY INSIGHTS

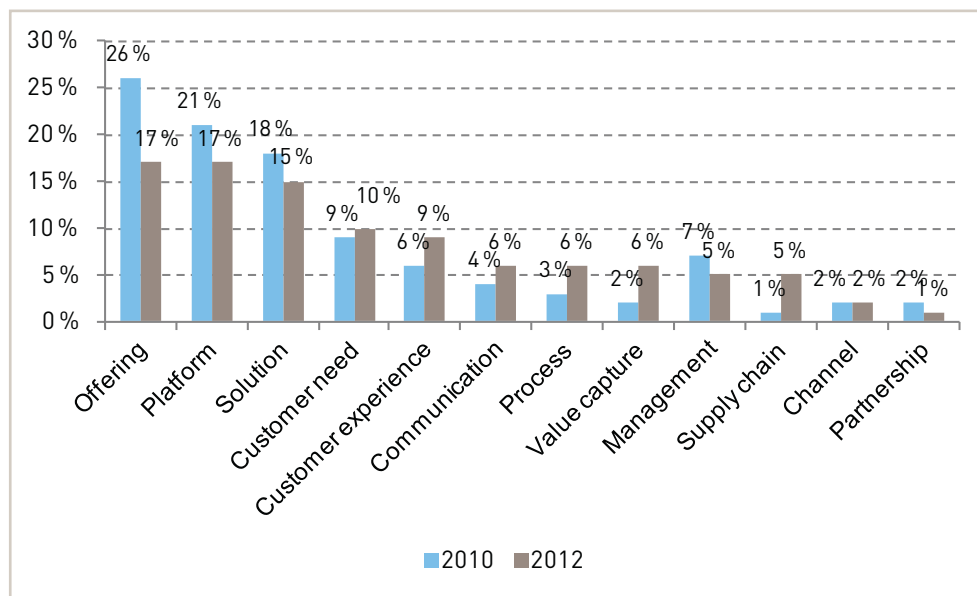
- The Nordic companies are increasingly innovative on almost all aspects that are vital to future, economic growth.

3.1.3 Most important future dimension

Figure 21 shows the most important future innovation dimension in 2012 and 2010. The figure shows that the offering dimension was regarded as the most important future dimension in 2010. However, in 2012, the importance of this dimension has decreased markedly: Now only 17 % of the companies consider this dimension to be the most important dimension. Similarly, the future importance of the solutions dimension has decreased from 21 % to 17 %. Thus, the solutions dimension is now as important as the offering dimension. This indicates that the companies increasingly consider their entire solution rather than merely their core service or product when innovating.

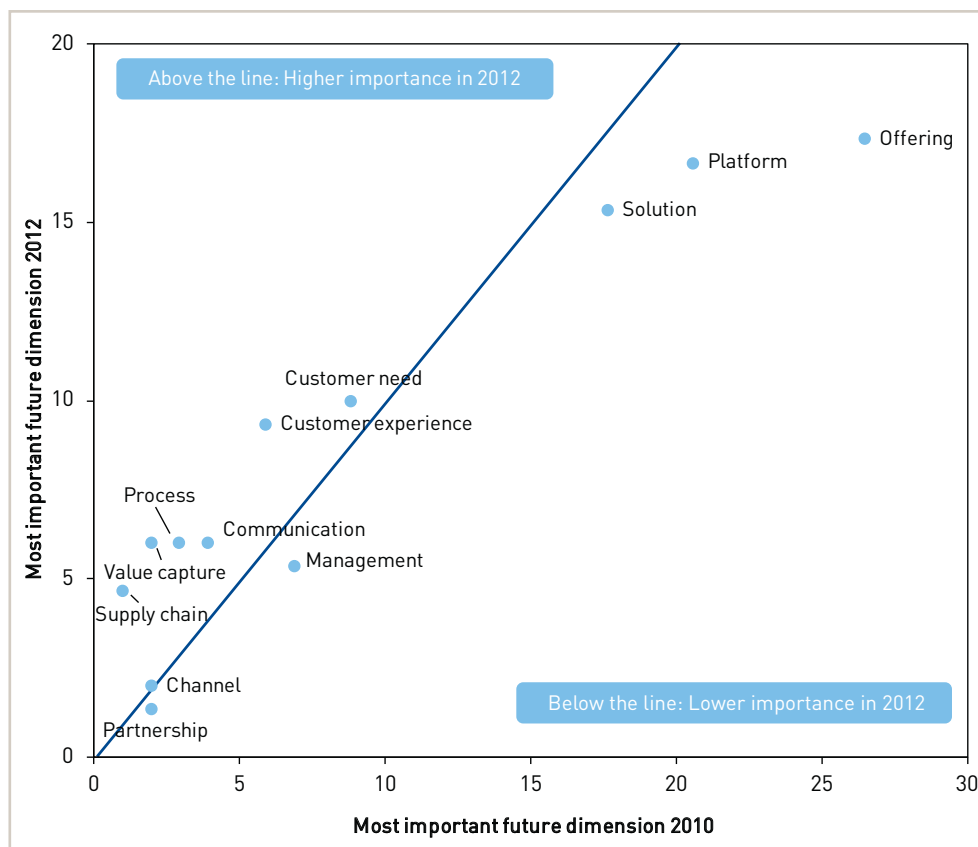
This trend is supported by the increasing importance of value capture, management and channel innovation. This trend towards a broader perspective on innovation, is a positive sign in terms of securing economic growth among the companies. Broadening the innovation perspectives may well provide the companies with competitive advantages.

Figure 21. Most important future sub-dimension for the Nordic companies 2010 and 2012. Per cent of ratings.



The same trend is presented in Figure 22. This figure highlights the developments from 2010 to 2012: Dimensions located to the left of the dashed line have become more important from 2010 to 2012. Dimensions to the right of the dashed line have become less important.

Figure 22. Development in most important future sub-dimension for the Nordic companies 2012 and 2012. Per cent of ratings.



The graph illustrates the declining importance of offering, platform and solutions.

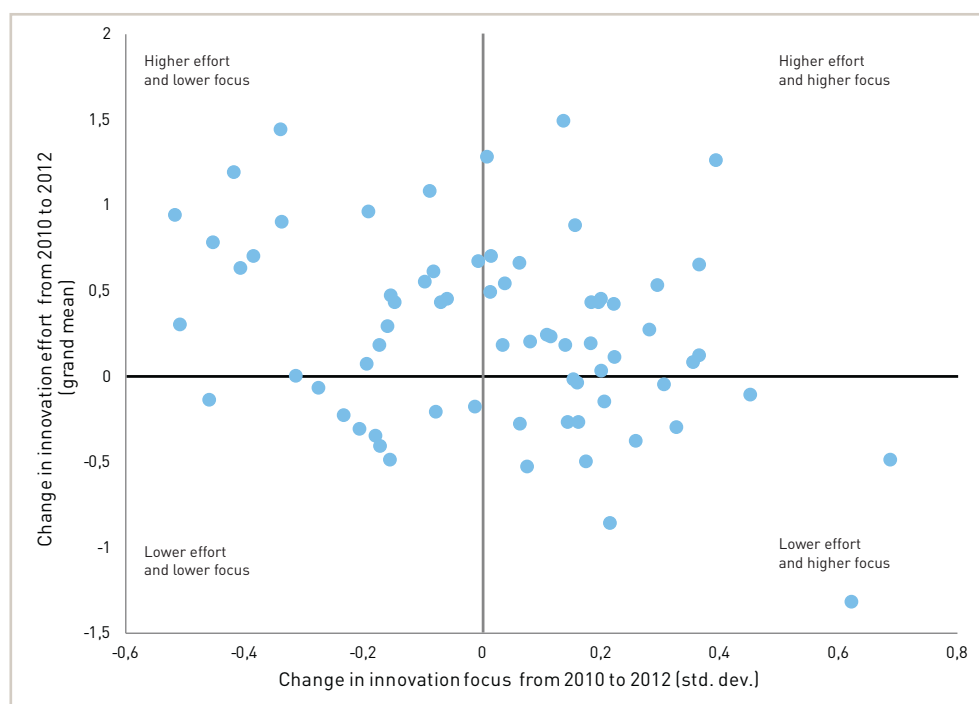
KEY INSIGHTS

- In the future, the Nordic companies will broaden their innovation efforts to include hitherto overlooked dimensions.

4. Towards a higher effort and a more focused approach

The sections above have shown how both innovation effort levels and innovation focus has increased among the companies during the MMI programme. In this section, we take a combined look at the two and the development from 2010 to 2012. Figure 23 plots the change from 2010 to 2012 in both effort and focus for each of the 70 companies. The two lines indicate status quo: Companies on the left of the vertical line have declined in innovation focus, while companies on the right have increased their focus. Companies below the horizontal line have declined in effort, while companies above the line have increased their effort.

Figure 23. Change in Innovation effort level and innovation focus approach for the MMI companies from 2010-2012



The figure shows that there is only a weak relationship between innovation effort and focus also when looking at developments. Looking at the plot, four different types of development can be seen:

The upper right quadrant: Companies with a higher innovation effort and a higher degree of innovation focus have shown the greatest developments in their innovation performance since 2010. These companies have increased their general commitment to innovation, but have done so selectively. I.e., instead of just making small improvements on all dimensions, these companies focus on making major improvements on the dimensions that are pivotal to their competitive advantage. This strategy may prove a significant driver of growth in the future.

Upper left quadrant: Companies with a higher innovation effort and a lower degree of innovation focus have increased their general commitment to innovation since 2010, but have not singled out the most important dimensions. The question is if such a general tendency to innovate will act as a driver of economic growth.

Lower right quadrant: Companies with a lower innovation effort and a higher degree of innovation focus have increased their innovation selectivity since 2010. In spite of a lower, general commitment to innovation, these companies have increased their focus on the few key dimensions that are deemed central to their competitive situation.

Lower left quadrant: Companies with a lower innovation effort and a lower innovation focus have exhibited negative developments in their innovation profiles on both dimensions. They show less general commitment to innovate, and their efforts are becoming less focused. This category of companies is by far the smallest, and as can be seen, the negative changes are marginal compared to the positive ones. It is likely that these companies will experience some difficult times in the global competition.

Taken as a whole, this confirms the overall positive development on both dimension, but also shows us that the companies follow different paths. Following different strategies and approaches, very few companies have not managed to initiate a positive development on either effort or focus, and a significant number of companies have managed to do both at the same time.

KEY INSIGHTS

- This illustrates the important finding that there is no apparent trade-off between increasing effort and focus at the same time.
- Many companies in the programme manage to do both.

This can be further illustrated by looking at the share of companies with a high and low effort and focus in 2010 and 2012. The table below illustrates this.

Table 1 Share of companies with high and low effort and focus in 2010 and 2012

Developments 2010 → 2012		
	Low effort	High effort
High focus	24% → 23 %	4% → 24 %
Low focus	56% → 33 %	16% → 20 %

While a majority of the companies had both a low effort and low focus in 2010, this is now only the case for a third of the companies. While only 4 % of the companies had both a high effort and a high focus, this is now the case for 24 % of the companies. This is a substantial increase, and clearly a sign that the companies participating in the programme are dedicating more and more resources to innovation.

KEY INSIGHTS

- Only 4 % of companies had both a high innovation effort and a high innovation focus in 2010 – this is now the case for 24 % of the companies.

5. Qualitative insights

While the quantitative analyses in this report have drawn an overall picture of the developments in the companies in the programme and documented the positive trends in both innovation effort and focus, the quantitative results only say little about the processes in the companies and how the developments come about. The purpose of the qualitative part of the study is to get more in-depth knowledge of how the companies work with the Innovation Radar.

To get a deeper understanding, 15 case companies have been selected for further study, and on the basis of the documentation of their process and results, each of the cases has been analysed in order to reveal transverse results and insights, as well as unique learning points from the individual experiences. In this section, we present the analysis of these 15 cases and point to a number of key insights that could guide the work with innovation in general and the Innovation Radar tool in particular.

5.1 Short description of the cases analysed

In order to examine how the Innovation Radar is used and how the Nordic companies manage to achieve their innovation goals, Epinion has conducted case studies of 15 companies, which participated in the Nordic Innovation programme. The cases have been selected for study by Nordic Innovation, based on recommendations from MMI consultants on particularly interesting and/or motivated companies.

The cases include companies from Finland, Iceland, Norway and Sweden, while there are no Danish companies included. The Danish companies did not participate in the 2012 workshops due to lack of national financing from Denmark, which makes it impossible to include them in this part of the analysis. Other than that, the cases represent a wide array of different companies. The companies examined in the qualitative study are spread out on different industries, including companies in the areas Cleantech/Energy, Consulting, Industrial Manufacturing, ICT/Software, Media, Medtech/Pharma/Healthcare, Retail and Tourism. Hence, the case studies give a comprehensive picture of the innovation process in different companies across different industries. Moreover, the cases included

differ in size, competitive situation, strategic focus and whether the company has an overall innovation strategy or not. As in the quantitative part of the investigation, most companies' primary macro dimension is Offering-oriented. Additionally, almost all companies in the study either maintained or increased their innovation level during their participation in the Innovation project.

5.2 Challenges at the outset

The companies participating in the Nordic Innovation programme are facing quite different challenges at the outset, which naturally affects both their motivation for participating and the goals they set up.

5.2.1 External challenges

As mentioned above, the companies in the sample differ greatly regarding their competitive situation. Moreover, there can be different challenges in different markets. Some markets are quite tough due to the international financial situation and rising prices for natural resources. Some markets can be very challenging due to rapid changes, as for example the IT-market, which forces companies to be innovative in order to keep track with the rest of the market. Other markets can be quite traditional, which can affect the focus on innovation in companies – or put differently – the lack of focus on innovation.

5.2.2 Internal challenges

The Nordic companies are not only facing challenges from outside, but they have several central, internal challenges as well. Those internal challenges are mostly regarding fragmentation in the company. Some companies start with a low degree of internal agreement, which makes it quite difficult to get a common understanding and strategy in the realm of innovation. The internal setup can also challenge the companies by slowing down the efficiency.

It seems as if smaller and newly established companies are generally facing more challenges. But also here the challenges can be quite different. While one company's biggest challenge is financing and to get funding in order to continue, another company's challenge is to control its growth.

KEY INSIGHTS

- The companies in the programme face both *external* (challenging market conditions) and *internal* challenges (fragmentation).

5.3 Focus and goals of the project

Companies participating in the innovation project have rather different expectations to the project's outcome. Some companies have very limited expectations and primarily participate because they have 'nothing to lose' by doing so. In other words, they do not acknowledge that increased focus on innovation is a necessity. Other companies see themselves as 'companies in crises' and know that something has to be done urgently, so their expectations are quite high.

The companies generally have economic goals such as economic growth and increasing their market share. Here, innovation will be a means to achieve these goals over time. Overall, the companies wish to improve their competitiveness and performance. The companies' economic goals are quite different depending on their current economic situation. While some companies want to become sustainable and profitable businesses, other companies wish to become market leaders. But it is of course important always to focus on the fact that in the end, the ambitions of the companies to increase and prioritise innovation come from a general, economic incentive.

'We want to increase our market share and improve our bottom line. By either lowering costs or improving revenue, we get more cost competitive and this will improve our bottom line. We need to utilise our employees better by streamlining processes and improve productivity. In the end, we want to be better than our competitors.'

Icelandic MMI Company

To become more innovative is a general goal among the companies, and some companies want to become market leading regarding innovation. Mostly, the companies want to improve their weak areas, and those areas are different from company to company. Looking at the four primary macro dimensions in the MMI programme, Offering, Operations, Customer and Partnership, the 15 companies' focus and goals of the project are spread across the following four dimensions:

5.3.1 Offering

Innovation is highly associated with new product development. Many companies have the goal to produce new and innovative products or services. Some companies for example have concrete plans for how much they want to increase the share of new

products in the overall production. More innovative products are also seen as a means to improve other dimensions such as Customer Experience. Some of the companies are rather ambitious and want to become market leading with innovative products. Other companies wish to expand the range of their products in order to serve more customers.

5.3.2 Customer

The customer dimension plays a great role regarding the companies' focus and goals. Many companies want to improve in identifying the customers' needs. Here, goals are to become more open for trends and to be able to identify these new trends. Also, companies want to be able to open their eyes to new markets and, if possible, finding a niche, where they can serve the customers' needs.

It is also rather important for some of the companies to improve their branding. The companies want to become better at communicating their values and portfolio to the customers and some companies even wish to create international recognition. They want to build up strong presence in the media with a strong profile and a good image.

A more positive customer experience is also high on the Nordic companies' agenda, and the companies are quite ambitious. The companies wish to 'deliver world class experiences' and to 'serve the customer better than anyone else in the market'. They plan to become better at involving the customer and increasing the trust of the customer in the company. By this, the companies wish to acquire more loyal customers that repeatedly use their services, which also could improve the companies' Net Promoter Score (NPS), which helps to attract new customers.

'We have the vision that our customers choose us over other companies and can explain why they do so. By delivering a world class experience, the customer becomes reluctant to try other options and we improve our customer loyalty'

Icelandic MMI Company

5.3.3 Operations

As mentioned earlier, some of the companies are facing internal challenges at the outset of the project. Therefore, these companies are hoping that more innovation in the operations dimension will help them overcome these challenges.

The companies wish to become more focused and efficient in their work. This can be done by being more innovative in the Process and Management dimensions. A better utilisation of employees and more committed employees are mentioned as goals here. One company wishes to achieve a greater understanding among the employees

that ‘what is good for the company is good for me. Also, companies wish to be able to deliver consistent, excellent quality in their products or services. Therefore, a goal is standardisation and streamlining in order to secure that all employees deliver the same, high quality to customers. Delivering products with the same high, quality can also improve customer experience.

Value capture is also an important dimension for many of the companies. It can be quite difficult to get the right pricing for some companies’ products or services. Especially in the IT industry it can be difficult to make the customer pay for the effort used to develop the products. Here, more intelligent pricing might help the company. Also, companies in other industries want to become more intelligent in their pricing so that the price reflects the product’s value to the customer instead of just covering the company’s own expenses. For companies in a more difficult economic situation, it can first of all be important to create a sustainable value stream and here better value capture can help them to survive in the market.

5.3.4 Partnership

In the macro dimension Partnership, the main focus of the companies has been on Partnership innovation and only few companies did focus on Channel- or Supply Chain innovation. The companies want to find and develop valuable innovation partnerships, which are profitable for both parties. For some companies, a valuable partnership enables the company to offer their customers more choices, which also strengthens the company’s position regarding Customer Need. For other companies, partners can be important for their funding, which enables the company to be more innovative in the Offering dimension.

KEY INSIGHTS

- The companies focus on the offering dimension.
- However, delivering world-class services and securing efficient operations also plays an important role for the companies.

5.4 Strategy, implementation, priorities and methods

Participating in MMI programme initiates a lot of different actions and processes in the Nordic companies. Innovation is brought on the companies’ agenda and the companies become more focused on innovation. They begin to prioritise between the different innovation dimensions and start to prioritise their focus dimensions and efforts according to the company’s total innovation capacity.

In the process of becoming more innovative, internal processes in the companies play a great role. The companies try to identify internal barriers to innovation and to lower and eventually eliminate these barriers. The MMI programme opens up for important and intensive discussions. This involvement of – or at least communication to – the company as a whole, is both optimising internal knowledge transfer and creating a positive atmosphere for innovation. The companies' core values are communicated and discussed across management functions, but also the implementation of the changes is discussed. Besides involvement of the staff, clarity from management and clear leadership are some of the most often mentioned positive changes.

'By identifying and lowering our internal barriers, we formed a positive atmosphere for innovation and the innovativeness of the employees. These barriers might have affected the employees' awareness, enthusiasm, behaviour and practices. Now, our management process involves developing an enthusiastic, creative and supportive working climate'

Finnish MMI Company

The internal effort can also be seen in the development of the overall level of internal agreement in the companies. While there are quite big differences in agreement between the companies in the beginning of the programme, in the final stage of the programme almost all companies have a high level of agreement. The participation in the MMI programme opens up for important processes in the companies, and the internal work affects the companies' strategic work positively. Hence, almost all companies either keep up or increase their overall innovation effort.

KEY INSIGHTS

- Participation in the MMI programme has led to higher internal agreement and a more focused approach towards innovation.

5.4.1 Using the Innovation Radar

Many of the Nordic companies integrate or are planning to integrate their innovation strategy with the overall strategy. Moreover, the two strategies give valuable input to each other. The innovation strategy is seen as a natural part of the companies' strategy as far as the company has a strategic plan.

The companies feel that they are using the Innovation Radar and the knowledge from the MMI Deep Dive Workshops in two different ways. Several companies experience that they are using the Innovation Radar as a tool, while other companies see it more abstract as a way of thinking. As tool, it is used in different business units and gives

an overall point of reference for everyone in the company. As a part of the workshop, companies also use the Innovation Radar to compare themselves to their competitors. This is seen as a good tool to increase the awareness of the competitions' actions and plans. Overall, the Innovation Radar is seen as a very useful tool to get a structured approach to strategy and innovation. To get the most out of the innovation work, for each selected dimension, there are defined objectives (what), approach (how), how to measure (targets/goals), responsibility (who) and settings for follow-up dates (when). Other companies feel that they do not directly use the Innovation Radar as a tool, but that their participation rather leads to 'a way of thinking' that 'popped up' occasionally, especially regarding strategic decisions. Participating in the MMI programme triggers thought processes, which subconsciously influence the companies' strategy. Even though those companies do not feel that they are using the Innovation Radar actively, they are using some of the same methods as the other companies.

'We have not been using the Innovation Radar formally, but the methodology has 'popped up' on many occasions, mainly concerning strategic work. It has given us a good overview on how and which areas to prioritise. We have now implemented a system for very structured brainstorming about 'what to do, how, when, and by whom''

Icelandic MMI Company

In general, the companies become more aware of having a defined approach and become more focused on measurement. The companies start evaluations and developed measuring values for their analyses. By this, they get a more structured approach to their strategic work. Moreover, they begin to appoint responsible employees for each project, as they become more aware of the importance of responsibility for implementation. The companies allocate resources to the innovation projects if this is possible. For companies facing a lot of economic pressure, this is rather difficult. Of course, missing resources are challenging for the companies in their innovation work.

As the companies have different targets and goals, they work with different dimensions. The companies' strategies and implementation in the four dimensions are examined in the following subsections.

5.4.2 Offering

As the quantitative analyses show, Offering is the most favoured macro dimension among the Nordic companies and most companies' innovation focus is Offering-oriented. During the MMI programme, many of the participating companies are developing new products and services. They also develop new sales packages and upgrade packages. Those new products and packages can help the company in targeting new customer segments or can give the existing customers higher utilisation. Moreover, the companies

work on their solutions for example by making customised solutions or by giving the customer a guaranty in order to secure high satisfaction for the customer.

KEY INSIGHTS

- Participation in the MMI programme leads to the development of specific products.

5.4.3 Customer

Several companies participating in the MMI programme also have strong focus on the Customer dimension. In their work with this dimension, focus is especially on measurement and differentiating. Measurement and more structured analyses are used to get a better understanding of both Customer Need and Customer Experience. Instead of 'guessing' about the Customer Need and Experience, as some companies did before, the companies have started using surveys and work with customer feedback in order to get a better understanding of these dimensions. Moreover, increased market research and continuous study analyses are getting prioritised. The companies experience that 'observing and measuring enables continuous improvement', which gives them a better starting point for innovation in these areas. The analyses enable the companies to find new customer segments and markets and help sharpening their focus. This can affect product development, as new products have to be produced to serve Customer Need. Several companies work with their branding and communication as well. Here, the market analyses can be used as well as working together with media or advertisement agencies.

'We really needed and need to build up the customers' trust in the company. So we work with the process of the customer experience by using pamphlets in order to clarify the process for the customer and to ensure that every employee delivers the same products and services.'

Swedish MMI Company

The work in the Customer dimension also triggers internal processes, especially regarding the staff. The companies are training their staff in order to improve the Customer Experience. They make clear descriptions for the staff on how to work with customer relations and new employees are also trained in this. Some companies even hire new staff, whose role is to improve Customer Experience in various ways, for example with reception staff or increased service.

KEY INSIGHTS

- The companies have become more aware of measuring their customers' needs.
- This affects internal processes for handling Customer Experience as well.

5.4.4 Operations

The participation in the MMI programme seems to initiate internal actions and reorganisations. The leadership in the companies often becomes clearer and projects are followed up by the responsible management. New employees are hired and the staff is trained and educated. Moreover, the staff becomes more involved, and by conducting employee surveys, the staff development is brought about. By integrating different groups in the company, the mutual understanding increases, which can also be seen in the high levels of internal agreement in the companies.

The companies work with the Process dimension as well. Several companies had difficulties assuring that every employee delivered the same high quality. Here, several companies have developed templates and introduced more education and training to streamline and standardise processes. They are introducing more systematic ways of working with innovation. One company implements a systematic development procedure, where strategic decisions are implemented through projects with allocated budget and human resources.

'Analyses of our sales and overcapacity have been made, so that our sales can be used more effectively and we have measured the value of our ads. A new model for fixed-price projects has been launched and now these projects are finally profitable. Moreover, we developed internal staff processes and changed our recruitment and educational processes.'

Swedish MMI Company

Value capture remains a crucial, yet challenging dimension for several of the Nordic companies. The companies seek to find different ways to improve their value capture of products or services. While some companies look at the competitors' ways of pricing, other companies include their staff in brainstorming. Several companies have introduced new ways of pricing, for example by differentiating prices depending on the number of active users or the number of services used by the customer. Other companies are improving after sales activities or train their staff to achieve more ancillary revenue, thereby capturing new value from the same customers.

KEY INSIGHTS

- Among the new internal processes are more efficient ways of capturing value and securing a consistent quality.

5.4.5 Partnership

The participation in the MMI programme opens the companies' eyes to the possibilities and benefits of strategic valuable partnerships. The focus on partnership innovation is growing among the participating companies and more resources are used on partnership development. The MMI programme helps the companies to get a more strategic view on partnership in order for the companies to understand their own needs, and how partners can help them in different areas. Eg. to find partners, who can help in specific markets in order to create new customers. Other benefits are partners with specific functions, who can complement the company.

5.4.6 Challenges during the process

One of the main challenges in the implementation process is to prioritise innovation relative to daily business. Changes are often time consuming, costly and difficult. Therefore, it can be challenging to find resources for implementing and to follow up. Moreover, it can be quite difficult for the companies to assess the value of innovation, which can make it even harder to allocate resources. Innovation yields return in the longer run; therefore, day to day operations have a tendency to precede over long term strategic initiatives. Both companies that do well and struggling companies are facing the challenge of prioritising innovation. For the struggling company, its first priority is to survive, while the more profitable company is occupied with its customer deliveries. Of course, lack of resources is always a challenge when a company wishes to start new projects.

'Strategy creation and execution as a process does not have a long history in our company and more attention is needed. The internal operational setup is still fragmented and that slows down the organized way to improve the ability to learn effectively. We have incorporated activities into daily operations and plan to integrate them to overall strategy process.'

Finish MMI Company

Just as in the outset of the programme, some companies struggle with internal challenges during the programme. Here, different groups in the company can have different innovation focuses, which makes it difficult to find internal agreement to focus resources and to become more innovative in certain areas. Moreover, changing

management can be rather challenging for the innovation process. Three companies in the case study experience this. They miss a homogenous process, especially when the transfer of knowledge is not satisfying. This makes it rather difficult to apply the knowledge from the different workshops to their innovative work.

Some companies are struggling with the term innovation. Innovation focus is a quite abstract term for some, which can make it difficult to use the term outside the management department. Also, innovation focus and overall focus could be confused. It can be difficult to separate innovation and improvement, and to understand that a low innovation focus in one area not automatically implies that the company is doing poorly in that area.

KEY INSIGHTS

- A key challenge for the companies is prioritising innovation relative to daily business.

5.5 Goals and effects

Most importantly, participating in the MMI programme puts innovation on the companies' agenda. The companies in the case study agree on the fact that their participation has given them a new understanding of and focus on innovation. Many companies change their view on innovation, as they are seeing that it comprises more than just product development. Moreover, the understanding of its long term viability makes it easier to prioritise innovation. Innovation strategies are used in different units, and as one company describes it 'innovation happens in all aspects of the business'.

'We need to work together in the company in order to constantly innovate our business. We are never to rest and need to push forward in order to find new innovations. Everybody in our organisation is participating and innovation is happening in all aspects of our business. Even small innovations in parts of our organisation can make a big different later on.'

Norwegian MMI Company

The above has shown that the twelve innovation dimensions are internally connected and can affect each other. Hence, working on one dimension can affect the innovativeness or development in (an) other dimension(s). This shows that there is not necessarily a trade-off between the different dimensions, but that they actually can be mutually reinforcing.

However, as mentioned, innovative changes can of course be rather time and resources consuming, which is why a focused approach might be more efficient.

As seen in the quantitative analyses, most companies end up with an increased innovation effort. Among the companies in the case study, only one company has decreasing innovation effort. However, the company still feels that it has received valuable input from participating in the programme. This company is struggling with surviving, and focuses on funding, which makes it rather difficult to focus on innovation. It is facing changing challenges, but has continued to innovate. Even though its overall innovation level is lower, it has become more focused using its resources in a more intensive way.

It can be rather difficult to assess if or to what degree the companies have achieved their goals. Innovation is a dynamic process, which needs continuous revision and the companies change their innovation focus during the different workshops. By this, the companies do not necessarily achieve the goals set in the first workshop. Moreover, they do not innovate on all the prioritised dimensions, and most companies are surprised by at least one of their dimensions, either expecting more or less innovation in this dimension. It seems rather difficult to become more innovative on exactly all the desired dimensions. However, the outcome of the MMI programme meets or exceeds most companies' expectation even though the companies do not become innovative on all desired dimensions, showing the positive effects of the participation. The companies work with their challenges identified at the outset of the project. The external challenges are faced by studying their competition and a lot of work has been done on the internal challenges.

Furthermore, working with the Innovation Radar has positive indirect effects on other areas in the companies, which are not necessarily captured in the development measured by the Innovation Radar. The work triggers internal processes, which might not have increased the innovation level, but have caused other effects, like a more positive working environment as some mention. By involving the whole company in the process, the employees become more motivated and cohesion is growing in the company as they see that 'we are not individuals, we are a team'. The companies' focus on their strengths and weaknesses which give useful inputs and a clearer picture of the companies' strategy. The innovation strategy gives valuable input for the overall strategy and the companies become more aware of their choices.

'The MMI process has made us prioritise innovative work to a greater extent and we have put innovation more on the agenda in our strategic work. In the beginning, we were struggling to use the process for the whole organisation but we made it clear for the whole management team who participated. The project has assisted with more systematic ways to work with innovation and we plan to use the Innovation Radar on yearly basis.'

Norwegian MMI Company

However, there is still work left for future development. Some of the companies have identified focus areas, but are lacking resources to work on them. Other companies need a clearer picture and the goals need to be sharpened. Innovation is a continuous process and the companies are not done with their work by the end of the project. The companies feel that the participation has given them a better base for future discussions and several companies will continue using the Innovation Radar, as it is perceived as a good tool to structure strategy.

In conclusion: To sum up, it seems very clear that the most important result of the MMI programme is one of a changed mind-set in companies, where innovation has become more tangible on the one hand, while at the same time, the companies have a much more strategic view on their innovation effort and a clearer understanding of how innovation can contribute to the ultimate goal of creating a thriving business.

KEY INSIGHTS

- Participating in the MMI programme highlights the importance of innovation.
- The outcome of the programme exceeded the expectations of the companies.
- The programme initiates internal processes beyond the Innovation Radar.

6. Conclusions and policy recommendations

During the two-year period 2010 to 2012, Nordic Innovation and national partners have introduced and tested a holistic approach to innovation on 100 Nordic companies, using Kellogg School of Management's 360 degree Innovation Radar as a diagnostic tool and basis for the development of innovation strategies.

Out of many significant results in the involved companies, a number of essential and interesting lessons can be drawn from the innovation effort that has taken place during the period 2010-2012. Overall, it is essential to repeat that:

- Companies benefit from having an explicit innovation strategy.
- Companies benefit from focusing and prioritising their innovation effort and working intensively and consistently with innovation.
- Companies that already have an innovation strategy incorporated into their business foundation deliver better results than companies without such a strategy.
- Companies that really worked with the twelve innovation parameters in the programme have for the most part shown clear signs of evolving in the right direction. The work with innovation and the focus on the different innovation parameters and their interdependence yields a positive result.
- The results indicate that a company can reap great benefits from external innovation advisers. These advisers can monitor and guide companies in the innovation process. The outcome is that the company can initiate processes with impact beyond the development of new products.

The many positive experiences from the completed MMI project provide an opportunity to make the following recommendations regarding future innovation and business policies. In relation to the findings, we suggest that the Nordic countries incorporate specific recommendations and actions that can support the described experiences.

The MMI initiative has shown such significant results that it is capable of providing the framework and starting point for conducting future innovation policies. These

policies should be based on a holistic approach towards innovation. New standards for innovation can be created based on this method. In regard to lessons from the MMI programme and future policies for innovation programmes and other initiatives, we believe that these can be grouped into the following three levels.

Nordic cooperation:

- One of the strengths of the MMI programme has been the rigorous application of the same method across all five countries and 100 companies. This has allowed for comparable data and the merit of this has been to be able to better understand similarities and differences regarding innovation within companies. Shared data strengthens the Nordic dimension of programmes.
- The MMI programme is arguably the largest or second largest of its kind on business model innovation in the EU (the other being the EU Commission's Improve3, which has closed). The Nordic cooperation should examine how to build upon the findings and how to communicate the results to a wider audience in the best way.
- Not everybody was convinced about the MMI programme to begin with. In order to meet these concerns and questions, a pilot project (InnoTools) was carried out in cooperation with key Nordic national innovation stakeholders. Clear KPIs were set from the start, and the results from the pilot helped answering some of the initial questions and provide guidance to the MMI program setup. The use of pilot projects should not be underestimated as a means to systematically test hypotheses before scaling up innovation programmes.

National policy level:

- When launched, the MMI programme was taking innovation policy further than most had envisaged possible in regard to companies etc. Yet, within two years' time, the MMI has in some ways moved the signposts for what innovation policies can be about and do. National Nordic innovation stakeholders should consider allocating a small 'reserve' fund or resources that can be used to support and test new ideas at Nordic level. Even small investments can have significant impact and contribute to change of mind-sets, as seen with MMI.
- The MMI programme has demonstrated that Nordic companies have had, and still have a bias towards traditional product and process oriented innovation. At the same time, companies express a desire to improve their innovation capacities in other areas, but so far only a few have managed to take the leap from product development to value-oriented innovation. Innovation policies in Nordic companies should therefore explore how to experiment with some of the other important innovation dimensions outlined by e.g. the Innovation Radar and how to support for example

partnership and customer experience innovation through innovation programmes.

- The innovation landscape and related ecosystems change at a faster and faster pace due to global competition and technological developments etc. Innovation support programmes should reflect this pace of change and be in tune with market conditions and needs of target industries and companies.
- Innovation support programmes should be designed with clear intent, evaluation and success criteria in order to come up with clear conclusions, findings and use these lessons for future support initiatives.

Company level:

- The MMI programme has, according to testimonials from participating companies, contributed to a broadened view and understanding of innovation. The framework has provided a more holistic view on what innovation is about and how the company can work systematically with its innovation strategy to utilise existing resources in a more focused and efficient way.
- Companies have through the business model approach introduced by MMI improved their capabilities for spotting underdeveloped business areas and new opportunities within their portfolios of activities.
- Business model innovation frameworks, like the MMI programme, allow for better communication throughout an organization and a more value oriented approach to innovation, as well as visualising existing and future innovation management strategies.
- The MMI programme has been designed to include all units/functions within companies, e.g. marketing, product development, sales, finance and HR etc. and has thereby facilitated a breakdown of silos and democratisation of the innovation culture. This is valuable and essential in order for an organisation to move in the same direction.
- Programmes like MMI should be designed in line with the needs of companies and the programme intent and value proposition should be clear to them.

7. Methodology & Data

7.1 About the analyses

The analyses in this report are carried out using data from the 2010 MMI survey and the 2012 MMI survey. Only companies participating in both waves are included in the analyses. Including companies not active in the 2012 survey would bias the results, in so far as differences between the two rounds could be caused by the drop-out of companies from one round to the next.

For each of the companies participating in the MMI programme, several respondents have answered the MMI questionnaires. The results for each company have been aggregated, so that each company is one observation. This aggregation results in higher, statistical accuracy.

The companies participating in the surveys come from a wide range of sectors and have different numbers of employees. Thus, broad inference of general trends to the entire population of Nordic companies is possible.

7.2 The MMI data

The analyses in this report are based on data from 2010 and 2012 on the companies, which were still active in the MMI programme in 2012. In this section, we give an overview of the 70 companies still active in the programme.

The companies, who participate in the programme, are based in the Nordic countries. The specific number of companies from each country is shown in Figure 24. As the figure shows, all Nordic countries are well-represented: 14 Danish companies, 11 Finnish companies, 19 Icelandic companies, 13 Norwegian companies, and 13 Swedish companies completed the 2012 survey.

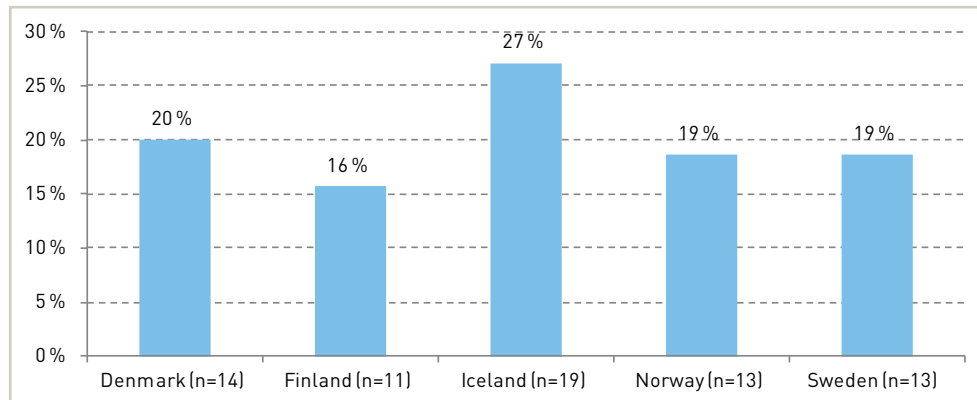
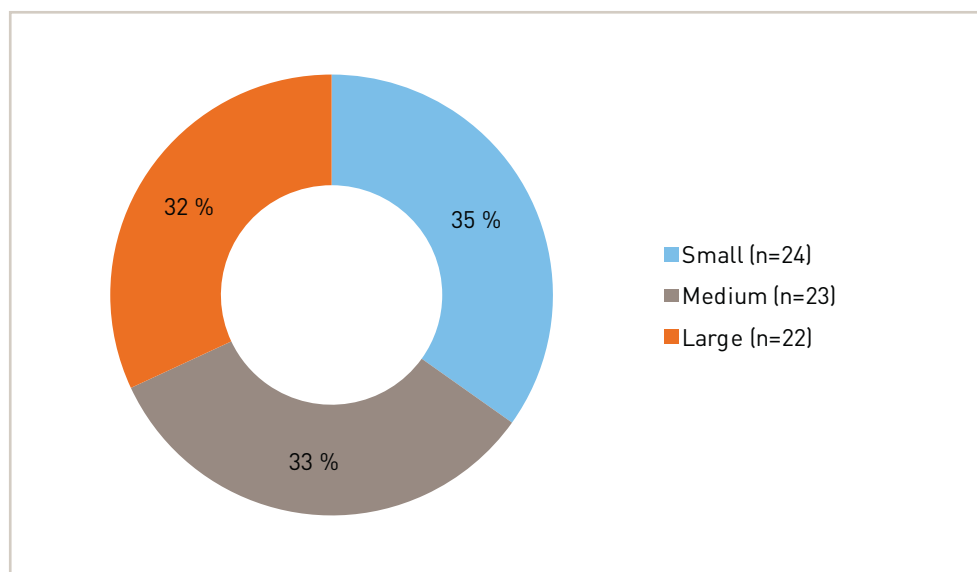
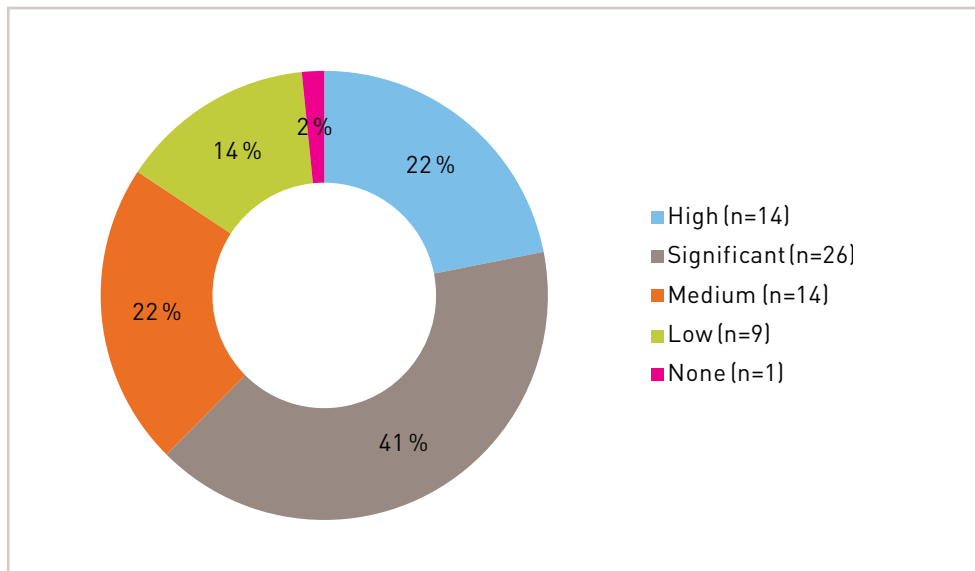
Figure 24. Distribution on country in 2012

Figure 25 shows the distribution of the participating companies on number of employees. The figure shows that there are approximately as many large companies (> 250 employees), as there are small (< 50 employees) and medium-sized companies.

Figure 25. Distribution on company size

As described in the introduction, increasing global competition enforces the need for innovation. Thus, it is essential that the MMI programme includes at least some companies that face some degree of competition. Figure 26 gives an overview of this.

Figure 26. Distribution on competitive situation

Most companies in the programme face significant competition, i.e. they have several competitors, and/or some very strong competitors. Around 2 out of 10 companies are in a highly competitive situation, i.e. they face very strong competition from many other companies. Around 2 out of 10 companies are in a moderate competitive situation, i.e. they have some competitors. 14 % of the companies face low competition, i.e. they are unique and almost alone in their market. Only 1 company faces no real competitors.

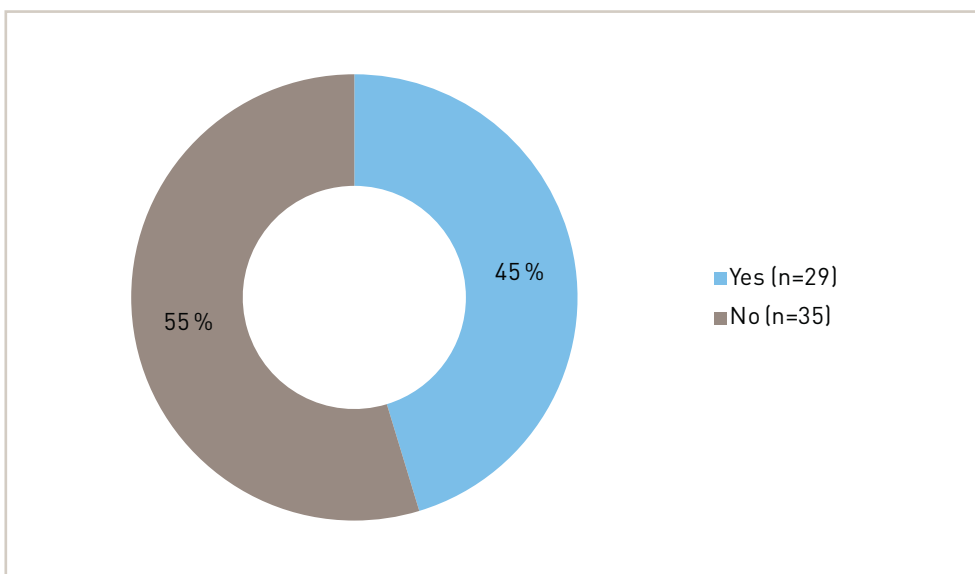
Figure 27. Distribution on presence of innovation strategy

Figure 27 show that the 45 % of companies participating in the 2012 survey have an innovation strategy, whereas 55 % do not have such a strategy. None of the included companies that also took part in the 2010 survey have had a change regarding the presence of an innovation strategy (figure not shown).

Appendix A: 15 MMI Company Case Examples

In this section we present 15 case examples of companies in the MMI programme.

In each case we present the Innovation Radar results and describe the challenges and possibilities that the companies identified as well as look closer at the actions and experiences that characterize their work in the MMI programme.

The cases have been selected by Nordic Innovation among companies from all countries but Denmark. The Danish companies did not participate in the 2012 workshops due to lack of national financing from Denmark, which makes it impossible to draw up complete cases based on the available materials.

CASE: AGIO

As part of Nordic Innovation's MMI programme, AGIO System & Kompetens has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About AGIO System & Kompetens AB, Sweden

AGIO is an IT consulting firm that primarily focuses on Document management and Decision support. Customers are served in both the public and private sectors. The business model is efficient processes with IT. With its clear focus, superior corporate governance and entrenched values, for both financial and participation, AGIO has become a profitable and stable company to work and develop in. AGIO means added value.

Opportunities

The plan for accomplishment for AGIO has been to sell solutions to a greater extent based on customer values and value arguments. Other opportunities are related to internal cooperation, quality management system for external projects, the recruitment process, their unique steering method, named the "Pyramid of Success" and the topic to create a new brand platform for AGIO.

Challenges

The main challenges are concerning expert competences, controlling the growth and to remain their business values. Many employees within AGIO come up with ideas, the challenge is to evaluate all the ideas and to complete them (take ideas from start to the end). The 1st Innovation Radar starts with a moderate level of innovativeness with focus on Solutions, Management, Process, Customer Experiences, and Partnership.

Actions and Experiences

The process showed strong involvement of staff and clarity from management. AGIO has a clear link to the last line in the financial statements and analysis is made

of sales and available capacity, so that sales are used more effectively. Other issues to mention are: Developed internal staff process, recruitment and the coaching design, educational process – concerning individual goals and the sales management. Implementing a new project model for fixed-price projects – now as a profitable model.

The MMI programme has started a number of good "thought processes". MMI process and its dimensions have been there all the time, not as a continuously used tool, Agio has used MMI more as a checklist of possible innovation directions. Agio has worked through all dimensions to determine the most important innovations dimensions at that particular moment.

Most important right now are innovations around: Solutions, Management, Process, Customer Experiences, and Partnership.

AGIO got some valuable lessons in the MMI process. The focused innovation dimension will be included in the business plan.

To be able to work professionally with innovation strategies the recommendation is to start with the management team.

Innovation, for Agio, is not a task for a single role in the company, it is more or less the spirit of the entire company. All we know is that today's solutions will be outdated in the future, so we need to develop both staff and solutions.

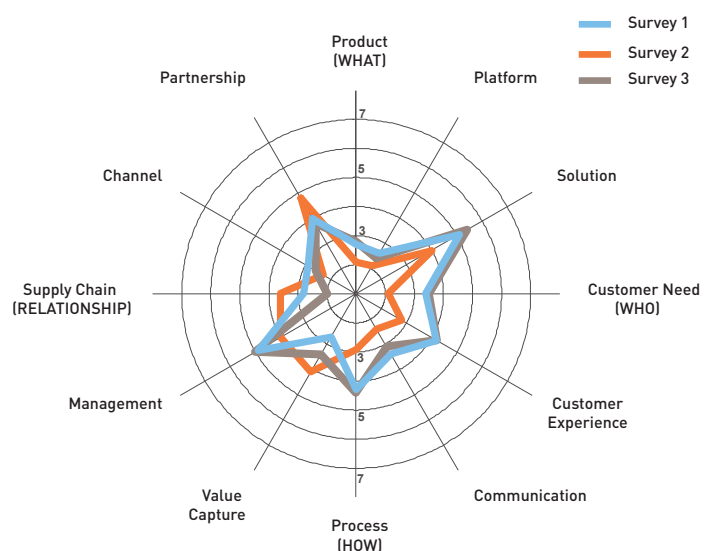
Innovation Profile of AGIO 2010-2012

The overall Innovation Profile of AGIO indicates **higher, moderate levels of innovation**

The company has **multiple innovation peaks around:**

- **Solution**
- **Management**
- **Process**
- **Customer Experience**
- **Partnership**

The company has **lowest innovation effort around Supply Chain**



CASE: AVENSIA

As part of Nordic Innovation's MMI programme, Avensia has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About Avensia AB, Sweden

Avensia AB is part of the public corporation InXLinnovation AB listed on NASDAQ OMX First North Premier since 2001 with more than 50 employees located at offices in Helsingborg, Lund and Stockholm. Right from the start in 2001, the ambition was to become the leading specialist in e-commerce. Avensia is an expert in converting visitors to buyers with a design that guides the users from start to finish. The focus is on e-commerce solutions, which is the area of excellence together with custom built related IT-systems. Customers are mostly found in the Swedish and European markets. Avensia AB has three sister companies, Mashie (Internet based operational systems for the food industry), Grade (systems for e-learning and evaluation) and Force12 (expert consultants within system development).

Opportunities

When Avensia AB gets even closer to their customers' activities, they will be able to offer additional information and create a huge basis for further growth in sales for each customer. A great opportunity for Avensia lies in focusing on the aftersale market as it offers the company great chances to attract new customers and thereby to increase the company's revenue.

Challenges

The management felt that the company primarily had to achieve a higher quality level in some of the business dimensions and from there become more innovative. Although the management felt the IR 360 method was safe and solid, the word "innovation" felt high-flown and gave performance anxiety. For Avensia, it was essential that

external stake holders forced them to talk about different areas and to be clear in their discussions.

Actions and Experiences

AVENSIA will continue the efforts of defining a clear innovation strategy that can help prioritise innovation efforts within the company.

There is an overall higher level of agreement among the respondents about the Scale of Variability. However, there is substantial internal disagreement in relation to Partnership, which is the area with the lowest agreement. Avensia should examine whether this internal disagreement is due to different perspectives held by managers with different backgrounds, un-defined strategies or actual internal communication obstacles for this given dimension.

Future action will be to develop an Innovation Strategy based on the experiences of the process of working with the IR. The focused dimensions in the plan will be Solutions, Customer Experience and Value Capture.

Regarding Solutions, Avensia plans to combine their proprietary products with other products and to sell those as packages. Moreover, Avensia wants to strengthen Customer Experience as they have good experiences with focusing on this dimension. For Value Capture, Avensia wishes to sell products and solutions instead of being paid per hour. Thereby, the company can assess the customer value instead of only covering their cost.

A positive result of Avensia's participation in the process has been that Business Development is now on top of the agenda in Avensia.

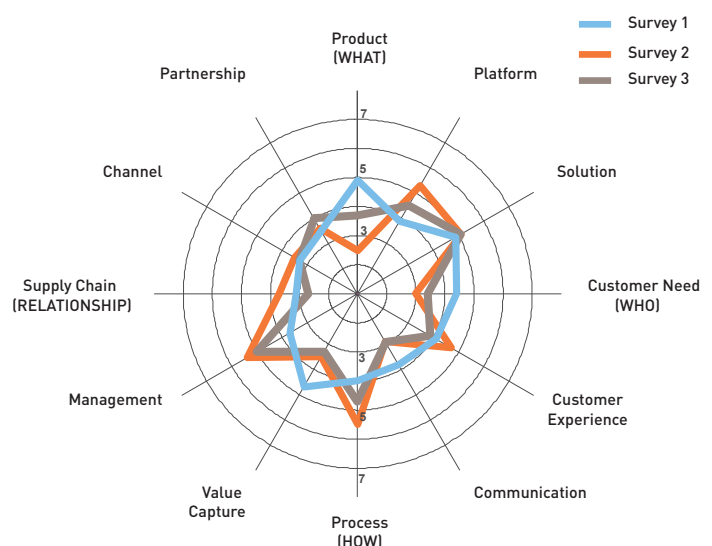
Innovation Profile of Avensia 2010-2012

The overall Innovation Profile of AVENSIA indicates higher moderate levels of innovation

The company has multiple innovation peaks around:

- Solution
- Management
- Process
- Platform

The company has lowest innovation efforts around Supply Chain and Communication



CASE: BLUE LAGOON

As part of Nordic Innovation's MMI programme, Blue Lagoon has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About Blue Lagoon, Iceland

Blue Lagoon is an innovative company in health, wellness and skin care powered by geothermal energy. Blue Lagoon was accidentally formed in 1976 during operation at the nearby geothermal power plant. In the years that followed, people began bathing in the unique water and apply the silica mud to their skin. Those with psoriasis noticed improvement in their condition. Over the years, Blue Lagoon has been innovative in harnessing this gift of nature to develop different wellness services and products. Today, Blue Lagoon is recognized as one of the wonders of the world. Blue Lagoon offers unique experiences to its customers and is Iceland's biggest tourist attraction.

Opportunities

There are opportunities for further development as unique location. The Blue Lagoon can grow as tourist attraction with its own hotel and catering services and as a base for sales of skin care products and natural creams for the treatment of psoriasis etc.

Challenges

The key challenge is to find a way to continue the development of the attraction with respect to nature and the environment.

Actions and Experiences

At Blue Lagoon, we see a very high level of innovativeness but it is an unfocused innovation profile slightly biased towards Offering, Value Capture and Communication. Emphasis on innovation has increased over time but the company is surprised that Customer Experience didn't score the highest as much effort has been done in that area.

There have not been any direct actions on the basis of the first Radar Profile. However, there have been certain actions implemented all over the company's operation and in the participants' discussions.

The major discussions following the IR work have been about focusing on the following key dimensions. In regard to Platform: The Blue Lagoon's whole operation is based on platform, i.e. geothermal and Icelandic nature. Concerning Customer Experience: Great emphasis is placed on increasing the customer's experience, for example with hiring reception staff and increasing service. In relation to Partnership: Blue Lagoon has worked strategically with e.g. Icelandair in order to increase the number of guests to Blue Lagoon. The Product dimension was also examined: They have been active in developing new services and products, for example skin care products, new sales packages and upgrade packages.

The staff is open to changes, and only few obstacles to changes or innovations within the company exist. In relation to communication it is seen that emphasis is placed on building up the brand. The Blue Lagoon creation is value capture. Every day the resource is utilized to make more value.

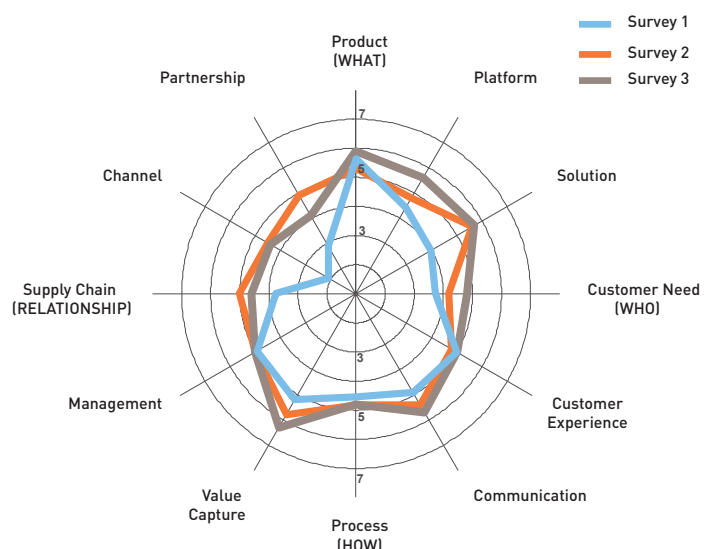
Innovation Profile of Blue Lagoon 2010-2012

The overall Innovation Profile of BLUE LAGOON indicates very high levels of innovation

The company has multiple innovation peaks around:

- Value Capture
- Product
- Solution
- Communication
- Platform

The company has no areas with actual low innovation efforts.



CASE: CAMBI

As part of Nordic Innovation's MMI programme, Cambi has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About Cambi, Norway

Cambi is a leading provider of technology to convert biodegradable material to renewable energy with high quality in deliveries, competence and expertise. Cambi has been involved in the development of environmental technology since 1989 and offers operational support for plants throughout their lifetime in most parts of the world through its own branches and agents.

Opportunities

The business idea is that Cambi will become leading within biological energy conversion and will achieve this through leading technology and quality in deliveries. The vision is that Cambi will contribute to improve the world's ecological balance.

Challenges

Cambi realise that they want a lot at the same time, but are not focused enough – it seems difficult to change things while their main focus is on daily operations. There is full agreement on the direction of the company, but they don't have the resources to get there. They need to focus more in general and especially on leadership and the right organisation.

Actions and Experiences

The main focus after 3rd round of the IR Deep Dive can be concentrated to the following four dimensions: Platform, Product, Process and Management. It has been a challenge to integrate different groups and disciplines and make them aware of the multi-dimensionality of innovation. The process has been fruitful and increased mutual understanding. After the 3rd round Cambi has a

better base for future discussions.

The major change is that there is more focus on the four dimensions and the Innovation Radar has become a little clearer with a strong focus on Product and Platform plus Solution and Management

After Deep Dive 3, Cambi agreed on their focus areas, which made it possible to make an action plan for future development:

With regards to Platform, the emphasis will be on capitalizing synergy from different models. Cambi will work on standardisation on all levels and implement standard procedures. Duplicates will be merged or eliminated.

Concerning Product, the efforts will be to improve efficiency and become 50 % more efficient. Moreover, concrete milestones with regard to testing and supervising the pilot phase before full scale implementation will be implemented. The company's mantra will be "build, test and realise".

Concerning Process, the goal will be: shorter, more copy paste and most time spent on important integration. Emphasis will be on developing standards, fixing design and empowering the employees.

An important conclusion is that the multidimensional way of thinking in the MMI program has improved the innovation mind-set at Cambi, and an Innovation Strategy is expected to be developed as outcome of this process.

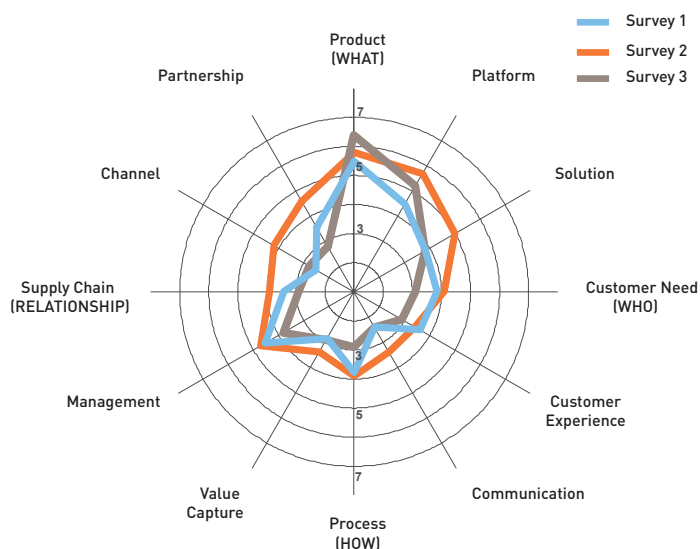
Innovation Profile of Cambi 2010-2012

The overall Innovation Profile of Cambi indicates moderate levels of innovation.

The company has multiple innovation peaks around:

- Product
- Platform
- Solution
- Management

The company has lowest innovation effort around Communication



CASE: GRADE

As part of Nordic Innovation's MMI programme, Grade has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About GRADE AB, Sweden

Grade offers complete e-learning solutions in the form of a learning management system (LUVIT LMS), an authoring tool (Composer FX) and development of custom e-learning courses. Grade has offices in Lund and Stockholm and customers in a number of countries. Grade is one of the most well-known and well-established e-learning companies in the Nordic region.

Opportunities

Grade AB has a comprehensive product range and thus the base to increase sales and number of interesting clients. The possibilities are therefore to increase focus on sales, and the entire sales process needs to be reviewed.

Challenges

A major challenge for Grade is that their product LUVIT is rather costly and time-consuming in production. Another challenge is that Grade as software developer is challenged by getting customers to pay for development of the custom designed part of the delivered product. Grade has focus on sales and value capture. The challenge is to understand whether the entire sales process needs to be completely changed – to start with, it needs to be reviewed.

Actions and Experiences

After the first workshop, Grade actively worked with partnership models, redesigned their website under discussion and worked with processes. Grade established a first innovation strategy after Workshop 1, and followed it throughout the program period. By cooperating with partners, Grade is now more focused on the parts it develops in house, and at the same time is able to offer

more complete solutions to its customers. This quickly proved to be a successful new strategy.

Grade has improved profitability and innovated on the three areas of focus: Partnership, Process and Communication. After the 3rd radar round, Value capture is more innovative than expected and Customer Experience increased. However, Grade scores unexpectedly lower on Communications and Channel, which is surprising

After the participation in the program, Grade is more confident and aware of its influence and understands the importance of the multi-dimensional approach.

It seems as if there are overall lower levels of agreement, which is a challenge in the innovation process. We also meet substantial disagreements for Platform, Communication, Process, Value Capture, Management, Channel and Partnership.

Grade is convinced that some of the improvements in earnings in 2012 are related to the successful work with the IR approach. The innovation strategy will definitely be integrated in the overall strategy for Grade.

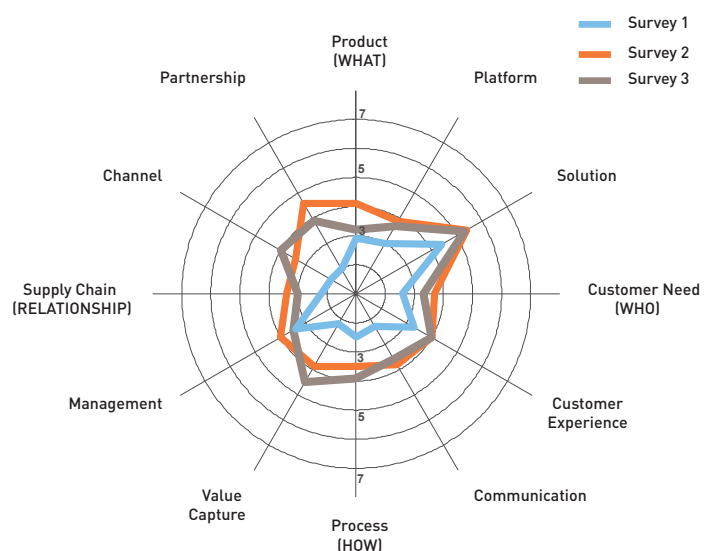
Innovation Profile of Grade 2010-2012

The overall Innovation Profile of GRADE indicates a moderate levels of innovation.

The company has multiple innovation peaks around:

- Solution
- Value Capture
- Customer Experience
- Channel
- Process
- Partnership

The relative low score on the Innovation Radar show a low prioritising of the innovation effort.



CASE: ICELANDAIR

As part of Nordic Innovation's MMI programme, Icelandair has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About Icelandair, Iceland

Icelandair is an airline operating out of Iceland, using the country's geographical location mid-way between America and Europe, as an opportunity to build an ever-growing network of international routes with Iceland as a hub. Icelandair's business strategy is thus based on the geographical position of Iceland, midway between North Europe and the eastern coast of the US. Icelandair has expanded and reinforced its network continuously over the last decades. Icelandair connects 25 cities in Europe with 10 cities in North America, through Iceland. The network is based on 24-hour rotation, with connecting flights leaving Iceland in the mornings and afternoons. This year Icelandair celebrates its 75th anniversary.

Opportunities

Icelandair has focus on opportunities in: Value Capture, Customer Experience, Partnership and Customer Need. Prospects in increasing market share in key and growth markets, improvement lowering unit costs by implementing lean Management and streamlining of processes and improving productivity.

On Time Performance and better utilization of crew are also topics that can make the change for Icelandair.

Challenges

It is a tough market due to international financial situation and ever rising oil prices competition is on flights to and from Iceland especially in the high summer season where currently 15 airlines serve the market.

Actions and Experiences

Icelandair has not been using the Innovation Radar formally,

but the methodology has been used and the IR "popped up" in many occasions, mainly in relation to strategic planning. The Innovation Radar gave a good overview on which areas to prioritize. The methodology gave an opportunity to implement a system for very structured brainstorming about "what to do, how, when, and by whom".

At workshop 1 an action plan for the dimensions Value Capture, Customer Experience, Partnership, and Customer Need were made and the action plan included 1) Innovation vision for the dimension, 2) goals, 3) milestones, 4) suited actions, and 5) lead manager or department.

Icelandair has enjoyed solid profitability in recent years, for various reasons such as strong product offering, growth in demand across the Trans Atlantic as well as continued growth in the market to Iceland. Furthermore Icelandair has emphasized growth in flights to and from Iceland during off season by offering winter travel packages to Iceland. This has led to further focus on new destinations and frequency development and as such the focus on Offering, Partnership and all Customer variables has increased.

Icelandair did not have a strong innovation focus on the topics that resulted from Workshop 1. The outcome of the IR exercise has resulted in higher focus on innovation is broad range of areas, slightly offering-oriented but with a fairly unfocused innovation profile with Peaks around product, communication, partnership and platform.

The company sees an increased focus on Customer Experience as an important focus in order to meet desired future demand.

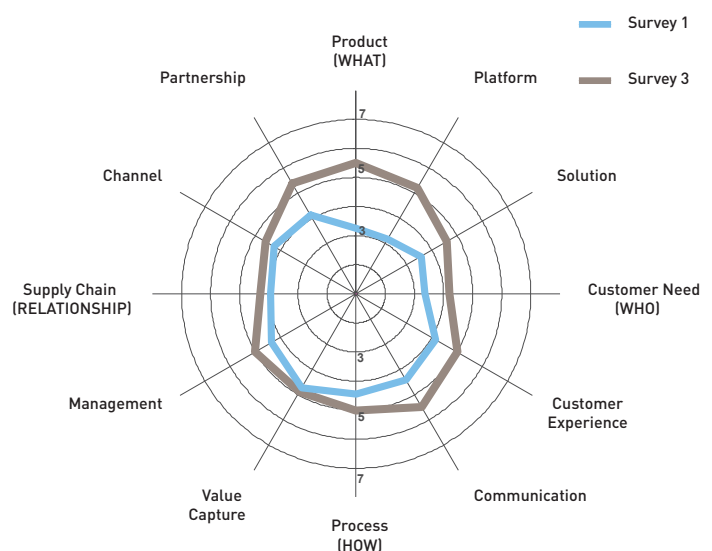
Innovation Profile of Icelandair 2010-2012

The overall Innovation Profile of ICELANDAIR indicates high level of innovation.

The company has multiple innovation peaks around

- Product
- Communication
- Partnership and
- Platform

The company has no areas with actual low innovation efforts. Lowest innovation efforts around Customer Need and Supply Chain.



CASE: INDUCT SOFTWARE

As part of Nordic Innovation's MMI programme, Induct Software has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About Induct Software, Norway

Induct Software is a young software company – founded in 2007 in Norway (HQ) with offices in USA, China, Brazil, India – delivering truly integrated Web-based services that support custom design, management and measurement of the entire open innovation process. Induct integrates Enterprise 2.0 technology and social networking concepts with a flexible and customisable innovation process management framework. The result is a service-based platform that allows companies to easily practice true 'open innovation' through the creation of corporate 'Innovation Communities™'.

Opportunities

For Induct Software, the opportunities regard Partnership and focus on Customer Need. External circumstances force the company to focus on survival, growth and further innovation of the company.

Challenges

The innovative process at Induct has been challenged by the day to day operations' tendency to precede over the long term strategic initiatives. Induct has overall higher levels of agreement, but some substantial internal disagreement is found concerning innovation efforts in the Communication and Channel innovation dimensions. Internal disagreement is a challenge to Induct Software's innovation progress.

Actions and Experiences

The design and refinement of the innovation strategy after working with the IR 360 degree perspective, was integrated in Induct Software's overall corporate strategy.

The Innovation Radar results are used by Induct to:

- Focus on the desired innovation dimensions
- Organise the innovation efforts by carefully prioritising the focus dimensions according to the total innovation capacity
- Communicate internally across the company in order to reach a common understanding and direction

Induct Software did a competitor analysis by drawing maps of the main competitors' innovation profiles and Induct found the online tools for documentation, as well as the work in between sessions, very useful.

Induct Software intends to increase the current focus and launch further initiatives in order to support the strategic dimensions in the company.

Innovation Radar profiles of Induct Software 2010-2012

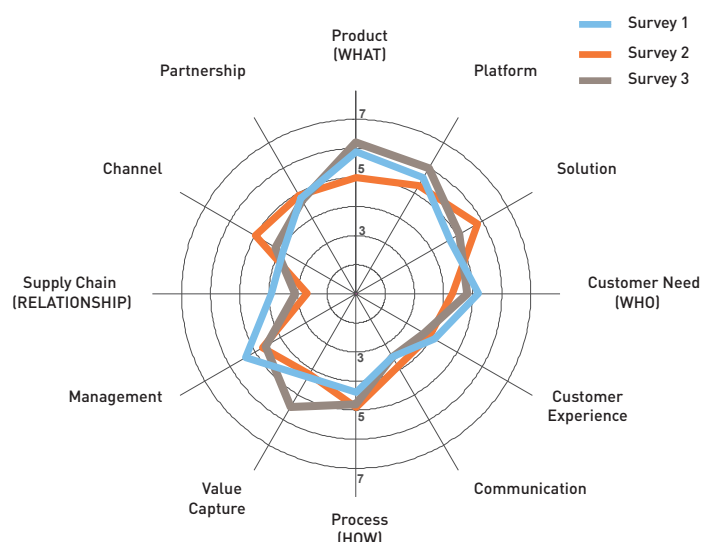
The Innovation Radar indicates higher levels of innovation.

The company's macro innovation strategy is clearly Offering-oriented. The shape suggests a focused innovation profile.

The company has **multiple innovation peaks** around:

- Product
- Platform
- Value Capture
- Solution

The company has no areas with actual low innovation efforts. The lowest innovation effort is around Supply Chain.



Induct

CASE: KJÖRIS

As part of Nordic Innovation's MMI programme, Kjörís has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About Kjörís, Iceland

Kjörís is a forty year old family owned company manufacturing, selling and distributing frozen and refrigerated products. Kjörís' core product is ice cream. Import activities cover the top trademarks within ice cream from Europe and from North America. The distribution of products covers the whole country. The company has large distribution facilities and employs about fifty people.

Opportunities

The desired situation is to preserve and maintain market position while adding new products and services to strengthen market position and secure growth.

Challenges

The competitive situation will be tough for Kjörís in the future. Its largest competitor has following a crisis gotten a part of its debts written off, individuals in Iceland have entered the ice-market directly and there have been increasing imports by the largest retail-group. There are no major influences on sales so far, but the future can change rapidly.

Actions and Experiences

At Kjörís, the new changes in the company have come with a lesser degree of intent. Kjörís measures success in sales figures, market share, number of complaints and variations in processing. The company is focusing on the same dimensions in the three Radars, which is where it wanted to increase its focus. There are similar Radars in the three rounds, and Kjörís did not make any special plans on how to increase focus.

The Innovation Radar has not been used formally, but it has been an extra tool, mainly concerning strategic work. In that way, MMI has had important and intensive discussions and an open view on all dimensions and importance of innovation has become a part of daily business. Kjörís now has a new understanding of what innovation is, how it works and how it can be managed and controlled.

The success of the company is described as a combination of confidence and trust: Kjörís is a company that consumers trust, selling and distributing the strongest brands in the consumer goods market in Iceland, producing consistent quality products and providing excellent service.

Kjörís is highly aware of competitors' activities.

The outcome of the work can be summarised in two elements. First, the implementation of new dimensions in the strategic planning and second, the outcomes of the IR work as an action plan with innovation, vision, goals, milestones, suited actions and designation of a person to maintain focus on innovation. Kjörís has unfortunately not yet developed an innovation strategy for the company.

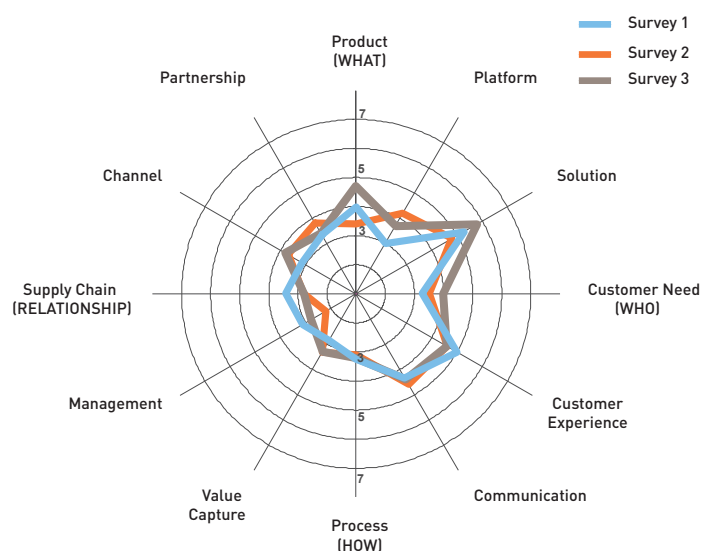
Innovation Profile of Kjörís 2010-2012

The overall Innovation Profile of KJÖRIS indicates moderate levels of innovation

The company has multiple innovation peaks around

- Solution
- Product
- Communication
- Customer Experience

The company has lowest innovation effort around Management.



CASE: M-BRAIN

As part of Nordic Innovation's MMI programme, M-Brain has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About M-Brain, Finland

M-Brain Group, founded in 1999, is a leading competitive intelligence company in Europe with offices in 7 countries. M-Brain monitors and analyzes social and editorial media online as well as traditional printed media and radio and television. M-Brain's innovative services and solutions are built on global data coverage using strong technology enhanced by the 300 analysts working in 7 countries. M-Brain is at the forefront of the industry revolution, moving from analyzing the past into predicting the future.

Opportunities

M-Brain has until now not created a separate action plan related to innovation dimensions. Attention on the topic is expected to show further opportunities for the company.

Challenges

The solution portfolio of M-Brain is very wide for the industry. This coupled with two acquisitions within last 18 months has resulted in temporary operational complexity, which slows down any organized way to improve the ability to learn effectively. Strategy creation and execution as a process does not have a long history in M-Brain, especially for innovation – more attention is needed, along with sharing a common understanding of strategy.

Actions and Experiences

M-Brain believes they are able to develop and implement the innovation without negatively affecting the existing organizational efficiency. This would mean that the resourcing for different activities is in balance and the internal processes are under control. M-Brain realize

that it is important to understand the difference between organization, operation and innovation process. The work has been leading to a discussion about an implementation plan for an Innovation strategy.

The Innovation process has helped to sharpen the partnership approach. They are actively looking for ecosystem partners, searching for collaboration partners that can complement them and that have relevant customer experience. Efforts must be made on global sales support to improve customer interaction and to fix the link between R&D and customer interface.

The 3rd Radar show High levels of innovation with Peaks around: Product, Platform, Process, Solution and Management. The macro innovation strategy is Offering oriented and there is a clearly focused innovation profile.

For M-Brain MMI has been valuable, especially in the beginning to get a wider, abstract point-of-view. M-Brain has not yet created a separate standalone action plan related to innovation dimensions. They have incorporated activities into daily operations and plan to integrate them to overall strategy process. Strategy goals have been defined but still need to be sharpened. A separate Innovation Strategy has not yet been developed.

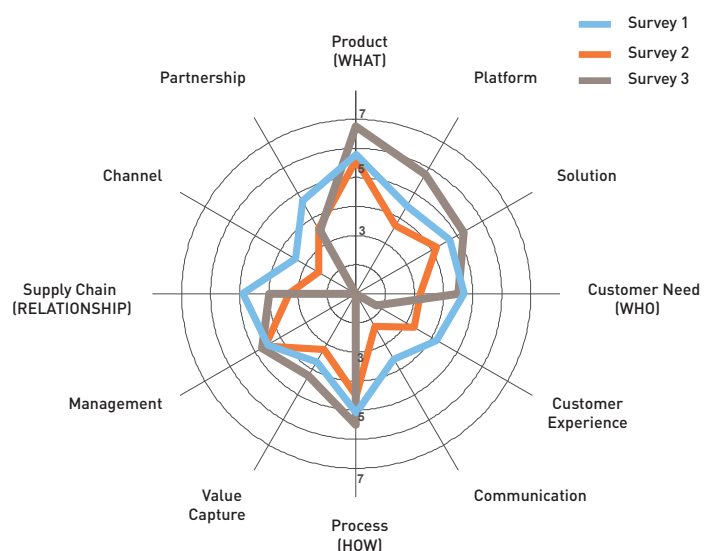
Innovation Profile of M-Brain 2010-2012

The overall Innovation Profile of M-BRAIN indicates high levels of innovation.

The company has multiple innovation peaks around:

- Product
- Platform
- Process
- Solution
- Management

The company has clear lowest innovation efforts around Customer Experience, Communication and Channel.



CASE: MOTIVA

As part of Nordic Innovation's MMI programme, Motiva has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About Motiva Oy, Finland

Motiva Oy is an expert company that promotes energy and material efficiency and sustainable use. The service is used by government departments, enterprises, institutions, and consumers. Motiva is a pioneer in promoting resource efficiency and contributes to customers' resource efficiency goals. Motiva Oy offers businesses, government departments, institutions and consumers information and solutions that will enable them to make resource efficient and sustainable choices. The company is owned by the Finnish state and employs 67 persons.

Opportunities

The need for development has been noticed and several projects have been launched. Focus is on the desired dimensions and improvement efforts are part of the operative work. No specific project with vision and tangible goals has been defined, as the improvement efforts are part of the product/service development process.

Challenges

Systematic methods are needed in identifying future needs of clients. Widening and a more systematising understanding will bring the company where it needs to go.

Actions and Experiences

The MMI process has brought about a systematic way to assess strategy, and especially product/service development including producing processes from the point of innovation management. Among the key takeaways can be mentioned the valuable competitor analyses. Motiva Oy realises that innovation is much more versatile than

product/service development, and that the systematic approach in managing the process during the MMI project has led to a new level of innovative focus in the company.

From the case exercise, there were some valuable experiences for Motiva. The process started by defining the Customer need. An increasing need for supporting political administrations is identified. Buyers from the public sector need specific directives and guidelines. A continuous follow up on customer need is essential. The Solution indicates that essential problems will be found in early stages and a realistic picture of problem areas is needed. With regard to Customer experience, it is crucial to keep in mind that a customer is the user of data produced by Motiva Oy. Motiva needs to identify that a paying customer differs from an end-customer. A successful solution from the customer's point of view will increase Motiva's effectiveness. Management is part of the process development and further part of developing new business areas. Management also plays an essential role in creating a collective enthusiasm. Motiva's internal processes are under development and need further work.

Motiva Oy has not yet created a specific innovation strategy, but they have brought innovation features into their strategy planning process.

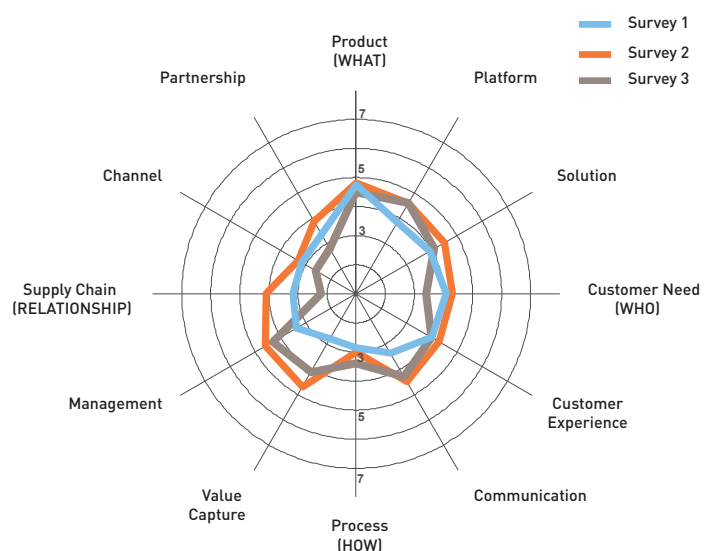
Innovation Profile of Motiva 2010-2012

The overall Innovation Profile of Motiva Oy indicates moderate levels of innovation

The company has multiple innovation peaks around

- Product
- Platform
- Customer
- Communication
- Value Capture
- Management

The company has clear lowest innovation efforts around Supply chain, Channel and Partnership.



CASE: SKAALA

As part of Nordic Innovation's MMI programme, Skaala OY has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About Skaala Oy, Finland

Skaala is one of the biggest window and door manufacturers in Scandinavia and a significant market leader in low energy solutions. Skaala's range of products and manufacturing process is designed to meet the challenging demands of today, where environment and green values have become important issues. Skaala was founded in 1956 as a local carpentry manufacturer producing a variety of joinery products, and has now come a long way in the Finnish wood working industry promoting Nordic work.

Opportunities

The development procedures are systematically revised based on the company's quality management system. Strategic decisions are implemented in larger projects or tasks with an allocated budget and human resources team. The method involves self-assessment of the project, so that employees' learning curve is operational. This was supervised in the development processes.

Challenges

Innovation focus as a term and in content is abstract and works only on management level when assessing tools and discussing activators. There have been changes in the management group and therefore the innovation assessment was not the only factor influencing huge, structural changes in the company's business processes.

Actions and Experiences

Management agreed that decisions after the IR round are right, and that customer segment innovation is important. Now the high rated product segment has undergone remarkable R&D-projects and focusing could be lower.

The management group has set a date for strategic discussions and planning development projects, where the IR results will be used as a tool.

Restructuring has been implemented in business activities during the IR period, where sales and service companies have been created for each country, and production, logistics and support functions have been re-engineered. The domestic organisation has also been changed and some large investments were fulfilled in 2012.

The challenge for the company and for the IR 360 degree project has been irregularities in the implementation due to changes in the management group. The Innovation Radar was part of the overall reorganisation of the company, eg. goals were set for the sales organisation to improve Customer Need evaluations and communication. Also, processes within manufacturing, installation and logistics were developed.

In the 3rd Round, we see high levels of innovation with peaks around: Product, Solution, Management, Platform and Process. The macro innovation strategy is Offering-oriented, and it is a slightly focused innovation profile.

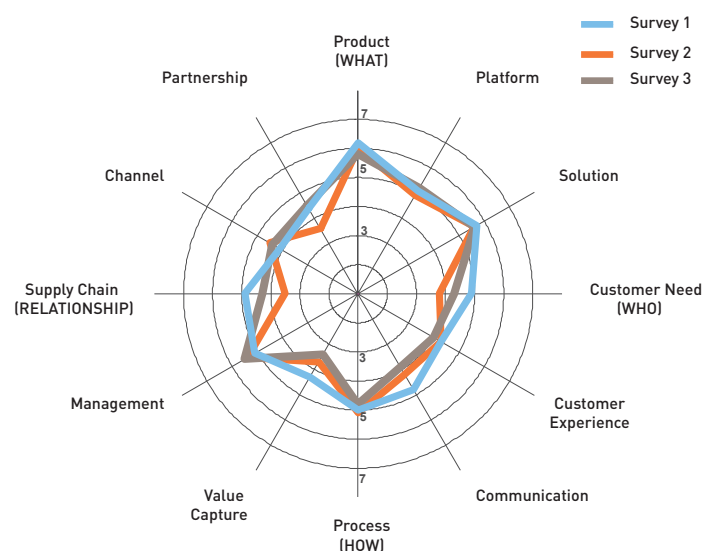
Innovation Profile of Skaala 2010-2012

The overall Innovation Profile of SKAALA indicates high levels of innovation

The company has multiple innovation peaks around

- Product
- Solution
- Management
- Platform
- Process

The company has no areas with actual low innovation. Lowest innovation efforts is around Communication.



CASE: SNOW CASTLE

As part of Nordic Innovation's MMI programme, Snow Castle has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About Snow Castle, Norway

Snow Castle is an award-winning, independent game developer based in Oslo, Norway. The company was founded in 2009, and has since then evolved into quite the tenacious team of some truly great talent. The first major production won a couple of awards and got top ratings. As a start-up company Snow Castle has expanded steadily over the years and followed the vision to create a sustainable and profitable business as a game developer specialised in Game Based Learning.

Opportunities

Snow Castle wants to be a well-established IT company developing Apps on multiple platforms with interactive stories and games. They want to create a sustainable and profitable business as a Game developer specialised in Game Based Learning.

Challenges

Snow Castle's main challenge is to reach a tangible goal within short time: Secure funding so that operations can go forward, make it possible to have revenue streams and, ultimately, reach profitability and monthly break even during 2013. For Snow Castle, this means that survival comes before formalised processes.

Actions and Experiences

Snow Castle radically improved its understanding of innovation during the work with IR 360 degree perspective process. They got a more systematic approach to innovation processes and Snow Castle continued innovating and constantly refined focus on and alignment to actual challenges.

The company's macro innovation approach is Offering-oriented and the shape suggests a focused innovation profile. The outcome of the Innovation Radar work resulted in further focus on the following key areas of effort.

Concerning Value Capture, the Vision is to implement 'free-to-play/in-game-purchase' and other business model options to create sustainable value streams. This will secure contracts and prepaid development.

In relation to Communication, the vision is to establish a brand as one of the leaders in Game Based Learning and this positioning will happen through events, online media and networking.

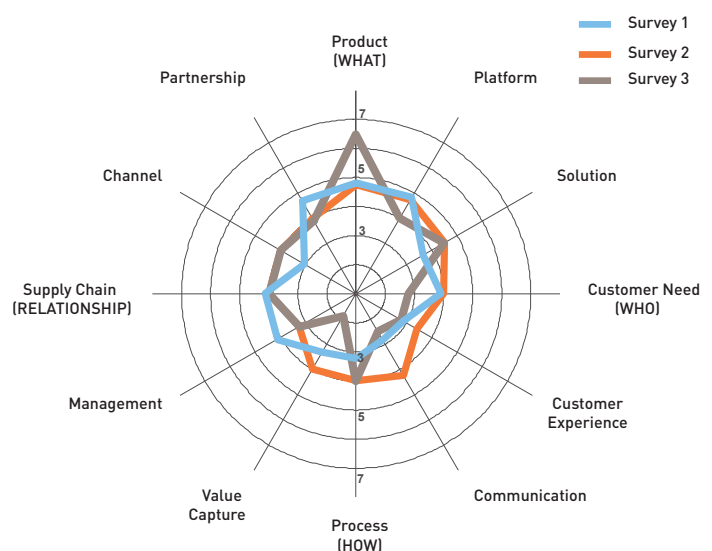
Another outcome is focus on creating profitable partnerships that permit focus on game creation.

Innovation Profile of Snow Castle 2010-2012

The company has multiple innovation peaks around:

- Product
- Solution
- Platform
- Process
- Supply Chain
- Channel
- Partnership

The company has lowest innovation effort around Value Capture.



SNOWCASTLE

CASE: SUNDCOM

As part of Nordic Innovation's MMI programme, SundCom Group has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About SundCom Group AB, Sweden

SundCom Group provides services for telephone system installations and covers all areas in developing and assuring quality communication. SundCom assists at every stage of the development process - from analysis, development of strategies and action plans for implementation and training, monitoring and quality assurance. SundCom has more than ten years of experience in management, product development, consulting, project management, building call centers, sales and much more. SundCom has offices in Malmö, Stockholm and in Copenhagen.

Opportunities

SundCom needs to develop a new strategy and business plan to define its marketplace and opportunities, and it needs to understand its competitors. It was difficult, but interesting, for the company to draw up main competitors, as its largest competitors went out of the market.

Challenges

The challenges for SundCom cover many elements related to the overall strategy for the company group. Expectations have been very focused on defining a strategy as a whole. Management issues related to a complicated ownership structure and corporate legal structure are in focus. Changes in ownership structure are discussed together with a major review of the vision, strategy and business plans.

Actions and Experiences

SundCom initiated a strategic discussion after the first Innovation Radar, which led to reworking the company's organisation and business plan. The work has increased

awareness of and internal dialogue on dimensions as e.g. Product with many new initiatives. The company receives a lot of inquiries on the various services that stimulate innovation of new products. In relation to Customer Experience, the focus changed into application instead of technology.

In relation to Customer Need, SundCom realises that end-users have the biggest potential and that they by identifying, quantifying and prioritising customers' needs can optimise the solutions. Concerning Process, SundCom need tools for further innovation so that they can develop new products for selected customer. Emphasis will be made on finding comprehensive solutions and new Channels or Partnerships will be identified.

The result is that the MMI has started the strategic work in the company and contributed to a change in thinking. Innovation is now seen as an attitude. The Innovation Radar was a valuable starting point for the internal strategy project.

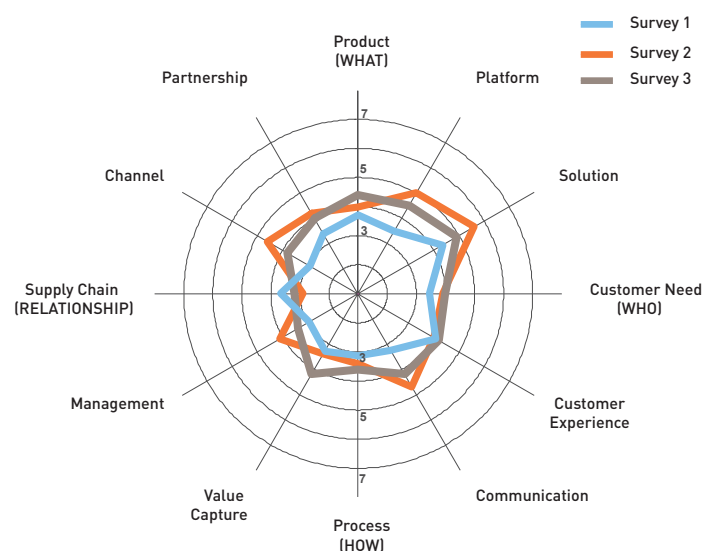
Innovation Profile of SundCom Group 2010-2012

The overall Innovation Profile of SUNDKOM GROUP indicates moderate level of innovation.

The company has multiple smaller innovation peaks around:

- Solution
- Platform
- Product
- Communication
- Value Capture

The company has no areas with actual low innovation effort.



CASE: SYMPHONICAL

As part of Nordic Innovation's MMI programme, Symphonical has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About Symphonical, Norway

Symphonical is an easy and fun app made of sticky notes on whiteboards. Symphonical's slogan is 'It's fun to get things done'. The persons behind Symphonical are four enthusiastic people, who love what they do. The company name 'Symphonical' is based upon the analogy of making every day a harmony of rhythm and flow, and they developed it together.

In order to listen to a good symphony, you need good musicians, and this is what makes the team Symphonical so fun to work with. The young company is located in Oslo Innovation Center.

Opportunities

Symphonical is a digital wall enabling everyone to be creative, structured and follow-up on sticky notes with teammates, for meetings, to-do lists and much more. The tool can be used together with a Google+ Hangout to organise online meetings around shared walls. This new product's relation to Google and to other social networks makes the marketplace unlimited.

Challenges

Symphonical is in a situation where it needs to shift from pure Research & Development stage to commercialisation. This leads to a shift in focus on several dimensions. The company is in a new life phase based on a new platform with radical improvements of the product and integrations to this.

Actions and Experiences

Symphonical is a company without any specific innovation strategy. However, the shape of the 3rd Innovation Radar

profile suggests a clearly focused innovation profile given the focus index of the company is significantly larger than the average innovation focus index. Working with the IR has focused the company's work with strategy – shifting focus over time according to lifecycle in a start up phase –and they have realized that Innovation is much more than just innovation of the product.

The management team at Symphonical acknowledged more dimensions of the innovation discussion and got a good visual metaphor. They used it actively and consider making it a background drop template in their Symphonical service.

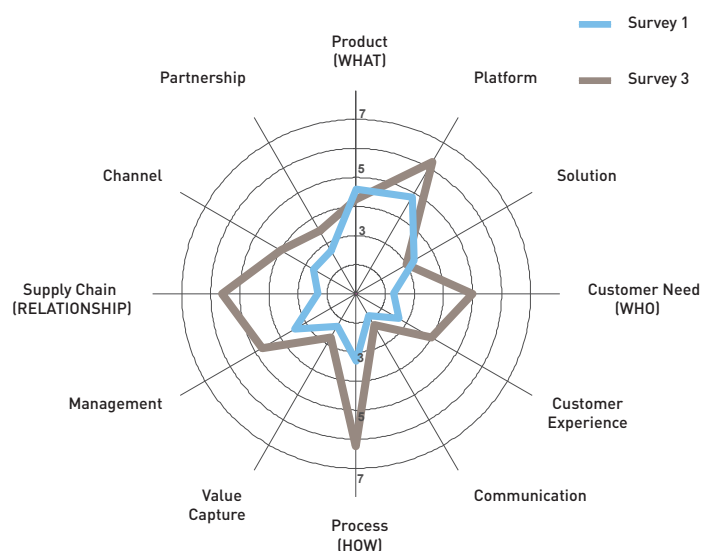
Innovation Profile of Symphonical 2010-2012

The overall Innovation Profile of SYMPHONICAL indicates higher moderate levels of innovation.

The company has multiple innovation peaks around:

- Platform,
- Process,
- Supply Chain,
- Customer Need and
- Management

The company has lowest innovation efforts around Communication and Value Capture.



CASE: ÅAC MICROTEC

As part of Nordic Innovation's MMI programme, ÅAC Microtec has throughout 2010-2012 worked with strategic innovation and assessed its innovation focus and effort using the Innovation Radar framework.

About ÅAC Microtec AB, Sweden

ÅAC Microtec is an internationally acknowledged leader of developing, manufacturing and marketing of miniaturized and robust multifunctional electronics systems. By combining the best suitable packaging techniques ÅAC Microtec offers solutions based on state-of-the art microelectronics and MEMS technology, and services for optimal life cycle performance. During this autumn a nano satellite, TechEdSat, was launched from ISS (International Space Station) carrying computer products from ÅAC Microtec. ÅAC Microtec was founded in 2005 as a spin-off from Uppsala University's Ångström Laboratory.

Opportunities

ÅAC Microtec has a vision of being the 1st choice for Nano satellites. The tangible goal is to develop and deliver products and systems needed for satellite buses built on ÅAC Microtec's own architecture. The short term goal is to reach a significant sales volume and profit in the satellite segment. Short term annual revenue and profit targets are set to MSEK 60 and 10%.

Challenges

The major challenge in regards to the vision and with reference to this program has been the changes in the management during the MMI program – none of the participants in Workshop 3 were present at all during three previous workshops. New CEO, Development Manager and Sales Manager and changes in the management function with limited transfer of knowledge has led to that the radar has been in hibernation.

Actions and Experiences

The ambition is to use the innovation radar as a tool to reach higher in the value chain – when reaching a new level, ÅAC will use the innovation radar to set up innovation strategies reaching for the next level.

The company could unfortunately not find an optimized allocation of time using the innovation radar in their strategy work in the period between the two workshops. Focus in the 3th round show higher levels of innovation with multiple peaks around: Product, Platform, Management and Solution.

The company's macro innovation strategy is offering oriented with a slightly unfocused profile with overall high levels of agreement which indicates an internally well-aligned and communicated understanding of the company's strategy.

The MMI process was absolutely valuable but the management wished a more compressed and more intensive process.

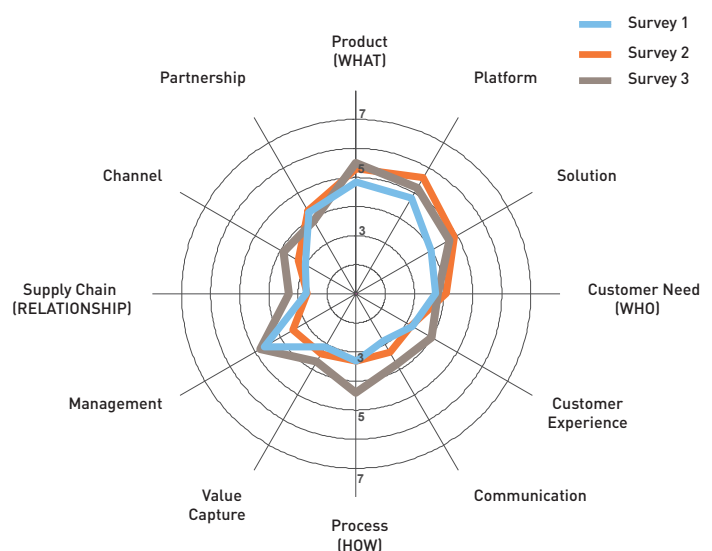
Innovation Profile of ÅAC Microtec 2010-2012

The overall Innovation Profile of ÅAC MICROTEC indicates higher levels of innovation.

The company has multiple innovation peaks around:

- Product
- Platform
- Management
- Solution

The company has no areas with actual low innovation efforts. Lowest innovation effort is around Supply Chain.



Appendix B: MMI Company Participation

Companies Participating 2010 & 2012	
Company Name:	Country:
Aarstiderne A/S	Denmark
BoConcept A/S	Denmark
Carmo A/S	Denmark
Dynamicweb Software A/S	Denmark
Epinion	Denmark
GridManager A/S	Denmark
Grundfos	Denmark
Hi3G Denmark	Denmark
IMERCO A/S	Denmark
Krüger A/S	Denmark
Lene Bjerre Design A/S	Denmark
Netto Denmark	Denmark
Schmidt hammer lassen architects k/s	Denmark
Vertica A/S	Denmark
Advant Games Oy Ltd	Finland
Basware	Finland
Cubio Communications	Finland
Detection Technology Oy	Finland
Ekin Muovi Oy	Finland
M-Brain	Finland
Motiva	Finland
Plastilon Oy	Finland
Raute Oyj	Finland
Skaala Ikkunat ja Ovet Oy	Finland
Wärtsilä Corporation	Finland
Blue Lagoon	Island

Companies Participating 2010 & 2012	
Company Name:	Country:
CCP	Island
Hagkaup	Island
HB Grandi hf	Island
Icelandair	Island
Icelandic Red Cross	Island
ISS Iceland	Island
Kjörís ehf	Island
Landsvirkjun	Island
Lýsi hf.	Island
Mannvit	Island
Marel ehf.	Island
Mentor ehf.	Island
Oddi Ehf	Island
Orkuveita Reykjavíkur	Island
Star-Oddi hf	Island
VALITOR	Island
Verkis	Island
Össur hf	Island
A. Falkenberg Eftf. AS	Norway
AGA AS	Norway
Cambi AS	Norway
Induct Software	Norway
Kongsberg Esco as	Norway
Movation AS	Norway
Mylna Gruppen AS	Norway
Nordea Bank AB	Norway
NSA/CognIT	Norway
Q-Free ASA	Norway
Snow Castle AS	Norway
Symphonical	Norway
Teleplan Globe AS	Norway
Agio System & Kompetens AB	Sweden
Arbesko Gruppen AB	Sweden
Avensia innovation AB	Sweden
eWork Scandinavia AB	Sweden
Fire Safety Design AB	Sweden

Companies Participating 2010 & 2012	
Company Name:	Country:
Grade	Sweden
ICEHOTEL AB	Sweden
MRM Konsult AB (Mark, Radon, Miljö)	Sweden
Nyfors Teknologi AB	Sweden
SenseAir AB	Sweden
Sivers IMA AB	Sweden
Sundcom	Sweden
ÅAC Microtec AB	Sweden

Companies Participating 2010	
Company Name:	Country:
Megaman Danmark	Denmark
Nets Danmark AS	Denmark
Nilsfisk Advance	Denmark
Viking Life-Saving Equipment A/S	Denmark
Efecte Oy	Finland
Laitex Oy	Finland
Lappset Group Ltd	Finland
Miradore	Finland
Nurmi Hydraulics Oy	Finland
PowerTube	Finland
Väinö Korpinen Oy	Finland
Bonus	Island
Kaffitar ehf	Island
Marorka	Island
Pegasus pictures	Island
Asplan Viak (tidl. KanEnergi AS)	Norway
Creuna	Norway
EDI-Soft AS	Norway
FINN.no	Norway
ISS Facility Services AS	Norway
Statkraft AS	Norway
Actar AB (Academic Targets)	Sweden
BF Scandinavian Aviation Academy AB	Sweden
CMA Microdialysis AB	Sweden
DnBNOR Bank Asa filial Sverige	Sweden

Companies Participating 2010	
Company Name:	Country:
Fastighetsaktiebolaget Norrporten	Sweden
Pangea Property Partners KB	Sweden
Polar Print	Sweden
SKF CMC AB	Sweden
TranSIC AB	Sweden

Appendix C: Consultants in the MMI programme

Consultants leading the strategic workshops with the companies in the MMI programme		
Name	Company	Country
Tor Norbye	Interforum Partners as	Norway
Anne Cathrin Haueng	Deloitte Norway	Norway
Martin Myraker	Intro International	Norway
Nils-Otto Ørjasæter	Intro International	Norway
Lars Aspling	Aspling Konsult AB	Sweden
Lars Edström	Edventure AB	Sweden
Per-Anders Blind	Northgrow Sweden AB	Sweden
Christian Ehlers Mikkelsen	Strategic Innovation AB	Sweden
Jaakko Sarpo	Swot Consulting Oy	Finland
Olli Laasanen	Swot Consulting Oy	Finland
Mikael von Hertzen	Swot Consulting Oy	Finland
Jorma Kajanus	Kajanus Consulting Oy	Finland
Kimmo Halme	Ramboll Management Consulting Oy	Finland
Páll Kr. Pállsson	Skyggni Ehf	Iceland
Hákon Gunnarsson	Gekon Ehf	Iceland
Claus Ishøy	Ishoy Consulting	Denmark
Michael Thomsen	Workz A/S	Denmark
Lars Knudsen	Devoteam Davinci	Denmark

Data processing partners		
Name	Company	Country
Carsten Snedker	Innoption EMEA ApS	Denmark
Martin Østervig Larsen	Epinion A/S	Denmark
Rikard Munoz	Capgemini Consulting	Norway

Table of abstract

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Measured and Managed Innovation (MMI) – 2010-2012

Final Report

Nordic Innovation's results from programme for Measured and Managed Innovation (MMI) shows how 70 Nordic companies from Sweden, Denmark, Finland, Norway and Iceland work with business model innovation over a period of time from 2010-2012. The report shows that companies can improve on their innovation strategy without extra spending by mapping out a clear innovation strategy based on business model innovation frameworks such as for instance the Innovation Radar.

The report also reveals that Nordic companies still tend to focus their innovation efforts towards product and process innovation. A too narrow focus on these types of innovation have the risk of leading to competition on price and commodities. By broadening the innovation focus and mindset to include new partnerships, customer experience company managers can work more dynamically with innovation and thereby differentiate themselves from the competition. The report presents a wealth of insights about how Nordic companies innovate and presents valuable company cases and company statements. The MMI report is an essential contribution to everyone interested about innovation in companies and innovation policy and how these can be interrelated.



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