Open Innovation at the Garwood Center for Corporate Innovation

Innovation @ Berkeley

Expanding Value through Garwood Center’s Ecosystem
Forming Alliances Beyond Borders & Across Industries

The Garwood Center offers customized forums as part of an Open Innovation network that engages across industries. The center’s process builds on cutting-edge research to facilitate the formation of strategic alliances, partnerships & ecosystems, and sustainable business models. The center brings together scholars and practitioners—from executives to students—to understand Open Innovation and overcome the unique challenges of openly innovating in large enterprises.

The center acts as a bridge between two usually disconnected spheres: business practice in corporations and business theory devised and refined by academics—one that continues to expand value across industries. Strategic partners include NASA, CISCO, Plug & Play, iValley, Swissnex and UC Berkeley. The Garwood Center reaches the broader Haas community to enhance value through its connections and ecosystem. The center for corporate innovation brings together different parties by partnering with UC Berkeley professors, departments, and centers to spearhead new initiatives and to enhance its research, including: UC Berkeley’s School of Information, South East Asia Center, and Center for Responsible Business. These partnerships have been instrumental in strengthening ties with the larger UC Berkeley community and the diverse global network. As a result, the center continues to attract multinational corporations, executives, academics, world-renown faculty, and government officials from India, China, and other parts of the world to form part of a larger ecosystem.

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Professor Solomon Darwin, John C. Chambers, former CEO at Cisco, Professor Henry Chesbrough, Professor Ganesh Iyer, Professor David Levine, at WOIC 2018.
Professor Catherine Wolfram, Associate Dean, Berkeley-Haas at US-India Conference, 2018.

Toby Stuart, Faculty Director, Institute for Business Innovation moderates a talk at the US-India Conference, 2018.

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Berkeley Haas Faculty meets with India executives to discuss future project & initiatives.
The Fall 2018 Berkeley Innovation Forum was hosted at the Haas School of Business at UC Berkeley. The forum aimed to understand which processes better generates, diffuses, and absorbs useful knowledge. Some barriers derive from the lack of connection between the Front-End and Back-End of Innovation, but also from the need to reflect on when to be open and when to revert the innovation strategy to a closed approach. Lack of Open Innovation research is currently inhibiting innovation performance within organizations, therefore Open Innovation research should dedicate more attention to the limits and barriers of Open Innovation.

### Highlights and Takeaways:

1. Companies need to open up internally to be open externally and discourage knowledge hoarding.
2. Corporates are not startups, hence they have unique challenges that small and young companies do not have.
3. A “one size fits all” solutions and/or person does not exist.
4. Focus on customer is always crucial.

### 5th Annual, World Open Innovation Conference  |  Digital Transformation for Sustainability

The 5th Annual World Open Innovation Conference offered many insights on the latest theory and practice of Open Innovation. The conference brought together over 200 senior executives and top academic experts from around the world. A total of 105 academic papers were submitted to the conference, from which about half were presented at the conference, and 5 were selected for development in CMR’s special section. Selected academic researchers were given the best paper award and the Kaja Rangus Best Emerging Scholar award. Throughout the conference attendees addressed six corporate challenges and provided possible solutions and focus for further research. Participants emphasized how to best leverage open innovation for sustainable goals and digital transformation, and how to access emerging markets while supporting sustainable development of rural areas. The following were among the rising topics discussed at WOIC 2018:

1. **Servitization:**
   Digital technologies can be exploited to offer services on top of the products offered by the companies, nurturing their core businesses and/or penetrating new markets.

2. **Platform Engagement and Scalability Issues:**
   Digital technologies and platforms offer value when they scale and generate network effects. Companies should think about incentive mechanisms to secure commitment to the platforms.

3. **Ecosystems:**
   Involve stakeholders from across the value chain and align all the interests represented to pursue a common goal. Customers are among these stakeholders.

4. **Not reinventing the wheel:**
   Companies should leverage existing knowledge and technology. Open Innovation approaches benefits from capabilities, investments, assets and technologies that partners mastered already. Favoring internal collaboration can also leverage synergies and good practices of innovation across organizational silos.

5. **Start-up Engagement and Acceleration:**
   Scouting innovative ideas and opportunities developed by start-ups can be a strategy to access cutting edge innovation and technology development. Companies should develop structured programs in which they offer value to the startups and accelerate their business.
Organizational Moonshots | A Course by Henry Chesbrough

A backdrop of how society transforms new science into new progress, and a look at organizations in private, public and non-profit contexts.

Innovation in most large companies these days is fairly incremental. There is nothing inherently wrong in this, as much of our progress as a society has resulted from such innovation. Professor Henry Chesbrough’s course looks at organizational moonshots characterized by an inspiring and ambitious mission for unlocking new sources of growth at 10x rather than 10%. He features a large number of external contributors who have been centrally involved in one or more organizational moonshots. From the public sector, students take a closer look at NASA, DARPA, and the Office of Science and Technology Policy. From the private sector: Google, and Telefonica; From the social/non-profit sector: Gates Foundation and the X-Prize; and from the academic sector: students receive an inside perspective on CERN, and the successful search for the Higgs Boson, as well as Singularity University’s Moonshot as a Service. It is from these diverse sources that a coherent approach to creating and executing organizational moonshots can be developed.

Open Innovation Research

Open Innovation Cutting Edge Practices

Reinventing Ways of Bringing Innovation to Corporates with Go Ignite

Four telecommunication companies: Deutsche Telekom, Orange, Singtel and Telefonica created a joint call for start-ups called Go Ignite. The value proposition was for start-ups to grow with the power of the 4 complementary telcos. Go Ignite challenged the way to bring innovation to corporates through start-ups. Typically, industry incumbents compete for the most promising startups and overlook the potential synergies from collaborating with competitors in identifying, recruiting, and engaging with start-ups. However, creating a start-up program is often not enough. Its implementation comes with the struggle of attracting promising start-ups or having a business unit working with the start-ups. Go Ignite could be a novel approach to overcome the challenges, and for corporations to engage with startups. We call this Open-Coopetition and we need to understand when, why and how Open Innovation practices function between competitors. At a recent conference in Madrid, post-doctoral researcher, Dr. Sea Matilda Bez worked with the team at Telefonica to collect data for a research project that explores different innovation methods that corporations use to engage with start-ups.

Open Innovation Seminar

Recent Trends and Practices

A group of Open Innovation researchers from all around the world meet every Monday to discuss the latest trends and happenings in the field of Open Innovation. Attendees represent the diverse ecosystem at UC Berkeley including the Haas School of Business, School of Engineering, School of South East Asian Studies, UCSF and more. Presentations begin with an academic paper in development, research interest or a practitioner presentation of a company’s Open Innovation practice. The seminar provides a platform for practitioners and academicians to present their research and receive feedback from attendees. Topics presented focused on the impact that Open Innovation is having within a particular research topic and industry. Presenters include: Professor Henry Chesbrough, Susanne Stormer, VP of Corporate Sustainability at Novo Nordisks, Corine Muegge, Executive Partner at Datalog.ai, Henning Piezunka from INSEAD, and Sea Matilda Bez and Chiara De Marco, post-doctoral scholars at the Haas School of Business, among others.

Digital Transformation

Fostering the Creation of Digitally-Savvy communities

Bayer (a German life science multinational company) developed a project-based, human-centered capability building program in collaboration with MIT Sloan School of Business, the Boston Tech Immersion Program (BTIP), focused on the development of data science and entrepreneurship capabilities for mid-managers of its corporate innovation and R&D function.

This strategic initiative aimed at embracing the new imperative arising from the digital transformational needs of Bayer’s R&D, fully integrating data science and new technologies - like machine learning (ML), deep learning or natural language processing - into the R&D process. In its goal to keep enhancing R&D output, Bayer needed to strengthen a new capability: the ability to organize, analyze, and disseminate large quantities of data to identify new business opportunities. The challenge the organization faced was that employees with technical skills lacked the business contextual understanding to interpret data, while those who possessed the contextual knowledge lacked the technical skills with the data.

Dr. Chiara E. De Marco and Prof. Henry Chesbrough developed an in-depth study of the BTIP and its impact on individual, business and organizational level. Fostering the creation of digitally-savvy communities and promoting shared leadership results is the key for a successful transition from ‘doing digital’, i.e. simple adoption of digital technologies, to ‘being digital’, actively extracting value from digitalization, setting up enabling tools that augment the potential of its R&D employees. Any successful effort to realize such changes require similar methods to span traditional organizational structures, foster shared concepts and language that position data science as a legitimate organizational function. At the same time, changes in people, culture, and business attitudes is required to promote communication across siloes, and instill a new sense of shared leadership.
GARWOOD FACULTY INVITED TO SPEAK

SPAIN  November 2018

Professor Henry Chesbrough was a keynote speaker at South Summit - a meeting point of international relevance with more than 10,000 participants with key players from Southern Europe & Latin America.

SWITZERLAND  November 2018

Professor Solomon Darwin was invited to the 7th Corporate Start-up Summit in Zurich, Switzerland and shared his corporate experience in Expanding Markets Through Open Innovation.

GERMANY  January

Chiara De Marco, Post-Doc at the Garwood Center met with executives from Bayer, and conducted research on Digital Transformation.

INTERNATIONAL COMPANIES VISITED BY GARWOOD LEADERS

ITALY  September 2018

Enel engineers participated in a one-day seminar with Professor Chesbrough to learn more about Open Innovation. The session was part of a larger start-up bootcamp and tour of Silicon Valley.

WORLD AFFAIRS  October 2018


INDIA  November 2018

Prof. Paul Gertler, Catherine Wolfram, and other Haas Faculty participate with the Tamil Government to explore areas of interest and collaborate on current partnerships in India.
INVITED TO SPEAK

February 2019

Sea Matilda Bez, Post-Doc, attended a conference in Madrid as part of a new initiative to support entrepreneurs that base their services on blockchain or AI technology.

INTERNATIONAL CORPORATE VISITORS TO GARWOOD

UKRAINE March 2019

Ukrainian delegation from the Ministry of Economy visited the Fisher Center for Business Analytics for a multi-faceted training on innovation. Professor Solomon Darwin shared on Open Innovation: Setting a Path for IT.

NORWAY March 2019

Professor Solomon Darwin presented on Open Innovation and Emerging Markets to a group of Norwegian Executives from BI Norwegian Business School as part of their program on Best Practice and Emerging Trends in Innovation 2019.

Chiara De Marco, Post-Doc at the Garwood Center met with executives from Bayer, and conducted research on Digital Transformation.

Professor Solomon Darwin taught a group students at Lancaster University, and illustrated the purpose of creating smart villages.

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Prof. Paul Gertler, Catherine Wolfram, and other Haas Faculty participated in a session with the Tamil Government to explore areas of interest and collaboration, and to review current partnerships in India.

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The Garwood Innovation Fellows program at the Garwood Center for Corporate Innovation offers access to renowned faculty, courses, research resources, student projects, and unique opportunities to network with Silicon Valley executives. A Garwood Innovation Fellow can participate in a mentorship program with MBA students to develop working relationships with potential collaborators. During the Spring 2019 term, the Garwood Center will host eight Garwood Innovation Fellows from China’s diverse industry sector. Fellows will tap into the rising trends in Open Innovation research, build an affinity group, solve problems, and experiment with new ideas. Each fellow will perform both qualitative and quantitative analysis of survey results. The goal is to develop a comprehensive survey to study firms that cover the strategy, culture, practices within the industry; and finally to create publishable research or a case study, and 1-2 journal articles.

**MBA Open Innovation Fellows Program**

**Solve Corporate Challenges, Work with Senior Executives**

The MBA Open Innovation fellows have an opportunity to engage with senior corporate executives from global brands to address corporate innovation challenges through both theory and practice. The fellows were involved in collecting information from the challenges presented at the 5th Annual World Open Innovation Conference, which provided detailed results that will be published in a white paper. Fellows are presented with opportunities to help corporations implement and share innovation solutions, specifically through the Garwood Center events and programs like the Berkeley Innovation Forum. Meet our fellows:

**Ben Teklezgi**  
Savvy with finance skills that merge with the technology space. Eager to create breakthrough innovation in the new economy today.

**Ashish Bhatt**  
Curious about technology trends and information that leads to tangible results — interested in new opportunities within tech.

**Alex Klein**  
A team leader and former consultant. He is passionate about workplace innovation, talent strategy, and data-driven insights.

**Rodrigo Morelli**  
Passionate about sustainability, business development, and innovation. Experience working with cross-functional teams.

**Belen Salazar Romero**  
“Innovation is the key to progress” - an expert in market dynamics, business models, building business plans, and financial models.

**Ran Fu**  
Bridging the gap between start-ups and investors. Expert on deep technologies using scientific discoveries and engineering innovations.
Expanding Value through Garwood Center's Ecosystem

Garwood Center is reaching beyond its borders - Haas Professors Catherine Wolfram, Paul Gertler, Ganesh Iyer, and David Levine established successful partnerships with government officials from India. These officials gained interest in learning more about research disciplines including Healthcare from Professor Ganesh Iyer, Energy from Professor Catherine Wolfram, Sanitation from Professor David Levine, Economic Development from Professor Paul Gertler, Open Innovation and Business Model Innovation from Professor Solomon Darwin. Haas faculty were among the first to spearhead an initiative between policy, business practice, and innovation, which set a foundation for other government officials seeking similar trainings. These types of engagements demonstrate the value in expanding markets and in establishing international partnerships – building blocks to a holistic and impactful Open Innovation network. We saw early stages of these developments at the US-India conference when AnnaLee Saxenian, Dean of the School of Information at UC Berkeley, participated in a panel discussion titled, “Shaping and Governing Globalization: Forging New Growth Partnerships” a conversation led by Catherine Wolfram. Countries like China have also actively engaged with the Garwood Center’s activities and developments. The ongoing relationship with the Chinese government has been an avenue for furthering Open Innovation research. Specifically, Chinese alliances have provided access to Chinese government officials, the Chinese Science Academy, and the incoming Garwood Innovation Fellows.

The partnerships formed within the University at large, across industries, government entities, and international alliances all help make Garwood Center an interconnected platform for these partnerships to develop further. This organic ecosystem strengthens the foundation for future initiatives that will have local and worldwide impact.

Garwood Offerings

- Berkeley Innovation Forum
- Open Innovation Network
- Dialogue Across Industry
- World Open Innovation Conference
- Chief Innovation Officer’s Roundtable
- Solve Industry Challenges
- Open Innovation Fellowships
- Practitioner Focused Research
- Access to world-renowned Faculty

Creating New Markets in India

Supply Chain Management
Leveraging Open Innovation
Lancaster University Management School

Professor Solomon Darwin taught a course on “Open Innovation: Creating New Markets in India” to a group of students at Lancaster University Management School. Throughout the course, students have had an opportunity to work on Open Innovation projects, especially projects pertaining to India’s Rural Market in Arunachal Pradesh. The goal was to focus on the socio-economic development in villages through digital transformation and technology interventions to access global markets and bring in new sources of income to the village ecosystem.

The course presented students with best practices in Open Innovation, and access to the existing Open Innovation ecosystem by engaging with key corporate executives, the smart village team, and universities working on this initiative. Students developed end to end supply chain solutions based on digital technologies and open business models with the unique horticulture products particular to Arunachal Pradesh, including: Kiwi, Cadmium, Ginger, Bamboo, Fisheries, and Millets. At the conclusion of the course students identified pain points of villagers, provided technology solutions as pain relievers, and developed specific implementable recommendations to bring together digital technologies and open business models for economic development.

As the smart village project expands across the globe, more solutions for these rural markets are coming from outside the ecosystem—an Open Innovation approach that is creating breakthrough ideas for rural villages in India.

“The scalability of such countries but also the fact that one has the ability to make such a change and difference in the lives of those less fortunate than ourselves that live in India- it’s as though this has only just dawned on me and I feel I now have an immense, perhaps unachievable vision of also making a difference by bringing some innovation to these villages one day.” – Lancaster University Student
“Opening Up for Managing Business and Societal Challenges”

In a time of slow growth and rising uncertainty, businesses can find hidden growth opportunities in societal challenges to enable transformation. Societal challenges (or grand challenges) bring together resources and knowledge from different fields, technologies and disciplines, including social sciences and the humanities. These challenges expand the range of what is possible, creating new sources of growth. At WOIC 2019, Open Innovation experts combine their business experience with transformational objectives, with academic perspectives on societal challenges. This year’s conference theme: “Opening Up for Managing Business and Societal Challenges” brings together conceptual research theories and pragmatic insights that will be presented by Open Innovation thought leaders in academia and industry. Our keynote speaker will be Francesco Starace, CEO of Enel, and a visionary who has led remarkable developments in green and renewable energy.

Who should attend?

- Chief Innovation Officers
- Innovation Directors & Managers
- C-Suite & Senior Management
- Anyone interested in Open Innovation
- PhD Students & Professors in the field of Innovation
- Managers & Directors in New Product Developments and Strategy

Open Innovation Ecosystem