



**POLITECNICO**  
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SCHOOL OF MANAGEMENT

# — Addressing the innovation challenge in SMEs

The role of Open Innovation

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# — Agenda

- The Innovation challenge in SMEs
- The role of Open Innovation
- Strategic priorities for OI in SMEs
  - Removing cultural barriers for Open Innovation
  - Defining an Open Innovation Strategy
  - Deciding Where and How to collaborate



# — The Innovation challenge in SMEs

Research provides a puzzling picture about SMEs innovation:



**However, recent studies have criticized these findings, as they are limited to an internal perspective**

# — The role of Open Innovation

**SMEs that achieve the greater innovation performance – and benefit the most from innovation – are those that have two innate capabilities:**

**External technology and knowledge acquisition**  
helps SMEs complement  
internal knowledge bases

**Leveraging internal knowledge externally** can lead to new business  
development and monetary returns  
from valuable knowledge and skills



# — Strategic priorities for OI in SMEs

## Removing cultural barriers for Open Innovation

**SMEs have unique cultural barriers that limit Open Innovation**

### **Emotional attachment**

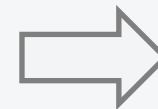
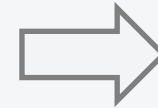
Emotional attachment is likely to alter the firm's perception of the external environment

**Emotions determine which knowledge should be acquired and which should be exploited**

### **Power concentration**

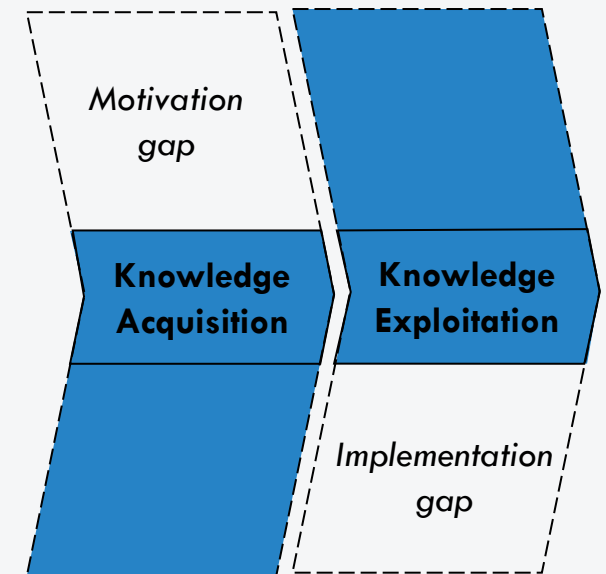
Power concentration influences the firm's hierarchical structures and social relations

**Power constrains which type of knowledge can be acquired and exploited**



### **Open Innovation Capabilities**

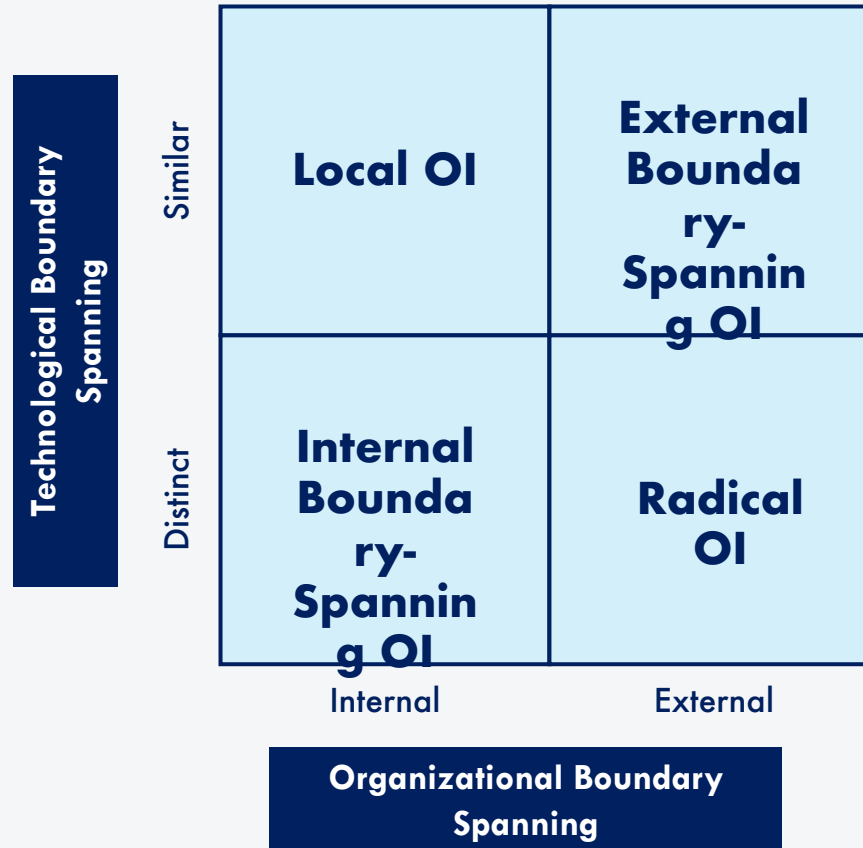
**Willingness to acquire and exploit external knowledge**



**Ability to acquire and exploit external knowledge**

# — Strategic priorities for OI in SMEs

## Defining an Open Innovation Strategy

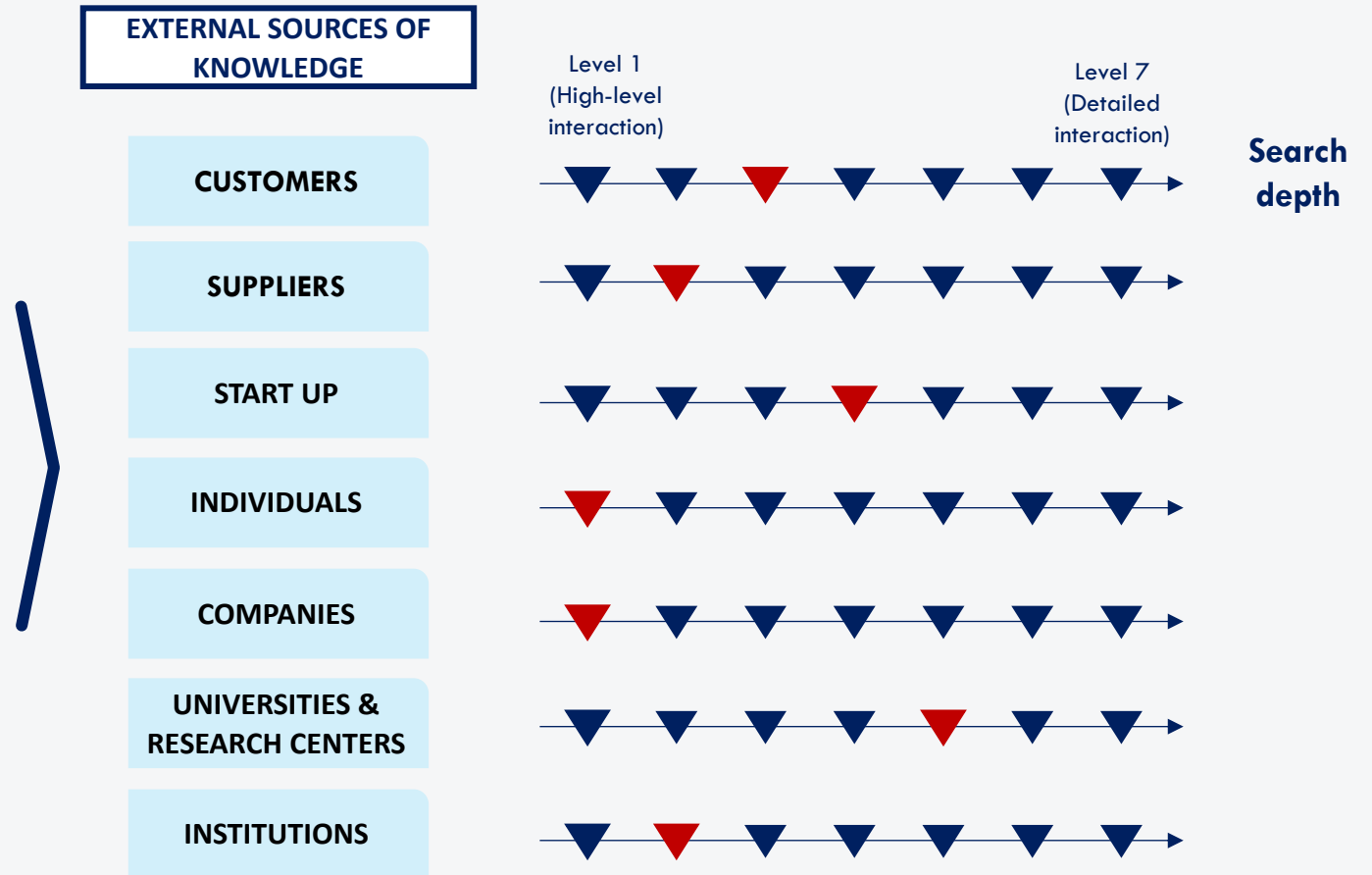


# — Strategic priorities for OI in SMEs

## Deciding Where and How to collaborate

An Open Innovation Strategy should define the type of stakeholders to engage with, as well as the breadth and depth of engagement:

- **Search breadth** refers to the number of diverse external stakeholders a firm seeks knowledge from.
- **Search depth** refers to how intensively a firm draws from each external stakeholder.



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# — About me



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## **Expertise**

Strategy and innovation management, focusing on family-owned businesses. My work is inspired by the experience of long-lasting family firms able to leverage non-economic values and resources to develop breakthrough new products.

## **Experience**

- Family Business Research Group @ Politecnico di Milano  
Research, education and advisory - inspiring and supporting better management of family firms globally.
- Centre for Family Business @ Lancaster University Management School (UK)
- Board Member and Director of Research, *International Family Enterprise Research Academy* (IFERA); member of the *Academy of Management*.
- Editor, *Family Business Review*