

Barriers to Collaborative Innovation in SMEs

By

Temitope Akinremi
Stephen Roper

Temitope.Akinremi@wbs.ac.uk
Warwick Business School
University of Warwick

Introduction

Who

- ESRC funded project
- ERC
- CBM
- CMF

What

- Key Innovation Practices
- Extent of Adoption
- Barriers to Adoption
- Strategies for Adoption

Where

- UK
- 2 Case-Study Sectors
 - Metal Forming
 - Casting/Foundry

When

- 3-year project
- Completed 1st Year

Why

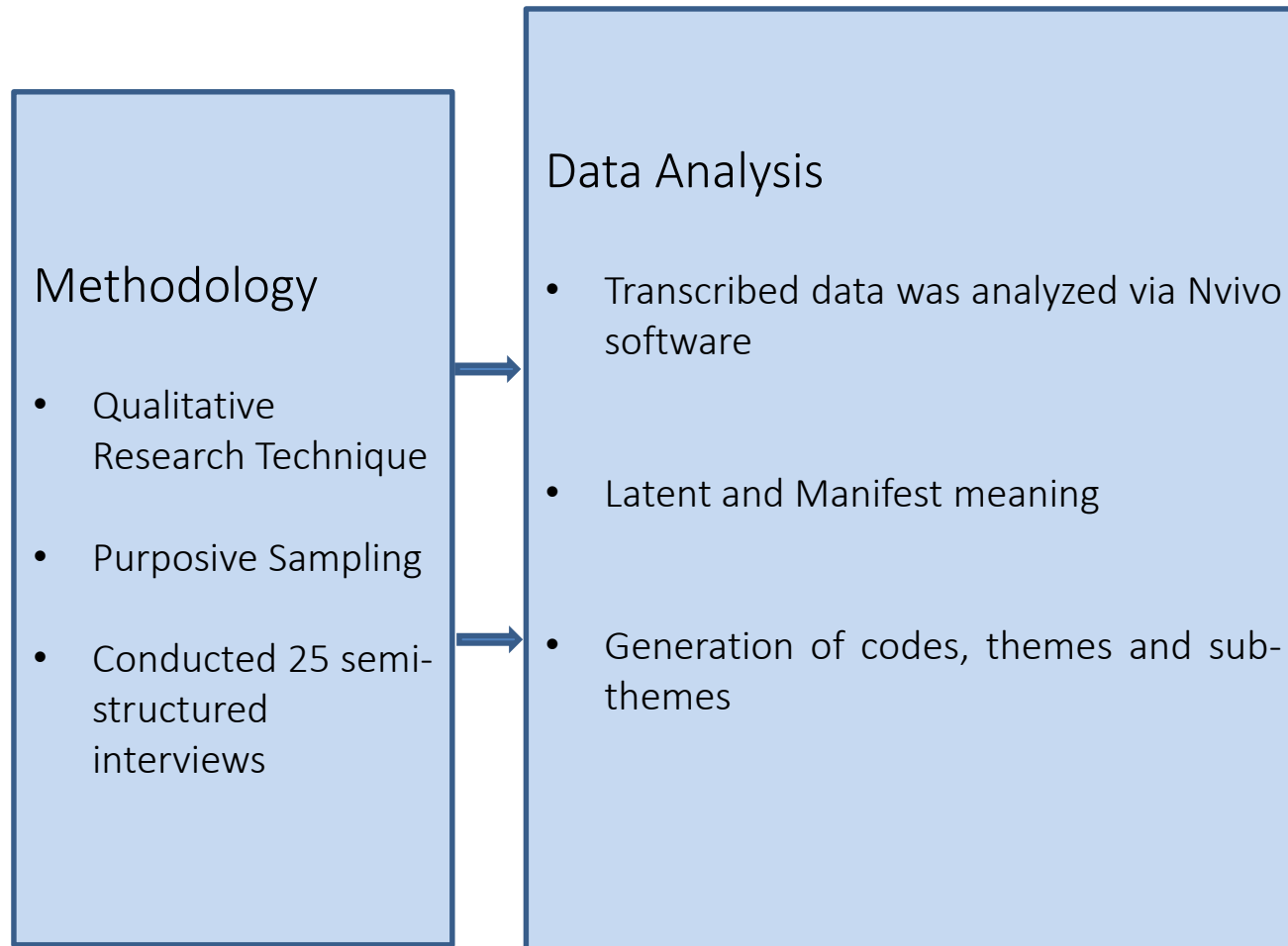
- Best Practice Diffusion
- Productivity Gains
- Policy Development

Background

- Innovation relates positively to competitiveness, productivity and performance (Gunday *et al.* 2011)
- Disparity between large firms and SMEs in innovation adoption (Wei and Yuzhen 2013)
- Open Innovation (OI); where innovation is shared and exchanged across individual firms (Chesbrough 2003 and Reed *et al.* 2012)
- Innovation Collaboration; Potential missed opportunity for SMEs
- Informational Market Failures; Trust & Knowledge about Capabilities (Hewitt-Dundas and Roper 2018)

Research Questions

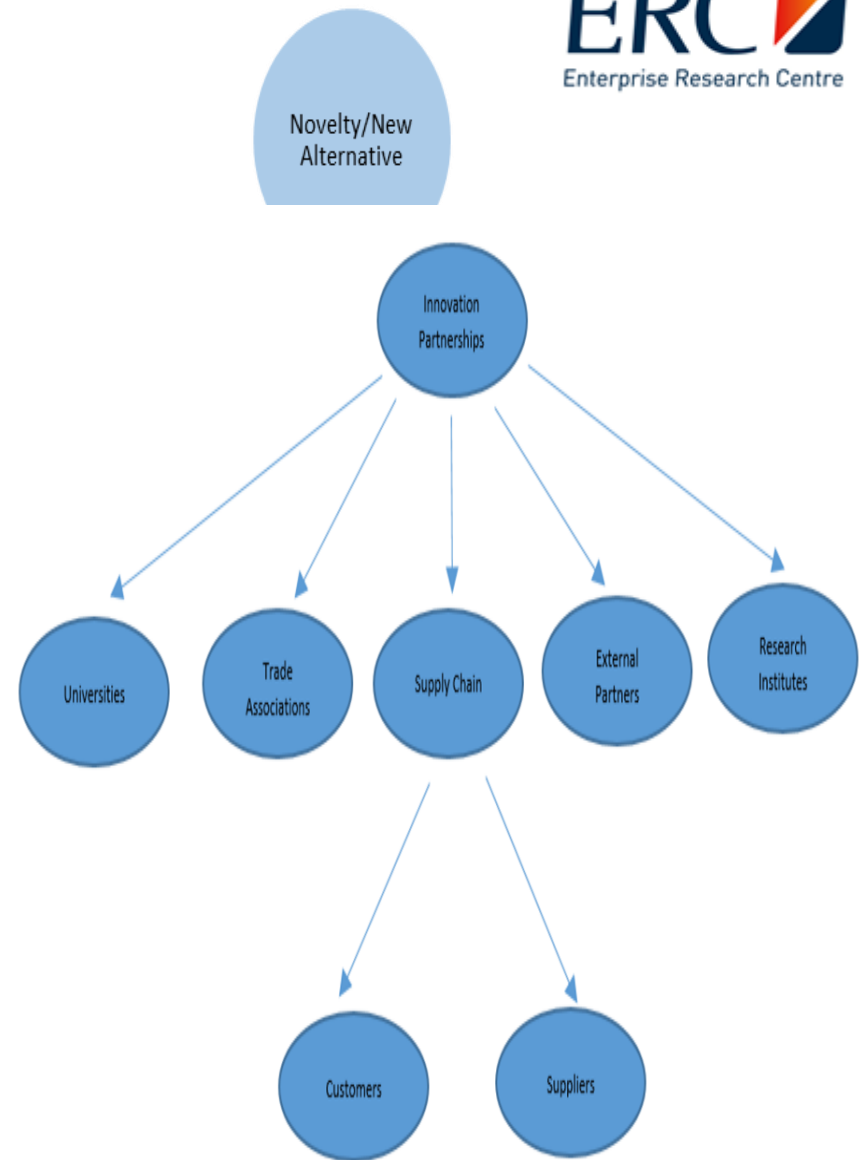
- How are innovation partnership/collaboration perceived in the metal forming and foundry industries?
- Does insufficient information on partners' capabilities influence decisions to embark on innovation collaborations in the metal forming and foundry industry?
- How does access to information on potential partners' trustworthiness influence collaboration innovation in the metal forming and foundry industry?



Key Findings

RQ1

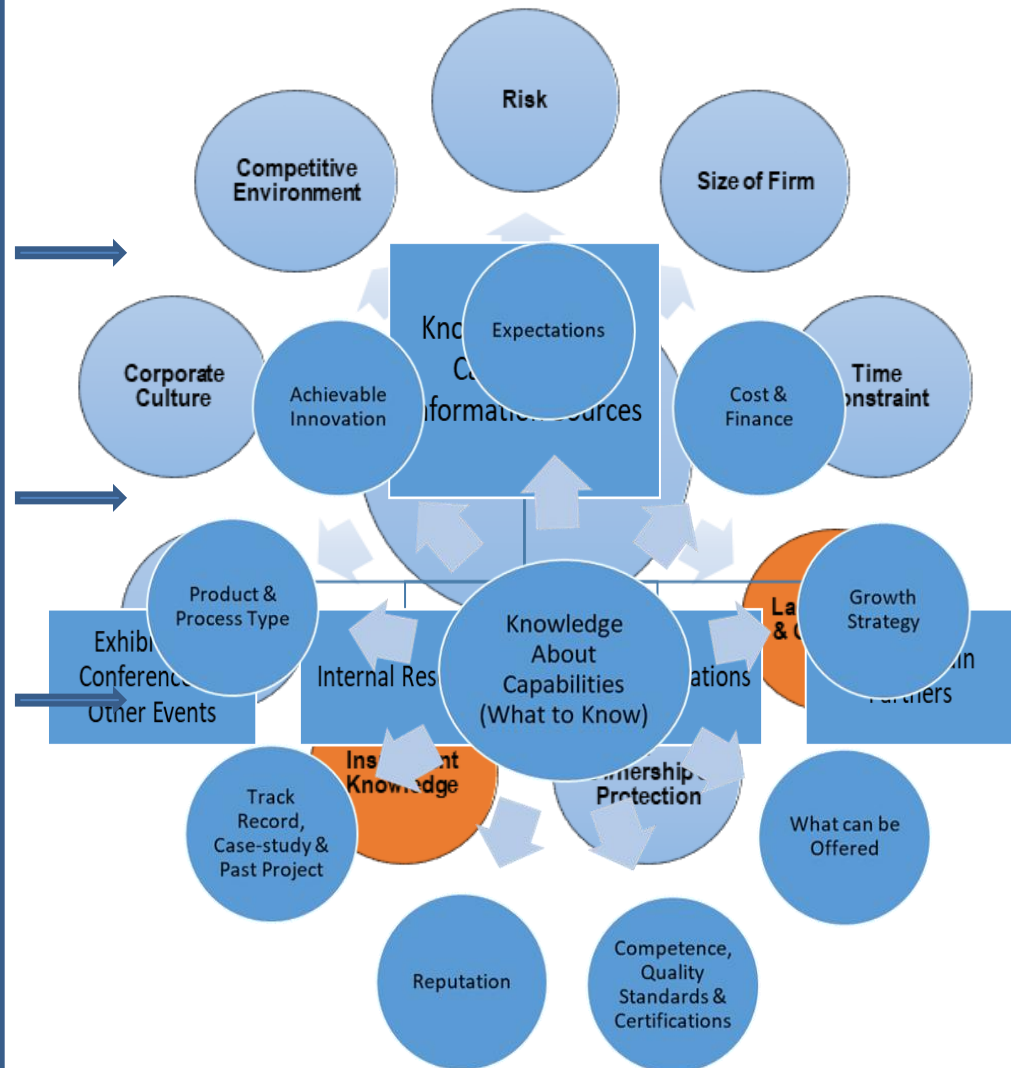
- Innovation definition reflected in organisation's supply chain position
- **Remaining Competitive**; the overriding motivation for innovation
- **In-House R&D** is the single most common innovation practice
- Inter-firm collaboration is currently **non-existent**



Key Findings

RQ2

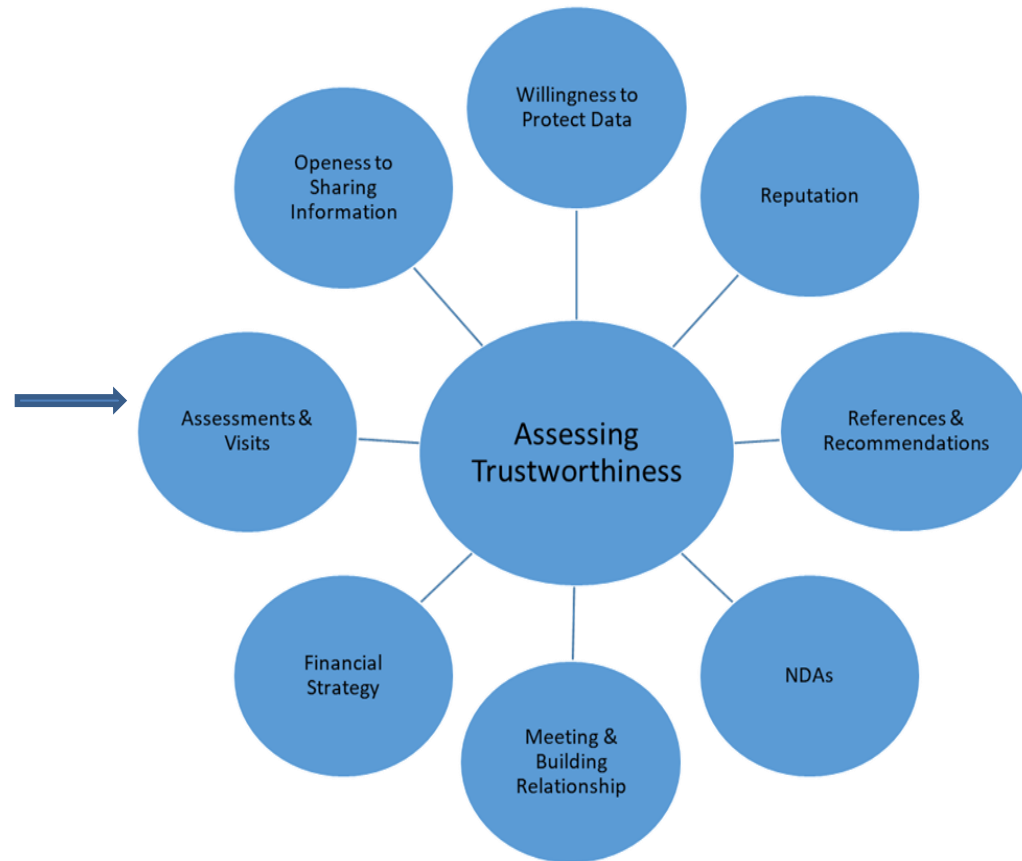
- Lack of knowledge of capabilities; a hindrance to innovation collaboration
- Information Sources
- What to Know



Key Findings

RQ3

- **Trust** is a key determining factor in the decision to collaborate
- Assessing Trustworthiness



Conclusion

- Innovation definition reflected in organisation's supply chain position
- Remaining competitive emerged as the overriding motivation for innovation across SMEs studied
- In-House R&D is the single most common innovation practice across analyzed firms
- Inter-firm collaboration is currently non-existent
- Lack of knowledge of capabilities of firms across the sectors is a hindrance to collaborations
- Suppliers and trade associations are important sources of information on capabilities
- Trust is essentially important in the decision to collaborate.

Next Steps

- Quantitative Study Based on Constructs from Qualitative Study
 - Survey of case-study sectors
- Follow a new line of inquiry emanating from analysed data;
 - Harnessing collaboration between firms and Research centres/Universities
(One-on-One Collaboration)
 - Industry Project led innovation collaboration **(Multi-Firm Collaboration)**

Thank you