

Guidelines to Spider Web Tool

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About the project

This is a part of the “Supporting Non-technological Innovation in Owner-managed Manufacturing SMEs through increased capacity of business intermediaries – SNOwMan” project, funded by the European Union.

The project’s main objective will be to develop and, most importantly, to institutionalise new types of tools and methods that both owner managers and intermediaries will find effective and value-increasing and that will respond to the owner managers’ challenges and needs. Creating a more personalised and trust-oriented approach to the counselling process in the field of non-technological innovation is a necessity.

The project will target non-technological innovation in selected sub-categories of owner-managed manufacturing SMEs in four countries with diverse business cultures and infrastructure within the Baltic Sea Region: Lithuania, Finland, Poland and Denmark. Through a transnational co-creation process, with involvement from non-profit intermediary organisations, owner managers and universities of applied science, the project will introduce outputs that are expected to demonstrate significantly higher and measurable effects of counselling on the business outcomes.

Thirteen project partners from 5 countries teamed up to find suitable solutions for owner-managed SMEs in order to improve the non-technological innovation counselling process. The project will take place from September 2017 to September 2020.

The guidelines consist of the following:

- Project introduction
- Interviewer's role
- Description of a Spider Web
- Glossary and key terms
- Description of questions in the Spider Web divided into 8 challenges
- Ranking of the evaluation
- Instruction of the process

Despite a huge palette of available professional tools, most business intermediaries experience complex challenges and insufficiency when counselling SME owner managers. The main objective is to develop and institutionalise a new type of tool that responds to the owner managers' challenges and needs. The tool seeks to prioritise the **need for change for non-technological innovation**.

The Spider Web is part of a 6-step counselling process. A Spider plot fulfils the role of a radar and visualisation tool that allows multiple factors to be compared simultaneously.

This document aims to provide some useful contextual information for the interviewer (Intermediaries – INTs), when conducting interviews with an owner manager of a company.

The role of the interviewer

A minimum of social skills, such as empathy, attentiveness and humour, is essential for a successful interview. Even though it might be the 12th interview on the same subject with an owner-managed company, the interviewer should never cut in or even answer a question for the respondent. Active listening techniques should be employed (e.g., repeating back, rephrasing, praising, etc.) as should never offering your own answer. This validates what the interviewee says and encourages them to share their knowledge.

Needless to say, virtually everything about the interviewer conveys a social message to the interviewee. Clothing and mannerisms convey a position in life and perhaps too social attitudes. Regardless of whether the interviewee perceives the researcher as an academic, a liberal, a conservative or as a fun-loving person, interviewees are to tailor their responses to be more acceptable to the person they perceive as their audience.

The interviewer can add to or reduce these tendencies through their mannerisms. Facial expressions, head nods, and verbal "um-hmm" convey approval or disapproval of what the interviewee is saying. If the researchers respond effusively to some of the things said by the owner manager, this will encourage more of those things in their responses, etc.

A successful interviewer should be:

1. Knowledgeable: is thoroughly familiar with the focus of the interview, the SNOWMan project and its context. The interviewer needs to have positive knowledge of why exactly we look at owner-managed companies (that are driven by more complex and subjective considerations like long-term interest, the local community, employees and relationships compared to other companies, etc.).
2. Structured: brings purpose to the interview; rounds it off; asks at the beginning and end whether the interviewee has questions.

3. Clear: asks simple, easy, short questions; no jargon. Tries to rephrase if the interviewee has problems answering the questions.
4. Gentle: lets people finish; gives them time to think; tolerates pauses.
5. Sensitive: listens attentively to what is said and how it is said; is empathetic in dealing with the interviewee.
6. Open: responds to what is important to the interviewee and is flexible.
7. Steering: knows what they want to find out.
8. Critical: is prepared to challenge what is said; for example, dealing with inconsistencies in the interviewees' replies.
9. Retaining: remembers what was said previously and relates it to what is being said.
10. Interpreting: clarifies and extends the meaning of the interviewees' statements, but without imposing meaning on them. Avoids anticipating answers, remains objective and refrains from criticism or argument.
11. Balanced: does not talk too much, which may make the interviewee passive, and does not talk too little, which may result in the interviewee feeling they are not talking along the right lines.
12. Ethically sensitive: is sensitive to the ethical dimension of interviewing, ensuring the interviewee appreciates what the research is about, its purposes, and that their answers will be treated confidentially.

Structure of the interview

The main purpose of the discussion is to help the owner manager think back on the **challenges experienced** when managing their company and carrying out challenging activities and to identify **a number of lessons for the future**; this will add valuable evidence to our research while hopefully providing significant added value for the company at the same time.

Guide note: This interview schedule includes the themes and issues that we need to cover in the discussion with the owner manager's company. Unlike a more structured questionnaire, the questions are provided to help guide the interview, but do not need to be asked exactly as they are written. As far as possible, the interview should be approached as a friendly conversation, rather than in a very mechanical question-and-answer format. You may depart from the precise order of the questions, allowing the conversation to develop in a more open way.

As the interview unfolds and different themes are discussed, keep track of the issues that have been covered and the questions you still need to ask. However, it is important to ensure that as many of the themes as possible are covered in the time available. This means that you will need to judge when to stop discussing one issue and move onto another one.

Getting started

Introduction of each other, the overall situation, the main objective of the Spider Web Tool and expected results are discussed. The preliminary agenda of the meeting, timing and organisational questions should be covered at the beginning. How to fill in the questionnaire to achieve the visualisation in the form of a Spider Web should be presented. The possibility of utilising the Spider Web in different ways, individually and with the help of an intermediary, should also be discussed.

Before starting, the formalities should be covered: requirements for confidentiality, data security, etc. All information in any case is confidential and the person will not be identifiable in any publicly available documents without prior consent.

Recording of the Interview

It is up to the interviewer to decide if the interview should be audio – or even video – recorded, but it is optional for the owner manager. For both kinds of technical recordings, the interviewer needs to ask for permission. Other than that, the interviewer might take handwritten notes (often perceived as more personal) or type the information on a laptop, etc.

Guide note: Recordings might help with coordination. Especially if you conduct interviews in your national language and there is a need for translation. Make sure that the participant feels comfortable with this.

In the case of the participant not being happy with voice recording, **detailed notes should be taken**. It is always a good idea to take written notes in case of any technical problems with the recording. Make sure that notes are kept in a safe place, as promised in the confidentiality section of the cooperation agreement.

Duration

The interviewing can last several hours, depending on how many follow-up questions the interviewer has and how much time is available to the owner manager.

INSTRUCTION How to use Spider Web

Spider Web Tool – organisational tool to evaluate the owners’ performance in the non-technological areas of innovation.

Highlights:

- Available on snowman webpage – open for all internet users.
- 8 challenges – (1) *Owner manager Vision & Skills*; 2) *Market Understanding*; 3) *Company*; 4) *Staff and Resource Assessment*; 5) *Cooperation with Other Actors*; 6) *Non-technological Innovation Management*; 7) *Non-technological Innovations*; 8) *Business Sustainability and Culture* – are to be evaluated by 4-6 questions each.



Value ranks for indicators used in Spider plot evaluation [1-10]:

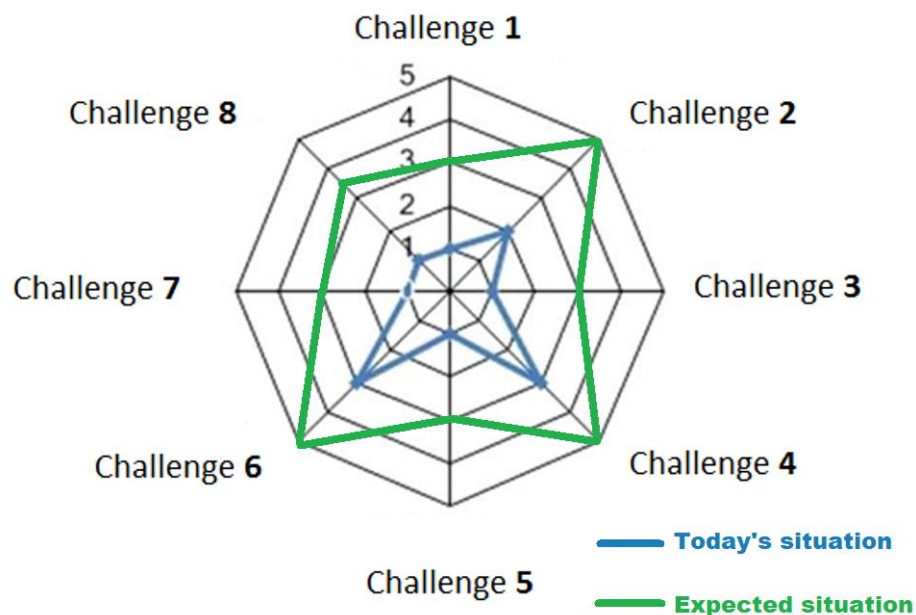
1 is the minimum value and does therefore represent “very strongly disagree”. 10 is the maximum value and represents “very strongly agree”.

Evaluation results of all 8 indicators (challenges) should be plotted as performance measures on the Spider graphic, which should be provided by The Spider Web Tool.

The owner manager is to evaluate the *current* and *expected* situation in the future in two steps:

- 1) Answering the questions of The Spider Web Tool, evaluating a current situation in the company
- 2) Answering the questions related to the expected situation in the company in 6 months or 2-3 years (duration optional)

The visualisation shows two graphs: one graph shows challenges in a current situation and the second one, in an expected planned situation in 6 months or 2-3 years (or in any other period of time as decided by the owner and an intermediary – optional). The axis with the biggest mismatch is to be the priority for further development and improvement regarding the company’s need for non-technological innovation. During the counselling process, the owner manager and an intermediary decide which challenges are a priority.



What is needed?

- Online Spider Web Tool
- Computer/laptop to record COMPANY’S answers
- Friendly environment for interviewing
- Counselling tools
- Paper
- Pencil/pen

Representatives of intermediaries will evaluate company performance in the non-technological innovation. The questionnaire will help intermediaries gather data regarding

each indicator, which has a corresponding axis on the Spider Web area (found on the front page of this document). While the company owner is giving the values for each indicator, the INT representative plots those values on an online Spider Web Tool, which connects the final dots and automatically draws the Spider from the answers. The Spider Web Tool reveals weak indicators that companies should improve upon. Intermediaries then provide direct consulting to improve the weakness indicated. Look at the shape of the resulting Spider “web” – is it symmetric? How does the symmetric Spider compare to that of the companies?

The weaker aspects of the system being assessed are those that have scored closest to the centre. The nearer the indicator is placed to the centre of the web, the more it becomes a target for improvement.

Glossary of Spider Web

Accumulation of knowledge is the process of acknowledging market competitors, by collecting and analysing the resources publicly available in the market through which a pattern of the market competition can be deduced. This information can be further utilised to forecast market dynamics as well as the way in which the market is effected by your presence. This aids in the enhancement of the business decision-making ability.

Business capacity includes the knowledge, skills and resources that a firm accumulates over time and draws upon in the pursuit of its objectives. The skills and abilities of a firm’s workforce are a particularly critical part of innovation-relevant business capabilities.

Capability gap – if current capabilities (skills, financial, human, etc.) are insufficient to meet the business need, the business owner must identify the capabilities that need to be added. The company should develop models and other descriptive information for and about the future vision, and describe the future state of the organisation. A comparison of the current and desired future states will identify gaps in the organisational capabilities that need to be filled in order to support the business vision, strategy, goals and objectives.

Market segmentation is the process of dividing a market of potential customers into groups or segments, based on different characteristics. The created segments are composed of consumers who will respond similarly to marketing strategies and who share traits, such as interests, needs or locations. Market segmentation makes it easier for marketers to personalise their marketing campaigns. By arranging their company’s target market into segmented groups, rather than targeting each potential customer individually, marketers can be more efficient with their time, money and other resources than if they were targeting consumers on an individual level.

Non-technological innovation – the OECD has broadened the innovation concept to cover non-technological innovation, which can be divided into two categories: organisational innovation and marketing innovation. These complement the standard concepts of product and process innovations. Organisational innovation refers to the implementation of new or significantly changed organisational methods in business practice, workplace organisation or external relations of the institutional unit previously unused in the firm. While marketing innovation is the implementation of new marketing methods for promoting products. Non-technological innovation broadens the understanding of innovations in companies, which are not just about developing and applying new technologies but also about the adoption and re-organisation of business routines, internal organisation, external relations and marketing. This approach includes these non-technological dimensions of innovation: solutions, brands,

networks, presence (where), supply chain, organisation, value capture, customer experience and customers (who).

Non-technological innovation change is the implementation of a new or improved business process or marketing strategy for one or more business functions that differ significantly from the firm's previous business process and that has been brought into use by the company. The characteristics of an improved business function include greater efficacy, resource efficiency, reliability and resilience, affordability, convenience and usability for those involved in the business process, either externally or internally.

Non-technological innovation trends are examples of current non-technological innovations that companies tend to implement: improved knowledge management systems to better use or exchange information, knowledge and skills within companies; a major change to the organisation of work, such as changes in the management structure or integrating different departments or activities; new or significant changes in your relationships with other firms or public institutions, such as through alliances, partnerships, outsourcing or subcontracting; significant changes to the design or packaging of a good or service; new or significantly changed sales or distribution methods, such as internet sales, franchising, direct sales or distribution licences.

Value creation and proposition is a positioning statement that explains the benefit(s) you provide for whom and how you do it uniquely well. It describes your target buyer, the problem you solve, and why you are distinctly better than the alternative(s). Value is an implicit goal of innovation, but cannot be guaranteed on an ex ante basis. The realisation of the value of an innovation is uncertain and can only be fully assessed sometime after its implementation. The value of an innovation can also evolve over time and provide different types of benefits to different stakeholders.

INDICATORS of SPIDER WEB TOOL

Challenge 1. OWNER MANAGER VISION & STRATEGY

To evaluate this indicator, please follow these steps:

1.1. Company vision and strategy

OM has a clear vision and a strategy with clear objectives for the next 2-3 years. Has the company developed a well-defined and tested strategy? How is the strategy translated into clear objectives and how will these be achieved? Would you describe them as systematic? Do you regularly review your plans? Do all employees know and understand their role in achieving these objectives? Are there KPIs to drive the strategy towards achieving the objectives?

1.2. Future market focus

OM analyses new technology and non-technological trends and incorporates them into strategy. Unless companies are looking at the horizon (future trends) of their markets, they fail to see emerging trends and how they will change the whole market focus. Occasionally, all markets suffer significant disruptive change due to technological or business model changes. These are difficult to predict, unless regularly assessed.

1.3. Innovation strategy

OM uses strategic analytic tools to initiate non-technological innovative changes. Research shows that 50% of companies that do not innovate over a 10-year period cease trading. Do you know how innovation will support your strategy? Does the company's structures support this? Do you use strategic tools in innovation (SWOT, PESTLE, technology watch and roadmaps, etc.) to plan strategic direction in innovation?

1.4. Business model

OM has a clear business model that shows the impact of non-technological innovation.

The business model defines a basic logic for how you create value and earn money. Business modelling is an important tool for designing, innovating and transforming business. How does your business create value? Companies can distinguish their business models in relation to products, technology, finances, services, logistics, etc.

1.5. Ambition to grow

OM has a clear ambition to grow their business. Your business is either growing or dying – and if you are only trying to maintain your market share, then it is the latter. Your growth ambitions must, by their nature, be high and broad in their scope.

Challenge 2. MARKET UNDERSTANDING

To evaluate this indicator, please follow these steps:

2.1. Understanding the customer

The company has systems in place that ensure the use of inputs from market research, sales people, customer complaints and feedback regarding non-technological innovation (e.g., to improve or design new services, improve processes, identify new business models, etc.). How does your organisation understand the customer? Are informal means, such as employee feedback and customer complaints, exploited? What formal mechanisms are there, such as market research, customer surveys and focus groups, to identify current and future expectations? How is this data used to improve existing services and design new services?

2.2. Segmenting the market

The company uses market segmentation to increase value proposition for different geographic regions, industrial sectors or customer groups. Do you identify different market segments? Do you differentiate your offering and relationships based on geographical, cultural or industrial sectors, etc.? Some companies approach segmentation differently to the competition, such as by looking at it from an alternative perspective.

2.3. Understanding your competition

The company accumulates knowledge on the future challenges in the market, including data regarding competitors. How well do you know your main competitors? Where do you get information concerning finances, sales, pricing, product function/performance and customer base from?

2.4. Analysing competitive advantage

The company has a clear understanding of its competitive advantages. How do you identify your competitive advantage? Do you use the data gathered on customers and competitors to build a strategic plan? Do you use your technical and commercial capabilities to identify competitive advantage? Do you cover areas, such as products, processes, services, markets, technologies, other resources, etc.?

2.5 Value creation and proposal

The company has a clear value proposition based on analysis and is proven by calculations, and a positioning statement that explains the benefit(s) you provide for whom and how you do it uniquely well. It describes your target buyer, the problem you solve, and why you are distinctly better than the alternatives. Value is an implicit goal of innovation, but cannot be guaranteed on an ex ante basis. The realisation of the value of an innovation is uncertain and can only be fully assessed sometime after its implementation. The value of an innovation can also evolve over time and provide different types of benefits to different stakeholders.

Challenge 3. COMPANY

To evaluate this indicator, please follow these next:

3.1. Ownership/empowerment/responsibility

The company supports and empowers the employees in increasing the use of non-technological innovation. The use of fully-devolved activities, processes or project ownership can greatly enhance employee commitment to idea generation and development. Employee empowerment can enhance the quantity and quality of the projects undertaken.

3.2. Structure of organisation

The company has a well-designed organisation structure that clearly defines staff roles and responsibilities. Good companies have a well laid out organisational structure with defined staff roles along with good systems and processes. This allows for good planning and optimal usage of resources, which can aid the success of the business. Company structure and organisation should fit the strategy.

3.3. Knowledge management

The company accumulates and uses corporate knowledge, such as skills, know-how and customer information. Use of knowledge-capture practices will greatly enhance company planning, performance, future product planning, investment planning and recovery planning.

Systems are in place to retain existing corporate knowledge, such as skills, know how, I.P. and commercial information.

3.4. Cross-functional teams

The company supports internal collaboration using cross-functional teams. In an enterprise, cross-functional teams are needed to implement several company-wide changes. In small firms, this can be done in an informal way. Properly functioning and resourced teams within the company should use all the key skills necessary to plan and implement those changes.

3.5. Workplace communication

The company uses internal communication to support non-technological innovation. For improved results, it is essential that key information be communicated to all relevant staff so their relevant aspects can be optimised. Extensive research has shown that the use of knowledge and business communication tools can significantly improve outcomes.

Challenge 4. STAFF AND RESOURCES ASSESSMENT

To evaluate this indicator, please follow these steps:

4.1. Staff skills

The company has a staff with a broad range of skills, experience and knowledge that supports non-technological innovation. Do you have necessary skills for your envisioned initiatives, projects or transformation? They can be learned and nurtured and should be updated regularly or acquired. Staff have a mixture of skills, experience and knowledge that can be harnessed in a team environment to best effect.

4.2. Managing capability gaps

The company knows current, and can predict, future capability gaps and has a plan for managing said gaps. For sustainable development, a company should know what skills and competences to acquire now and develop in the future. Do you know your current and future capability gaps? What are your current and future core competences? Do you have plans for that?

4.3. Fire-fighting

The company turns problems and critical situations into improvements. To what degree does fire-fighting impact on your company's resources? A high level of fire-fighting in the company is indicative of systemic issues that need to be tackled. Good practice would analyse these issues and identify solutions or ways to turn the problem to the company's advantage.

4.4. Recognition and reward

The company uses rewards systems to boost staff initiatives regarding non-technological innovation. While the level and type of rewards may vary from company to company, people expect a certain level of appreciation and recognition. Without it, staff will become less motivated over time. By having a clear rewards system in place, people have a clear expectation of the system used.

4.5. Financial support

We allocate the necessary budget and free cash for non-technological innovation. How well off is the company in terms of financial stability? What free cash can be allocate to non-technological improvements in the company?

Challenge 5. COOPERATION AND NETWORKING WITH OTHER ACTORS

To evaluate this indicator, please follow these steps:

5.1. Collaborative projects with company partners

OM and staff collaborate with external market actors (suppliers, customers, distributors, competitors, etc.). More effective problem solving happens when the enterprise combines resources in talent, experience, finances and infrastructure. Sharing and leveraging those resources means that companies reach to new markets increases and it re-energises the connection the enterprise has with established customers. Collaborating propels the company into become a learning organisation. Collaborating is not necessarily easy but it might bring the organisation to a much more interesting position to innovate.

5.2. Collaboration with research partners

OM and staff collaborate with research institutions and intermediaries. Interactions between the company and science institution are among the most prominent institutional interfaces for knowledge diffusion, which is a prerequisite for long-term increases in production and wealth. Technological collaboration is crucial for achieving a higher degree of novelty in product development. Organisational setting should allow knowledge to move freely across institutional borders in order to reach maximum value.

5.3. Building on external ideas

The company sources non-technological innovation ideas from externals: intermediaries, research organisations, etc. Innovation is a creative process. The ideas for new innovations may come from both inside and outside of the business; e.g., suppliers, customers, media reports, market research or universities and other sources of new technologies. Success comes from filtering those ideas, identifying those that the business will focus on and applying resources to exploit them. Introducing innovation can help enterprises improve productivity, reduce costs, be more competitive, etc.

5.4. Capacity to manage collaboration

The company benefits from collaboration in the area of non-technological innovation. In order to succeed in collaboration projects, the enterprise should have sufficient resources to manage ongoing processes. A lot of different capabilities should be employed; communication is one of the greatest parts of a business relationship. Ongoing dialogue is crucial because it helps to reduce the risk and encourages partners to stay focused on their shared vision. Also, partners' skills and competences should complement each other, in such cases where added value is to be expected.

5.5. Capacity to source skills and competences needed from partners

The company has the capacity to source the needed skills and competences from its partners: intermediaries, suppliers, customers, other companies, research organisations and so on. Companies should focus on their core competences that distinguish them from their competitors because they are hard for competitors to copy or procure. Those skills and competences deliver the greatest value to customers. However, a company may lack other essential skills and/or competences, which could be efficiently sourced from businesses or research partners. Therefore, the owner manager should be aware of any skills/competency gaps and decide whether those skills/competences should be employed or could be acquired from outside.

Challenge 6. NON-TECHNOLOGICAL INNOVATION MANAGEMENT

To evaluate this indicator, please follow these steps:

6.1. Alignment of company and non-technological innovation strategy

The non-technological innovation strategy is aligned with the strategy of the company. When innovation is aligned with the overall strategic goals of the enterprise, innovation tends to bring higher impact on the value created by the company. Documentation, clear communication and enough resources are key drivers for results. Funds should be spent to directly impact a company's overall performance; thereby, increasing profitability and reducing unnecessary expenses.

6.2. Non-technological innovation life cycle process

The company has and uses a defined process for non-technological innovation – from initial idea and approval to full implementation. Clear mandates for experimentation and innovation creation in the enterprise are important. Enterprises should have a developed path with clear responsibilities and procedures to ensure innovation does not die at the hands of bureaucracy from the initial idea and its approval to full implementation and commercialisation.

6.3. Long-term approach to non-technological innovation

The company plans long term non-technological innovation projects with clear and defined targets and resources. Long-term projects take months or even years to finish. Typically, companies require more documentation and infrastructure for longer-term efforts. Effective project managers start by assessing both the project need and determining how much time is needed to meet the desired outcomes. Is the enterprise committed to using project management strategically? Even if a project came in on time and on budget, there is a high probability of failure, if it is not aligned with the organisational strategy. By aligning projects and greater strategic goals, project managers help ensure that resources are well spent and clearly affect company welfare.

6.4. Non-technological innovation project performance measurement

The company has the necessary capacity within project management to perform long-term and short-term non-technological innovation projects. A value measurement system to measure project management performance will help organisations achieve one or more of the following goals: identifying the business impact of implementing project management improvement initiatives; comparing costs to benefits of project management improvement initiatives; determining whether a project management improvement initiative is accomplishing its objectives. That value is determined by showing improvement in some measure over time. Choosing those measures is key to the success of the project management. The project owner is a key project stakeholder. Typically, but not always, PO is the head of the business unit receiving the product and bears business responsibility for successful project implementation. The project owner may often act as a “champion” for the project.

6.5. Learning from past non-technological innovation projects

Project review and the lessons learned are used systematically as a part of the project management process. Learning from past projects and their problems will help avoid similar problems in the future. A project review process is required as part of the innovation process. How are the learning outcomes captured? How is learning disseminated and shared for maximum impact?

Challenge 7. NON-TECHNOLOGICAL INNOVATIONS

More about non-technological innovations in the glossary.

To evaluate this indicator, please follow these steps:

7.1. Customer innovations

Innovation within marketing and customer care and service is used to gain new customers and revenue streams.

a) Customers

Innovation within this dimension facilitates the company discovering new customer segments or uncovering unmet (and sometimes unarticulated) needs.

b) Customer experience

This dimension considers everything a customer sees, hears, feels and otherwise experiences while interacting with a company in all moments. To innovate here, the company needs to rethink the interface between the organisation and its customers.

c) Value capture

Value capture refers to the mechanism that a company uses to recapture the value it creates. Innovation within this dimension facilitates the company discovering untapped revenue streams, developing novel pricing systems and otherwise expanding its ability to capture value from interactions with customers and partners.

7.2. Organisational innovation

The company uses organisational innovations (relocating or decoupling a process, changing employee roles and responsibilities, changing the balance between in-house human resources and outsourcing, introducing networks, etc.).

a) Processes

Processes are the configurations of business activities used to conduct internal operations. To innovate within this dimension, a company can redesign its processes for greater efficiency, higher quality or faster cycle time. Such changes might involve relocating a process or decoupling its front-end from its back-end.

b) Organisation

Organisation is the way in which a company structures itself, its partnerships and its employee roles and responsibilities. Organisational innovation often involves rethinking the scope of the firm's activities as well as redefining the roles, responsibilities and incentives of different business units and individuals.

c) Supply chain

A supply chain is the sequence of activities and agents that moves goods, services and information from source to delivery of products and services. To innovate within this dimension, a company can streamline the flow of information through the supply chain, change its structure or enhance collaboration with its participants.

7.3. Product/service innovations

The company uses product/service innovations (new/refreshed design, new integrated combination of products/services, etc.) to improve customer value.

a) Offering

Offerings are a firm's products and services. It may include new/refreshed design of products or services).

b) Platform

A platform is a set of common components, assembly methods or technologies that serve as building blocks for a portfolio of products or services. Platform innovation involves exploiting the “power of commonality” — using modularity to create a diverse set of derivative offerings more quickly and cheaply than if they were stand-alone items.

c) Solutions

A solution is a customised, integrated combination of products, services and information that solves a customer’s problem. Solution innovation creates value for customers through the breadth of assortment and the depth of integration of the different elements.

7.4. Distribution innovations

The company optimises its distributions through innovation.

a) Presence

Points of presence are the channels of distribution that a company employs to take offerings to market, and the places where its offerings can be bought or used by customers. Innovation within this dimension involves creating new points of presence or using existing ones in creative ways.

b) Networking

A company and its products and services are connected to customers through a network that can sometimes become part of the firm’s competitive advantage. Innovations in this dimension consist of enhancements to the network that increase the value of the company’s offerings.

Challenge 8. BUSINESS SUSTAINABILITY AND CULTURE

To evaluate this indicator, please follow these steps:

8.1. Leadership

OM has strong skills to lead and manage non-technological innovation. Do managers and leaders know where the business is going? How good are they at articulating the vision and bringing their people with them? Leaders need not necessarily be management.

8.2. Management style

The company culture supports the sharing of knowledge and staff influence on management decisions. A company’s management style should encourage the sharing of knowledge through teamwork, along with openness so that issues can be questioned without feeling threatened. There is strong interaction of staff in management decisions.

8.3. Attitude towards risk

Risk analysis is conducted on new initiatives. How is risk viewed in the company? Low risk gives low returns. High risk can give high returns but the level of success can be low. Getting the balance right is crucial. Change needs to be managed and issues discussed openly and fully.

8.4. Sustainable development

The strategy of the company supports sustainability, social responsibility and diversity. What is your perception of sustainable business development? Sustainable development creates opportunities for suppliers of ‘green consumers’, developers of environmentally-safer materials and processes, firms that invest in eco-efficiency and those that engage themselves in social well-being. These enterprises will generally have a competitive advantage.

8.5. Business succession

OM has a clear plan for business transfer (succession, business sale, merging, etc.).

For business owners that are at or near retirement, the issue of succession cannot be ignored. Family business succession planning should be a priority for every company that wants to pass on its business to the next generation. Establishing a sound business succession plan is beneficial for most business owners and can be absolutely necessary. Many factors determine whether a succession plan is necessary, and sometimes the logical and easy choice will be to simply sell the business.

8.6. Attitude towards non-technological innovation

The company is open to adapting creative solutions and experiments in the area of non-technological innovation. How is novelty viewed in the company? High novelty brings new possibilities and can bring high returns. But it takes time and is highly uncertain, and the level of success can be low. Discussions and experimentation, openness to failure, ability to learn from experiences and make decisions out of findings are key elements for innovation-based organisation culture.

THE PROCESS OF STEP-BY-STEP INTERVIEWING

EVALUATE TODAY'S SITUATION

1. Explain the goal of the interviewing.
2. During discussion and interview, mark each of the questions on the scale from 1 to 10.
3. The tool calculates the results and draws the visualisation in the form of a Spider Web.
4. Identify challenges (key Indicators of companies) that have extreme values (very low or very high).
5. Discuss the challenges and expected consequences, deciding whether it is acceptable to the company. Use the Spider Web to evaluate the organisation's non-technological innovation actions level and assess the weaknesses and strengths, focusing on specific challenges/key areas.

EVALUATE THE EXPECTED SITUATION AFTER IMPLEMENTATION OF INNOVATION

6. Repeat steps 2-5 to evaluate the situation in the company related to the expected situation in the company after the implementation of the innovation for a certain period (e.g., in 6 months or 2-3 years, etc. (duration optional)).
7. Owner should make priorities for non-technological innovation in the company based on the both Spider Webs, indicating different periods of time. For instance, if an evaluation of a current situation is low and the expected situation after implementation of innovation actions is planned to be higher, this area should be a priority for change and improvement. However, if the evaluation results of the current and expected situation, after merging, are around the same level, it is considered as not needing change.
8. Company makes a plan to implement estimated changes and non-technological innovation.

The Spider Web Tool can be used by a company at any stage, which then forms the basis for subsequent assessments and comparisons within the field of non-technological innovation. Assessment can be repeated at certain intervals (at your discretion) to determine the progress made and whether strengthening is needed.