

# Frame the Future Thought Pieces



## Societies Need Innovation More than Ever



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The world is experiencing drastic changes at an unprecedented pace. In advanced nations, growth, global trade, and technological progress have raised the quality of life to an unmatched level in history. Yet, inequalities have been steadily increasing since the 1990s, marginalizing whole segments of the population and creating new forms of political and social unrest. Emerging countries have been progressively challenging a long-standing balance of power, lifting billions of people out of poverty, and bringing hundreds of millions to a new middle-class with access to mass consumption and leisure activities.

But many nations are still behind on least developed positions. Their socio-economic situation directly impacts the lives of millions of people who cannot afford quality nutrition, health services, and education. These global imbalances and rapidly shifting balance of power fuel socio-political crisis, violence, terrorism, and armed conflicts at the local, national, and international levels. Furthermore, as economic growth has improved the lives of many on the planet, we have now entered a phase of biodiversity collapse. Human activities are directly responsible for the sixth mass extinction in our planet's history, according to a study conducted by scientists across the globe and compiled by the International Union for Conservation of Nature Red List.

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Finally, today's production models that are heavily reliant on polluting industries have triggered a global climate change process, which will have dramatic effects on our ability to support societies as we know them.

The above-mentioned study might seem like a paradox when considering that never in human history has there been so much knowledge and technology available. One might candidly believe that with so many inventions in our hands, we should be able to address these challenges easily and create a bright future for all. But what we need is innovation, not invention. While for many these are still synonyms, they are very different concepts. Invention is characterized

by novelty only, while innovation is the combination of novelty and value creation. Realizing value can be understood as shifting the customer experience from an original point A to a new point B. From there, the key question is **what is the change we want to make**, especially in the context of today's global challenges. This question is not new and has been on the international agenda for decades. The first Earth Summit in Rio de Janeiro in 1992 established the comprehensive definition of sustainable development based on three pillars: society, economy, and environment. This framework was further developed with the Millennium Development Goals in the 2000s. Later, this framework served as a basis for the draft of the Sustainable Development Goals (SDGs), which were unanimously adopted by the United Nations General Assembly in 2015. In my opinion, this set of 17 Sustainable Development Goals could serve as a baseline to define the 17 areas in which innovation could bring a shift in customer and user experience, and find solutions to the global challenges we are facing.

## Global Challenges Can Be Opportunities if We Act Right

Even though in the beginning I set up a picture that may seem pessimistic at first glance, I firmly believe that these global challenges can become opportunities if we act in the right direction. Innovation can help to solve these challenges, if from the innovation intent, we aim for the right realization of value, aligned with one or several of the 17 SDGs. With that goal, Japan Innovation Network (JIN) has partnered with the United Nations Development

Program (UNDP) to create the SDGs Holistic Innovation Platform (SHIP), which connects pain points people are experiencing on the ground with the technology and know-how of Japanese companies.

One of our most relevant projects is the Japan SDGs Innovation Challenge for UNDP Accelerators-Labs. Throughout this one-year journey, we have connected Accelerator-Labs in five countries that had previously identified an SDG issue, and partnered each of them with a specific Japanese company and its expertise. The underlying assumption of that work was that solving these specific problems should not be understood as charity work, but as a business opportunity for the private companies involved. Key elements of these projects were the business model creation and validation to design a truly sustainable solution — socially and environmentally, but also economically. This challenge was funded by the Japanese Cabinet Office, which makes a clear case that for innovation to solve global challenges, we need not only partnerships with all types of stakeholders — governments, international organizations, private companies, and local communities — but also with stakeholders that have an honest and clear commitment to sustainability.

## IMS: A Common Language to Facilitate Collaboration

The last piece of the puzzle is how can we increase innovation success for all stakeholders across different organizations. I strongly believe that we need a com-

mon language for innovation activities. JIN has been representing Japan with ISO since 2015, contributing to the draft and implementation of the 56000 series focusing on innovation management. In 2019, ISO 56002, the first international standard in the history of industry for an Innovation Management System (IMS), was published, compiling the best practices from hundreds of experts from 59 countries. Key learning from that international collaborative work was that while traditional business activities seek to avoid uncertainty, innovation activities should rather embrace and manage uncertainties, which is best achieved through non-linear and iterative processes.

In short, innovation requires the appropriate mix of creativity and exploration on one side, and efficiency and reliability on the other. Since JIN was founded in 2013, we have been striving to disseminate and instigate this mindset among large Japanese organizations. Up to now, we have supported more than a hundred companies in designing their own IMS. Our ambition is that IMS becomes a common language that will accelerate innovation internally for all types of organizations, but also collaboratively by linking diverse ecosystems and stakeholders.

I believe that in the present mode of drastic changes and challenges, there is a need to understand why innovation is crucial and what value should innovation aim to deliver to transform challenges into opportunities. Finally, we need to unpack how to accelerate innovation success and collaboration by sharing a common language. Indeed, this may be the only solution for a future that is sustainable, inclusive, and resilient.

## The Global Federation of Competitiveness Councils

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its members and fellows, the GFCC has a footprint in more than 30 countries. Leaders and organizations in our network strive to advance innovation, productivity and prosperity in their nations, regions and cities.

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