

With Clear Leadership and Organizational Principles, Multidisciplinary Collaboration, and Intentional Action, Innovation Will Lead the Way in Framing a Better Future

During a multi-stakeholder conversation, global leaders discussed how innovation practices can be improved

The transformation of production and consumption models, economies, and societies will not happen by chance – it requires intention, action, and a relentless commitment to fight existing models and systems. This was a key conclusion that leaders from Australia, Chile, Japan, Saudi Arabia, and the United States reached during the Frame the Future Innovation session on June 30. Innovative technologies, business models, corporate architectures, processes, and partnerships are needed to drive sustainability, resilience, and inclusiveness.

Joining from across the globe, session speakers shared information on organizational solutions, programs, initiatives, and frameworks that could serve as a reference for leaders interested in advancing an innovation agenda, at the organization and economy levels. The conversation included cases ranging from national innovation policy-making to corporate setups for innovation management.

A distinctive characteristic of the conversation was its multi-stakeholder nature – as is the GFCC network itself. Not surprisingly, the session shed light on the need for cross-sector engagement and collaboration to drive innovation. Much more than a general statement, this

concept has very practical implications. The introduction of novel technologies and business models is generally fraught with uncertainties and, in most cases, is conditioned (hindered, enabled, or accelerated) by legislation and regulatory frameworks.

The more cutting-edge (in terms of technology and business models) an innovation is, the more it will require entrepreneurs to engage with policy-makers. Mr. William Lese, a venture capitalist focused on sustainable energy and technologies, exemplified the concept by sharing the case of EnerNOC, a company that took to market the then-innovative concept of energy demand response (the consumer curtails energy use or self-generates once a certain demand level is reached). There was no regulatory framework in the early 2000s for doing that in the United States, and entrepreneurs worked to help change regulation by going to the state and local authorities and explaining the benefits of their model (better system-wide peak capacity management and lowered CAPEX requirements for utilities). The experiences of the EnerNOC case can be extrapolated to several innovation frontier scenarios, including the applications of synthetic biology, AI and data ownership, the sharing economy, space exploration, and much more.

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"The narrative around universities, historically, has been around very insular places where people went to do things, and they stayed within their community. Now they are mass hyper translation areas, and the only way for universities to work is by narrowing the gap between what happens inside them and what happens outside."

Prof. Ken Sloan
Deputy Vice-Chancellor and Senior Vice-President
(Enterprise and Governance), Monash University

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 "So, for business to create and identify sustainability initiatives, those new solutions have to actually feed into the earning, meaning that it should create value for the business."

Dr. Ghadah Al-Dabbagh

Head of the Omnipreneurship Lab, Al-Dabbagh Group

The case brought another critical issue to the table: the importance of having the right team — a team that is up to the challenge, driven to be successful, very resourceful, and willing to solve complex problems that require engagement with multiple stakeholders — driving innovative ventures, either in startups or corporate projects. The latter case has very clear additional requirements: **leadership at the top level and an organizational model to enable and support innovation activities.**

For companies to continually push for innovation, the case for business value creation needs to be clear. But that is not enough. Dr. Ghadah Al-Dabbagh, the Head of the Al-Dabbagh Group's Omnipreneurship Lab, described to fellow speakers and the audience the Group's organizational setup to promote and manage innovation initiatives at the corporate level — see Box 1 for the Al-Dabbagh Group case. One of the innovation cases she commented on was the implementation of a circular economy model to reduce waste and cost on a poultry farm.

ADG planted 100,000 trees that are fertilized and watered by the chicken manure that originated on the farm. In turn, the trees are shredded and utilized in the beds for the chicken, reducing moisture and improving sanitation levels. Additionally, the trees contribute to the general wellbeing in the region — there are accounts of temperature reduction in the area up to 5 degrees Celsius. ADG had to engage with multiple stakeholders and collaborated across different sectors to create this innovative and sustainable process. The company ran a sustainable innovation challenge open to global teams to identify potential solutions to further optimize the model and has shortlisted a few to be tested.

Teams, organizational solutions, and leadership are critical for the success of innovation initiatives. But innovation only flourishes when a certain type of mindset is in place and concepts are well-established and understood.

The Japan Innovation Network (JIN) is an accelerator for large and medium-sized companies to spur innovation in business and economy-wide in Japan and internationally. JIN's CEO, Mr. Hiro Nishiguchi, called the attention of everybody to the fact that there is still a need to better establish around the globe an understanding of what innovation is and how innovation processes work. First, **there is a need to clarify the meaning of innovation.** As Mr. Nishiguchi says, it is about

Box 1. Al-Dabbagh Group: Corporate Solutions

The Al-Dabbagh Group (ADG) includes 60+ companies that are active in different industry verticals — retail, food production, manufacturing, transportation, etc. The Group organizes its innovation activities using a framework based on the omnipreneurship concept and its three principles (giving, earning, and sustaining), and a set of core values and golden rules.

Innovation needs frameworks, processes, concrete organizational solutions, tools, and resources to happen systematically. ADG's key organizational facility to drive innovation is the Omnipreneurship Lab. Its mission is to design, orchestrate, govern, and implement corporate transformation, innovation, and sustainability programs within the diversified business entities of the Al-Dabbagh Group.

The group has also deployed an internal ecosystem of offices, organizational areas, and tools to steer, guide, and manage innovation activities, including:

- **Digital Roadmap:** A three-to-five-year plan to orchestrate all the digital initiatives going on in the Group.
- **Digital Delivery Center:** A solution development and project management office containing project managers, architects, subject matter experts, and a sourcing hub for digital solutions.
- **Digital Control Tower:** A facility to control the delivery of digital initiatives, grounded in the enterprise architecture of the shared business services and units within ADG.
- **Strategy and Digital PMO:** An office responsible for managing strategic and digital initiatives. It provides all the business units with human resources, processes, and tools needed for strategy design and deployment, and digital leadership.
- **Innovation and Sustainability Office:** The central unit that identifies key areas of innovation and sustainability, and explores partnerships with external innovation stakeholders. This office also identifies related innovation projects.

creating value in society, not just inventing a new device, process, or solution. Second, innovation is essentially a social process and requires the engagement of many stakeholders, especially when the focus is the development and deployment of sustainable solutions. Third, it is a complex and massive endeavor, not

a linear process, and it is important to disseminate a common language and frameworks for innovation management.

An important part of JIN's work, as Mr. Nishiguchi explained, has been devoted to advancing a global framework for innovation management systems, an effort that involved being a leading participant in the global multi-stakeholder effort to develop the ISO 56002 standard, released in 2019. The case illustrates the growing systematization of innovation processes — innovation is increasingly becoming more a science than an art. JIN's case supports the argument about the importance of cross-sector engagement.

The emphasis on collaborating across sectors is even more crucial for policy and national future-building initiatives. Mr. Jaime Alvarez commented on his experience at the Chilean National Innovation Council for Development (CNID), which was established to ignite new industries in the country. CNID initially addressed systemic issues affecting the economy and innovation, having more recently expanded its focus to include the identification of future growth priorities, working with public and private sector organizations to unveil different views on the future, build collective views, and develop joint initiatives. In addition to currently developing a new national strategy for innovation, CNID has recently worked across sectors and led the design of two novel, future-oriented initiatives: a center focused on disaster-resilient construction and urban design, and a world-class Antarctic Research Center that, among other things, will focus on climate change and sustainability.

The imperatives of sustainability, resiliency, and inclusiveness create opportunities to innovate and generate new value, as CNID's case displays. But building concrete initiatives like the ones highlighted in the example requires not just cross-sector collaboration, but active efforts to build collective views that frame existing systems and challenges in novel ways.

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 "What are the central challenges to get to an innovation that really is going to be transformative — that will not only get to scale, but also be transformative to an industry? One of the key things that we've looked at over the years is how the behavior of a team operates within the context of the challenge."

Mr. William Lese

Co-founder and Managing Partner, Braemar Energy Ventures

Prof. Ken Sloan further stressed the importance of cross-sector collaboration and leadership, highlighting the persisting need to increase the collaboration between universities, businesses, and government through research translation and implementation. An example of cross-sector collaboration and the explicit use of a novel perspective in a design effort is provided by the case of the Victorian Heart Hospital, a cardiac hospital built on Monash University's campus. The hospital acts as a pathway to improved cardiac healthcare by merging both research and innovative practices. The project has two fundamentally distinctive characteristics. First, the connection between researchers, clinicians,

Participants

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Mr. Jaime Alvarez

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Hosts

Dr. Roberto Alvarez

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and industry partners is all deliberate and built into the core foundations of the hospital. Second, its protocols were intentionally designed around the physiology of women, not men. Monash University took **intentional action to ensure that a novel approach would be followed, and all systems were collaboratively designed with that perspective from the beginning.**

Partnerships and a design perspective – that is, intentionality – are crucial to invigorating innovation and driving sustainability, resilience, and inclusiveness. A cross-national example is provided by JIN, which has set up a new open innovation platform, the Sustainable Development Goals (SDGs) holistic innovation platform, and partnered with the United Nations Development Program (UNDP) to use this platform to develop solutions for sustainable development problems presented by different countries. With funds provided by the Government of Japan, JIN is working with companies and other partners in countries such as Vietnam to solve sustainability challenges and to achieve SDGs. In the face of a challenge (e.g. plastic waste), JIN leverages the resources of the SDGs holistic innovation platform to develop a set of potential technical solutions and, on top of those, works with partners to create and validate a feasible business model. Again, this demonstrates the importance of ecosystem building and having frameworks for innovation.

Innovation is easier talked about than executed. Changing the status quo is a formidable task in any organization, economic system, or social setup; existing systems resist innovation. Leaders in the session shared a variety of examples and unanimously agreed on two crucial aspects to advance innovation and drive the Frame the Future future-defining criteria in practice. First, you need leadership, endurance, and a relentless commitment to change. Second, whatever the setting is (business, academia, or government), the odds of success are much higher with a lean, resourceful, and

"I think the fundamental nature of innovation activities is actually the fight against the existing system, because the existing system in many ways is based on assumptions that the system should be linear."

Mr. Hiro Nishiguchi
CEO, Japan Innovation Network

driven team running the initiative. In the end, innovation boils down to having the right team and empowering it.

Concluding the session, speakers mapped a series of areas for action and potential collaboration within the GFCC network and beyond, outlined in Box 2 on page 5. What is your take? What are your thoughts? Where are the big opportunities for innovation projects that could potentially impact the work and drive sustainability, resilience, and inclusiveness? We would love to hear from you. Join the conversation at community.thegfcc.org.

"We need to shift the view about clean growth. Today's environmental regulations are seen by many businesses and governments as roadblocks, as things that make things costlier, and hamper growth. But we are missing the big picture, a whole new emerging economy, growth opportunities related to renewable energies and biodiversity preservation."

Mr. Jaime Alvarez
Head of Future Studies and Anticipation Specialist,
National Council of Innovation for Development
(CNI)

Box 2. From Ideas to Action

An essential part of the Frame the future Innovation session was about identifying potential avenues for collaboration and action. Participants were invited to reflect on problems and challenges in which the GFCC community could focus on, catalyze innovation and make an impact. Here are some of the key ideas that emerged:

Gender and family violence

- Focus: use technology solutions to identify issues and changes in relationships, preventing conflicts and allowing for more constructive relationships, and a more inclusive and productive society.

Green finance

- Focus: foster collaborations between major corporations and institutional investors to address climate change and introduce innovation at scale to solve environmental problems like greenhouse gases.

Healthy and sustainable food

- Focus: accelerate the adoption of new techniques or technologies for sustainable and healthy food production, minimizing the use of chemicals and dangerous agricultural practices that negatively impact the general health of people.

Green growth

- Focus: systematize a body of knowledge on how to reduce regulations and barriers to clean growth, to lower the costs of going green and highlighting existing and future economic opportunities.

Shift the innovation conversation

- Focus: disseminate new innovation frameworks, catalyzing non-linear innovation thinking and activities to create real societal innovation at scale.