

CIO – Corporate innovation online

Innovation management best practices

Worksheet

Structures for enabling innovation – example from DSM¹

| Structures for enabling innovation – source; DSM/White & Partners | | | | In place at DSM |
|--|---|--|---|-----------------|
| Innovation Enabling Mechanisms | | Examples from DSM's Practices | | |
| Employee/stakeholder surveys relating to innovation/change | | | | |
| | The scope of the survey is not available but it is assumed that the survey would touch on matters at least related to innovation; such as communication, rewards etc. | 2011: % report up from first survey in 2007 | | x |
| Dedicated organization arrangements to spur innovation | | | | |
| | Use of technical, business and executive champions | | | ? |
| | Use of task forces | Multi-disciplinary teams | | x |
| | Use of venture teams | | | ? |
| | New venture division | DSM Venturing established. | Explores emerging markets and technologies. | x |
| | Business incubation | Innovation Centre works to establish new growth 'platforms'. | | x |
| | SBU proliferation | Not yet in common use | | |
| | New business development within SBU | Separate centers established. | | x |
| Acquisition/Divestiture | | | | |
| | Strategic acquisition | 10 partnerships and acquisitions in addition to Sinochem and Martek | | x |
| | Spin-off | JV on bio fuels global licensing | | x |
| | Spin-in | Not evident | | |
| Financial Mechanisms designed to spur innovation | | | | |
| | Corporate venture capital | DSM Venturing | | x |
| | R&D partnerships | Many examples | | x |
| | Licensing | Intention in bio fuels joint venture | | x |
| Technological structures designed to broaden and deepen innovation competencies | | | | |
| | Central R&D | Established an Innovation Centre at corporate level. | DSM has a corporate research program focused on development projects. | x |
| | Decentralized R&D | DSM is in the process of establishing centers in China and India. | | x |
| | Balanced R&D | So stated in annual report | | x |
| | Contract out | No evidence of total outsourcing related to innovation | | |
| Strategic alliances aimed at marrying internal with external competencies | | | | |
| | Joint venture | Worked with Crucell N.V. on breakthrough initiative. | | x |
| | Three-tier venture | Engagement in Biomedical – a public private partnership | | x |
| | Supplier partnerships | | | ? |
| | Customer partnerships | DSM Dyneema with Badinotti | | x |
| | Union partnerships | Perhaps not relevant given European model | | |
| | Privileged relationship; with a source of technology | Dupont, POET | | x |
| | Government-sponsored venture | | | ? |
| Corporate governance and innovation values aimed at spurring innovation | | | | |
| | Outside advisory group | Governance follows classic structure | No outside innovation group | |
| | Strengthened Board role re innovation – Board Committee | No change evident re innovation | | |
| | CIO role | Was evident in 2008 | May not now be present? | ? |
| | Corporate value re-orientation | Development of 'Vision 2010' – set out in 2005, commitment to innovation. | DSM should become 'intrinsically innovative' | x |
| | Customer viewpoint | Business groups' focus | | x |
| | Idea generation management | Implemented a project-management approach dedicated to innovation. | | x |
| | Measuring innovation | Adopted % new product sales as main measure. | DSM uses a tool developed by an external consulting group. | x |
| | Incentives/rewards for innovators | Not evident for individuals. | | |
| | Open collaboration | Interaction with industry partners and technology thought leaders re Life Sciences and Materials Sciences. | | x |

¹ DSM is a Netherlands-based company. For further information, please see Mini-profiles on the web site