

Exploration of Barriers and Challenges to Innovation Process for SMEs: Possibilities to Promote Cooperation Between Scientific and Business Institutions to Address it

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Abstract : Significance of the study is outlined through current strategic management challenges faced by SMEs. First, innovation is recognized as competitive advantage in the market, having ever changing market conditions. It is of constant interest from both practitioners and academics to capture and capitalize on business opportunities or mitigate the foreseen risks. Secondly, it is recognized that integrated system is needed for proper implementation of innovation process, especially during the period of business incubation, associated with relatively high risks of new product failure. Finally, ability to successfully commercialize innovations leads to tangible business results that allow to grow organizations further. This is particularly relevant to SMEs due to limited structures, resources, or capabilities. Cooperation between scientific and business institutions could be a tool of mutual interest to observe, address, and further develop innovations during the incubation period, which is the most demanding and challenging during the innovation process. Material aims to address the following problematics: i) indicate the major barriers and challenges in innovation process that SMEs are facing, ii) outline the possibilities for these barriers and challenges to be addressed by cooperation between scientific and business institutions. Basis for this research is stage-by-stage integrated innovation management process which presents existing challenges and needed aid in operational decision making. The stage-by-stage innovation management process exploration highlights relevant research opportunities that have high practical relevance in the field. It is expected to reveal the possibility for business incubation programs that could combine interest from both - practices and academia. Methodology. Scientific meta-analysis of to-date scientific literature that explores innovation process. Research model is built on the combination of stage-gate model and lean six sigma approach. It outlines the following steps: i) pre-incubation (discovery and screening), ii) incubation (scoping, planning, development, and testing), and iii) post-incubation (launch and commercialization) periods. Empirical quantitative research is conducted to address barriers and challenges related to innovation process among SMEs that limits innovations from successful launch and commercialization and allows to identify potential areas for cooperation between scientific and business institutions. Research sample, high level decision makers representing trading SMEs, are approached with structured survey based on the research model to investigate the challenges associated with each of the innovation management step. Expected findings. First, the current business challenges in the innovation process are revealed. It will outline strengths and weaknesses of innovation management practices and systems across SMEs. Secondly, it will present material for relevant business case investigation for scholars to serve as future research directions. It will contribute to a better understanding of quality innovation management systems. Third, it will contribute to the understanding the need for business incubation systems for mutual contribution from practices and academia. It can increase relevance and adaptation of business research.

Keywords : cooperation between scientific and business institutions, innovation barriers and challenges, innovation measure, innovation process, SMEs

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