

IOP: a project research dealing with the SMEs' innovation potential!

The IREG research laboratory located in Savoie Mont-Blanc University and the HEG of Geneva have been working together since October 2018 and until March 2021 on the research project “SMEs' Open Innovation dedicated to cross-border forecasting in the social and digital economies”. This Franco-Swiss research project focuses on the innovation process set up by SMEs from both economies which are meaningful for the society and currently in full expansion. Resources mobilized internally and externally by these PME are analyzed. This project is supported by the INTERREG program and by about twenty economic agents located in the Haute-Savoie department, the cantons of Geneva and Vaud. All partners are implicated in innovations issues.



A purpose for cross-border SMEs and much more

The IOP project consists of three WP (“Work Package”) aiming to better understand SMEs' innovation and cooperation modes. A qualitative research has been conducted based on the cases of twelve SMES – 6 French and 6 Swiss enterprises with an equal distribution between the social and the digital economies – to understand their collaboration's and open innovation's processes in two stages:

- First, by analyzing the levers and barriers SMEs encounter when collaboratively innovating (WP1),
- Second, by analyzing and identifying their innovation trajectories focusing on their business model from the creation of the enterprise to present (WP2).

These two first stages support the final objective of this academic research, that is to say the implementation of a collaborative forecasting platform (WP3) connected to the mere innovation experience of SMEs in the social and digital economies. Its aim is to foster the development of open innovation projects on the cross-border area.

Project progresses and its first results

A feedback session took place on 17 October 2019 in the HEG of Geneva with project's partners and interviewed professionals. French and Swiss leaders Romain Gandia and Catherine Equey presented the WP1 results. From January to June 2019, research teams have interviewed about thirty professionals in the twelve selected SMEs to identify the levers and barriers to open innovation they encounter. Researchers highlighted two significant results on specific features and the levers and barriers to open innovation in the studied SMEs.

The specific features of open innovation in the studied SMEs

Social impact is at the core of the SMEs from the social economy. Innovation is naturally open and the ecosystem is key to organizing their activities. First, these SMEs are innovative in regard to their business and management models as well as the services they provide. In the SMEs from the digital economy, the strategic goal is economic growth, which allows the development of technological, product and services innovations. Hence, openness focuses on specific actors and has to help fulfilling

a special need. The practice of open innovation in such SMEs is essentially about getting elements from the outside so as to foster their internal innovation and R&D capacity.

The levers and barriers to open innovation in the studied SMEs

There are common levers and barriers in the studied SMEs from both economies. Even though it is used in a different way between these two economies, network is a common lever, especially for the sharing of internal or external knowledge. The quality of human resources is also a common lever. In order to openly innovate, these SMEs face financial barriers such as a lack of funds, resources or time, which directly impact their strategic goals. The results of this study also show that there are specific levers and barriers to open innovation depending on the economy. In the social economy, SMEs' culture relies on common values and beliefs that are shared with their collaborators and partners with whom they co-construct innovations. However, the main barriers hindering their open innovation potential are the tensions between social and economic goals. SMEs from the digital economy work in collaboration with user communities in order to test their product or service before bringing them to market. Nevertheless, there is a great risk capital and, since some products are highly technical, digital SMEs often face difficulties due to their lack of technical expertise.

Since March 2020, the French and Swiss research teams started new interviews with leaders, collaborators and partners from 12 SMEs in order to better understand and identify the evolutions of their business models' trajectories, from their creation to the present. Meanwhile, the research teams and their partners are working on the project of the future forecasting platform.