

Open Innovation in Small and Medium Size Enterprises-Perspective from Virtual Collaboration

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Abstract

Open innovation is a growing concern in today's manufacturing industries, especially within small and medium size enterprises (SMEs). Due to the resource scarcity, SMEs need to be collaborated with the objective to share knowledge and expertise to develop innovative product, which lead them to become more competitive in market segment. In this research study, generic concept and a novel framework on open innovation are elaborated. In addition, a methodological guideline to form and execute a collaborative business network is proposed. The framework and the methodological guidelines are presented to facilitate an open innovation management within the collaborative partner industries. Moreover, associated factors to manage a successful business network with open innovation are also identified along with possible challenges. Finally, within the scope of this research study, a case business network is presented, where the concept of open innovation is orchestrated within the partner organizations via web-enabled communication portal.

Keywords: open innovation, virtual business network, SMEs, methodology, framework, case business network

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