



BUSINESS PLAN

CEN/TC 389

INNOVATION MANAGEMENT

EXECUTIVE SUMMARY

Business environment

EU considers innovation as a key issue, in order to maintain the European competitiveness in the global market and to create growth, employment and sustainability. This interest is evidenced by many political statements and the creation of several promotion instruments and programmes. Furthermore, the EC Communication (2008) 133 “Towards an increased contribution from standardization to innovation in Europe”, explicitly highlights that standardization must strengthen its role in support of innovation and competitiveness.

CEN considers innovation as a key objective as well, promoting standardization as a mean to support a culture of innovation in Europe. 15 national standards related with innovation management were published in Europe before 2008. CEN and CENELEC had created a strategic working group CEN/CENELEC BT Working Group “STAndardization, Innovation and Research”– STAIR and expanded the network of national Research, Development and Innovation Correspondents (known as RDI-COR) to include 31 national contact points covering 26 countries. A specific technical body was also created in 2009, CEN/TC 389 specifically focused on “Innovation Management”.

Benefits

In order to achieve the sustainable long term success, organizations need to ensure a steady flow of innovation, and therefore they have to continually and systematically manage all the aspects fostering the innovation capabilities (strategy and culture, leadership, organizational structures and processes, continuous revision and improvement, etc.) as well as all the necessary tools and techniques which will support innovation activities (creativity, strategic intelligence, collaboration, intellectual property, etc.).

Documents elaborated by this CEN/TC will help to reach this objective to all types of organizations, regardless of their size and activity, creating value for them and for their relevant stakeholders.

Due to the wide consideration by this CEN/TC of all kinds of innovation (including technology and non technology innovation, as stated in the Oslo Manual, 2005), the range of interested stakeholders includes almost all the sectors of public and private activities.

Priorities

The priority CEN/TC 389 ‘Innovation Management’ is standardization of a widely applicable innovation management system and the related tools and techniques which will support innovation activities.

1 BUSINESS ENVIRONMENT OF THE CEN/TC

1.1 Description of the Business Environment

The European Union is working to move decisively beyond the crisis and create the conditions for a more competitive economy with higher employment rate.

The Europe 2020 strategy is about delivering growth that is smart, through more effective investments in education, research and innovation; sustainable, thanks to a decisive move towards a low-carbon economy; and inclusive, with a strong emphasis on job creation and poverty reduction. The strategy is focused on five ambitious goals in the areas of employment, innovation, education, poverty reduction and climate/energy.

Europe 2020 Innovation Union flagship initiative was launched by the European Commission in October 2010 aiming to improve Europe's innovation performance.

Europe and its Member States and regions need to act together in partnership to help innovation flourish. While Member States can, for example, change their education systems to foster a more qualified work-force, the EU has a role to play in terms of coordinating the actions put forward in the Innovation Union initiative to make sure things dovetail well.

On the one hand, Europe has world-class researchers, entrepreneurs and companies, as well as the unique strength of its values, creativity and diversity. On the other hand, Europe's research and innovation performance needs to be boosted to master the many challenges ahead and keep its place in a fast-changing world. However, despite many achievements and a high level of performance in a large number of fields, Europe is not making the most of its innovation potential and resources, and urgently needs a strengthened capacity to generate knowledge and translate such knowledge into economic and social value and growth.

Some fields of improvement recognized by the Innovation Union initiative are:

- Reach an internal market for innovation.
- Ensure territorial and social cohesion throughout Europe.
- Pool resources in research and innovation.

As the biggest EU Research and Innovation programme ever with nearly €80 billion of funding available over 7 years (2014 to 2020) – Horizon 2020 is the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative aimed at securing Europe's global competitiveness. Seen as a mean to drive economic growth and create jobs, Horizon 2020 has the political backing of Europe's leaders and the Members of the European Parliament. They agreed that research is an investment in our future and so put it at the heart of the EU's blueprint for smart, sustainable and inclusive growth and jobs. Consequently, Horizon 2020 is much more focused in innovation and market uptake than all the former European Framework Programmes. Horizon 2020 will stimulate Europe's economic growth, generating 0.5 % of extra GDP by 2020 and 1 % by 2030; enhance EU competitiveness (increasing export by just under 1%) and employment by 0.2%

1.2 Quantitative Indicators of the Business Environment

Overall, the EU annual average growth rate of innovation performance reached 1,6% over the analysed five-year period 2008-2012.

Europe is facing a situation of 'innovation emergency'. Europe is spending 0,8% of GDP less than the US and 1,5% less than Japan every year on Research & Development (R&D). Thousands of

researchers and innovators have moved to countries where conditions are more favorable. Although the EU market is the largest in the world, it remains fragmented and not innovation-friendly enough. And other countries like China and South Korea are catching up fast.

Europe's global economic ranking is changing rapidly. By 2050, Europe's share of world GDP is likely to be half of today's 29%. So far, Europe has been able to keep its share of world exports (20%), and in that respect our performance is better than that of other advanced economies. But China, India and Brazil, among others, have started to catch up with the EU by improving their economic performance faster than the EU has, year-on-year, over the last five years.

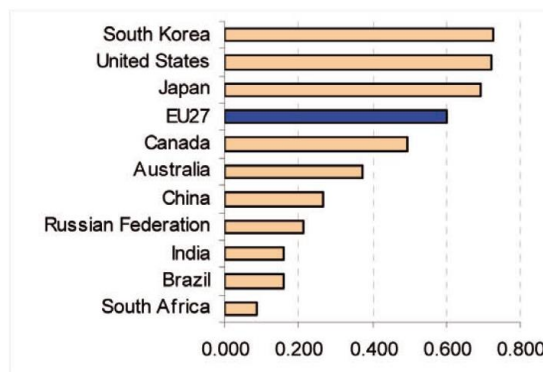


Figure 1: EU27 innovation performance compared to main competitors (source: Innovation Union Scoreboard 2013)

Internally, there is a wide range of performance levels between the different countries. Furthermore, the overall process of convergence seen up until 2011 is followed by increasing differences in Member States' innovation performance in 2012. The divergence in 2012 is the result of the fact that innovation performance has declined for almost half of the Moderate and Modest innovators whereas it keeps improving for all Innovation leaders and Innovation followers. Already last year these were signs of a slowing down of the convergence process as shown by a much smaller reduction in this spread in performance from 2010 to 2011 as compared to previous years.

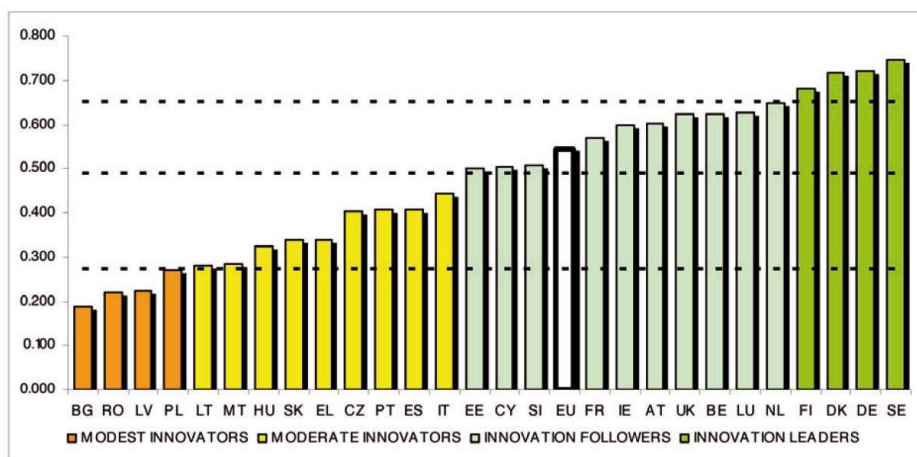


Figure 2: EU27 Member States' innovation performance
(source: Innovation Union Scoreboard 2013)

Regarding the future, the targets set in the Europe 2020 strategy are:

1. Employment:
 - 75% of the 20-64 year-olds to be employed.
2. R&D:
 - 3% of the EU's GDP to be invested in R&D.
3. Climate change and energy sustainability:
 - greenhouse gas emissions 20% (or even 30%, if the conditions are right) lower than in 1990;
 - 20% of energy from renewables;
 - 20% increase in energy efficiency.
4. Education:
 - reducing the rates of early school leaving below 10%;
 - at least 40% of 30-34-year-olds completing third level education.
5. Fighting poverty and social exclusion:
 - at least 20 million fewer people in or at risk of poverty and social exclusion.

Many of these objectives can and should be met by innovative means. These targets are interrelated and mutually reinforcing:

- educational improvements will help employability and reduce poverty;
- more R&D/innovation in the economy, combined with more efficient resources, will make Europe more competitive and creates jobs;
- investing in cleaner technologies will combat climate change while creating new business/job opportunities.

The forecasts of the Innovation Union include that, for example, achieving the target of investing 3% of EU GDP in R&D by 2020 would create 3,7 million jobs and increase annual GDP by €795 billion by 2025.

2 BENEFITS EXPECTED FROM THE WORK OF THE CEN/TC

Development of common European tools for innovation management aim to support the overcoming of the weaknesses identified by the Innovation Union, helping to facilitate the creation of a European market for innovation, smoothing territorial and social cohesion throughout Europe, facilitating the pool of resources in research and innovation and promoting the creation of a collaborative community.

Not only a growth in innovation effort is required, but also a strengthening of the quality and efficiency of that innovation. In order to achieve the sustainable success, organizations need to ensure a more systematic approach to innovation, and therefore they have to continually and systematically manage all the aspects fostering the innovation capabilities.

Innovation management standards can be a way to create awareness on the importance of the required effort and promote the growth of an innovation culture that could make this effort easier. The documents developed by this TC are intended to be useful for all types of organizations, large or small, whatever its product or service, in any sector of activity, being private or public. They provide a framework for innovation that will support those organizations creating new products, services, business models, processes and organizational structures over the longer term. The overall objective is to provide a set of tools, methods, approaches, processes, to facilitate the realization of innovation management, in order to improve the competitiveness of European organizations, to enable the emergence of unidentified innovation, and to optimize the results of the innovation efforts.

Implementing an innovation management system provides several concrete benefits to an organisation, for example:

- enhances growth, revenues and profit from innovations;
- brings fresh thinking and new value to the organisation;
- proactively captures value from better understanding of future market needs and possibilities;
- helps identify and mitigate risks;
- taps into the collective creativity and intelligence of the organisation;
- captures value from collaborating with partners for innovation;
- motivates employee involvement in the organisation and fosters teamwork and collaboration;

Due to the horizontal approach of this CEN/TC, a wide range of European stakeholders are involved, covering all sectors of economic activities and many different professional capabilities inside much different kinds of organizations.

3 PARTICIPATION IN THE CEN/TC

All the CEN national members are entitled to nominate delegates to CEN Technical Committees and experts to Working Groups, ensuring a balance of all interested parties. Participation as observers of recognized European or international organizations is also possible under certain conditions (CEN-CENELEC Guide 25 “The concept of Partnership with European Organizations and other stakeholders”).

To participate in the activities of this CEN/TC or have access to its publications, please contact the national standards organization in your country. A complete list of such organizations in Europe can be found at <http://www.cen.eu/cenorm/members/national+members/index.asp>.

4 OBJECTIVES OF THE CEN/TC AND STRATEGIES FOR THEIR ACHIEVEMENT

4.1 Defined objectives of the CEN/TC

The Scope of the TC is:

‘The standardization of tools, methods, approaches, processes, that allows companies and organizations to establish and develop their innovation management, including all kinds of innovation and all the related aspects, as well as the relations with R&D activities and with other innovation drivers.’

The objective of this TC is to elaborate CEN deliverables to cover the general innovation management frame shown in Figure 3. The first family of deliverables is being published as complementary parts of a Technical Specification, under the common code CEN/TS 16555, Parts 1 to 7.

The documents must be useful for all types of organizations, regardless of their size and activity, along the wide range of innovation maturity levels present across Europe.

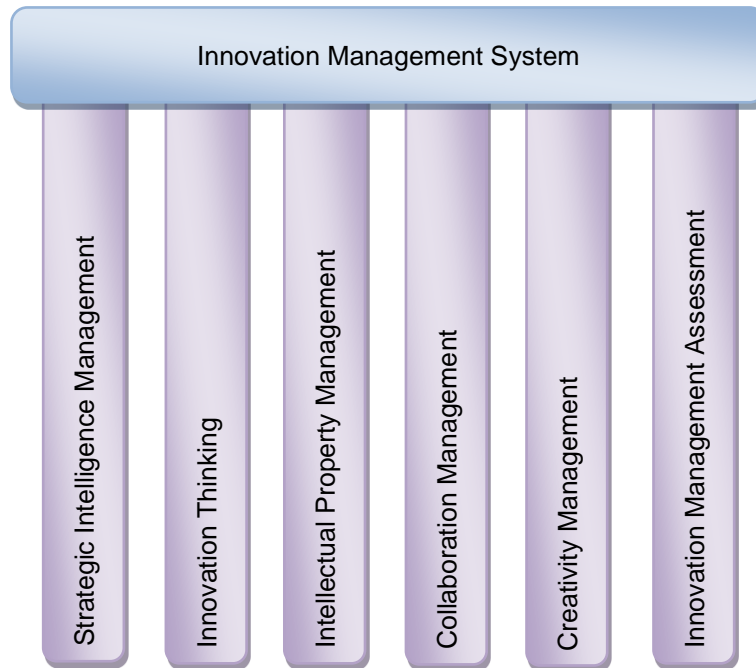


Figure 3: Structure of deliverables of CEN/TC 389

4.2 Identified strategies to achieve the CEN/TC defined objectives.

The work of development of the CEN/TC 389 deliverables is being done in several Working Groups which develop the guidelines given by the plenary TC. Different internal stages of comments both in the WGs and in the plenary TC are performed to ensure the consensus and the compatibility of the documents, until the final drafts are agreed and approved.

The present internal structure of Working Groups is the following:

- WG 1: Collaboration and Creativity management
- WG 2: Innovation Management System
- WG 3: Innovation Management Assessment
- WG 4: Innovation Thinking
- WG 5: Intellectual Property Management
- WG 6: Strategic Intelligence Management

Since the creation of the ISO/TC 279 in 2013, the need was identified to unify efforts. A liaison was approved by CEN/TC 389 and the same was ratified by ISO/TC 279 in its first meeting. Furthermore, in that first meeting, the ISO/TC agreed to change its title to "Innovation

management”, its scope to “Standardization of terminology, tools, methods and interactions between relevant parties to enable innovation”, and took the following resolution: “ISO/TC 279 requests to build on the experience and to take into account the outcomes from the CEN/TC 389 and other countries”. This way, the global relevance of the documents of CEN/TC 389 was recognized.

5 FACTORS AFFECTING COMPLETION AND IMPLEMENTATION OF THE CEN/TC WORK PROGRAMME

The development of the initial CEN/TC 389 work programme is about to be completed, and for future work items consideration shall be taken about the progress of the works of ISO/TC 279.

It will be necessary to monitor and get feedback about the actual implementation of the CEN/TS 16555 family of documents, to evaluate its accuracy and needs for further updating and amendment. This monitoring should be made through the information held by the national and European standardization bodies, the national mirror TCs and other European and national organizations related with innovation, research, SMEs, etc.