



World Association for
Sustainable Development

Disruptive Innovation in SMEs for Economic Development and Sustainability: The Key Role of Knowledge and Invention Management.

*As a proposal with Dr Allam Ahmed
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Three Issues

- Globalisation
- Networking
- Sustainability

Concept development for research grant



Background

- Globalisation, economic, and social changes, and increased competition have affected the current business environment by changing the role of knowledge, innovation, and creativity everyday life
- Although Knowledge Management (KM) is usually explored separately from creativity and innovation
- But concepts are closely related and in practice reinforce each other.
- Connecting KM to innovation and creativity management in the examination of the knowledge management impact on innovation performance of organizations.
- In adding, this practice makes it possible to examine how creativity and invention can be used to increase the efficiency of knowledge management for SME`s.



Introduction

- All innovation involves uncertainty and this is particularly true of disruptive innovation.
- Disruptive innovations often arise only as the advancement of science and technology intersects with evolving markets to create previously unimagined opportunities.
- Small businesses (fewer than 50 employees) account for 97% of the total number of enterprises in Europe and generate 50% of Europe's employment and have the ability to grow faster than large corporations.



What is disruptive

- ***Disruptive*** – Introduction of completely new approaches that have the potential to create a new industry or transform an existing one



The Innovator's Dilemma

- *The Innovator's Dilemma: A company which is in an existing business and listening to its existing customers feels that there is no need for anything new.*
- Should it invest its money to
 - make new products that its best customers can use and that would improve the company's profit margins or
 - invest its money to create worse products that none of its customers can use, that would smash its profit margins.
 - Sustaining technologies – meet the needs of customers today and the ones who are paying
 - Disruptive technologies – come from innovators who keep improving the product performance till it comes to the open market

Contemporary Business and Management Issues

Leadership

Ethics

Diversity

People management

Talent management
and knowledge
management

Globalisation

Environment

Communication and
Emerging Technology

A TOPICAL ISSUE: DISRUPTIVE INNOVATION

McKinsey report:

1. Mobile Internet
2. Automation of knowledge work
3. The Internet of Things
4. Cloud technology
5. Advanced robotics
6. Next-generation genomics
7. Autonomous and near-autonomous vehicles
8. Energy storage
9. 3D printing
10. Advanced materials
11. Advanced oil and gas exploration and recovery
12. Renewable energy

Con ..

Examples of disruptive technology

<https://www.uber.com/>

<https://www.airbnb.co.uk/>

- “**Technology** will disrupt every facet of every job,” says Chamath Palihapitiya, the former Facebook executive.
- **Three technologies to watch**
 - 1) sensor networks
 - 2) automated transportation
 - 3) big data

Building Innovation Management capacity in SME's

- Innovation can be a key differentiator between market leaders and their competitors.
- On a grander scale Innovation also helps in the positive development of the country, society at large and environment which makes it all possible.
- Innovation must form a key part of business vision and strategy.

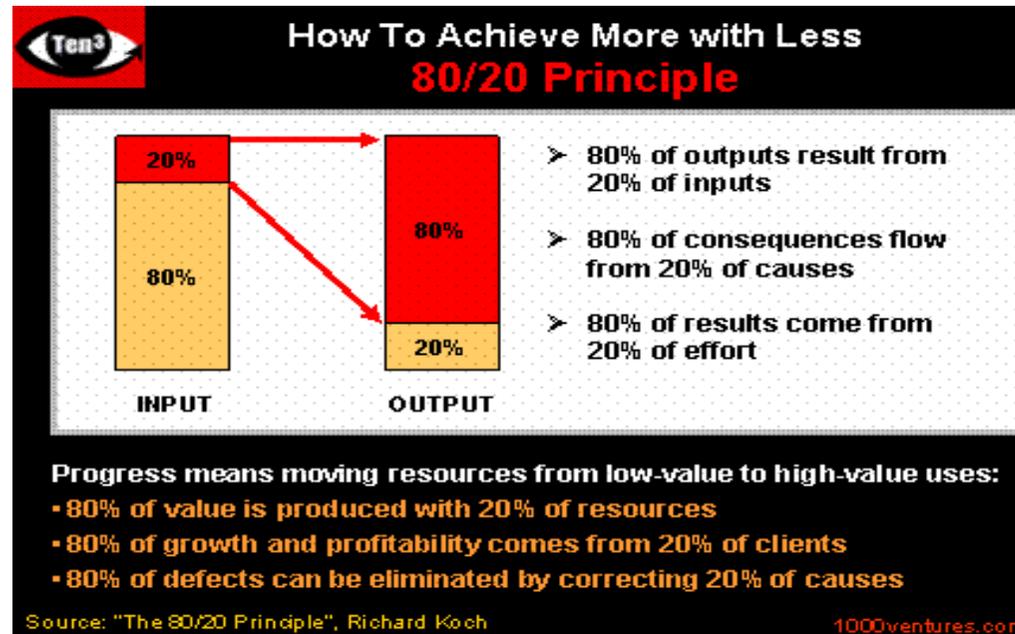
Structured Innovation management in SMEs

- **Technology Push**, typically associated with new technologies and technical Research and Development (R&D).
- **Market Pull**, typically created in response to an identified market hidden need.

The Technology Industry



80/20 Rule



- Innovation is absolutely critical to future competitive advantage and it can be easier by considering the following ideas:
- 80% of value perceived by customers relates to 20% of what your organization does
- 80% of the benefit from any product or service can be provided at 20% of the cost
- 80% of the profits made in your industry are made by 20% of firms.
- **If you are not one of these, what are they doing right that you're not?**



Conclusion

- We are planning to outlined three key elements underpinning this proposal:
 - a. For businesses and particularly SME's the adoption of best practice in innovation management with there invention
 - b. Key to communicating this message is the development of a practical 'know_how_to' toolkit that must be co-created with SMEs to ensure its relevancy
 - c. Making the vast volume of innovation data for SME