It is almost a decade since open innovation became a buzzword in the management literature on innovation. Open innovation emphasises the benefits to be had from searching beyond the company ramparts for new ideas, relevant cooperation partners and alternative ways of making money from innovation. Several tendencies have enhanced this process: universities have become mature players in the economic system and, in commercialising their scientific output, operate increasingly as entrepreneurial entities; the standard of education has risen significantly around the world, globalising the search radius for skilled labour; the greater availability of venture capital has stimulated start-ups and spin-offs because it allows ideas to be commercialised. These tendencies have led to an abundance of useful knowledge beyond the company walls. At the same time, it is increasingly common for firms with innovations in the pipeline to seek to commercialise them outside the company.

Though open innovation is quite a business-driven phenomenon, it would be short-sighted to ignore its importance to science, technology and innovation policy. The OECD Working Party on Innovation and Technology Policy (TIP) commenced a project on “Globalisation and open innovation” in 2006, drawing to some extent on earlier OECD work on the internationalisation of R&D. The Belgian Science Policy Office participated enthusiastically in both projects and this resulted in the bringing-together of two key dimensions of firm innovation strategy: the internationalisation of R&D and increasing openness in innovation. The main consequence of these broad tendencies is that national innovation policies can no longer be designed purely in the context of geographically-bound, knowledge-based activities or of vertically-integrated value chains in business. The main lesson that was learned from these projects was the need to synchronise public policies with today’s open innovation management by creating favourable framework conditions.

Although much is written about open innovation it has not acquired the status of formal theory, because it is built on gradual improvements in our understanding of its constituent elements. From a small open economy
perspective this book addresses four important issues deserving of further attention within the stream of open innovation literature: the inclusion of company heterogeneity so as to understand differences in company behaviour when it comes to open innovation; the relationship between public funding and a firm's innovation networking behaviour; the impact of R&D outsourcing on internal R&D activities; and the role of human resources in the process of deciding how to engage in open innovation practices. This book is a collection of empirical essays authored in recent years to address the need to better understand open innovation in these four areas. They are founded on official micro-level data on innovation and R&D, most of which was collected in Belgium through surveys by the Federal Cooperation Commission on Statistics (CFS/STAT). The essays in this volume can be considered as a source of inspiration and reflection on open innovation management at both corporate and policy-making level.

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