

Sustainability Linked to Innovations - Creating New Approaches through Innovations

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Sustainability, CO₂ neutrality is fundamental for the mid and long-term future of humankind. However, triggered by policy makers it generates different level of challenges for different industries. Manufacturing companies in the field of chemical industry are about to define and create roadmaps how to convert their production to fulfil upcoming legal directives to keep their competitiveness.

Adoption is different depending what kind of technological possibilities and limitations are available, and the ripe of the technology is there for the processes.

Glass industry is a good and feasible example to introduce industry specific challenges and how it is being addressed via redesigning, improving the innovation process itself.

Top management has realized that in order to increase the chance of successful design and execution is worth to invest into improving the overall innovation capability of the organization.

Therefore, a program has been carried out, implemented which is addressing to understand the current innovation capability of the organization and identify areas of improvement to address – among others – sustainability related topics as well.

The following article will address the process how this innovation management improvement has been carried out.

Keywords: industry, innovation, sustainability, management, glass production

JEL codes: L16, L61, O30, M11

GOAL: a newly developed playbook, supporting changing capabilities and tools. The playbook also helped to create an eco-system within the global organization and their worldwide clients.

Value through the Innovation Approach

Value Roles

Incumbents in traditional industries have created systems of control that enabled them to maximize the use of their core assets. Structured approaches and streamlined processes offer stability, but require centralized command and formal communication. For large projects and complex products, that thrive on continuity, this is great. The counterpart is a much more organic approach, offering decentralized structures, pushed down into the organization and informal ways of working. Much needed when markets are volatile or business is slowing down. Sawhney call this the Governance dimension: structured vs organic.

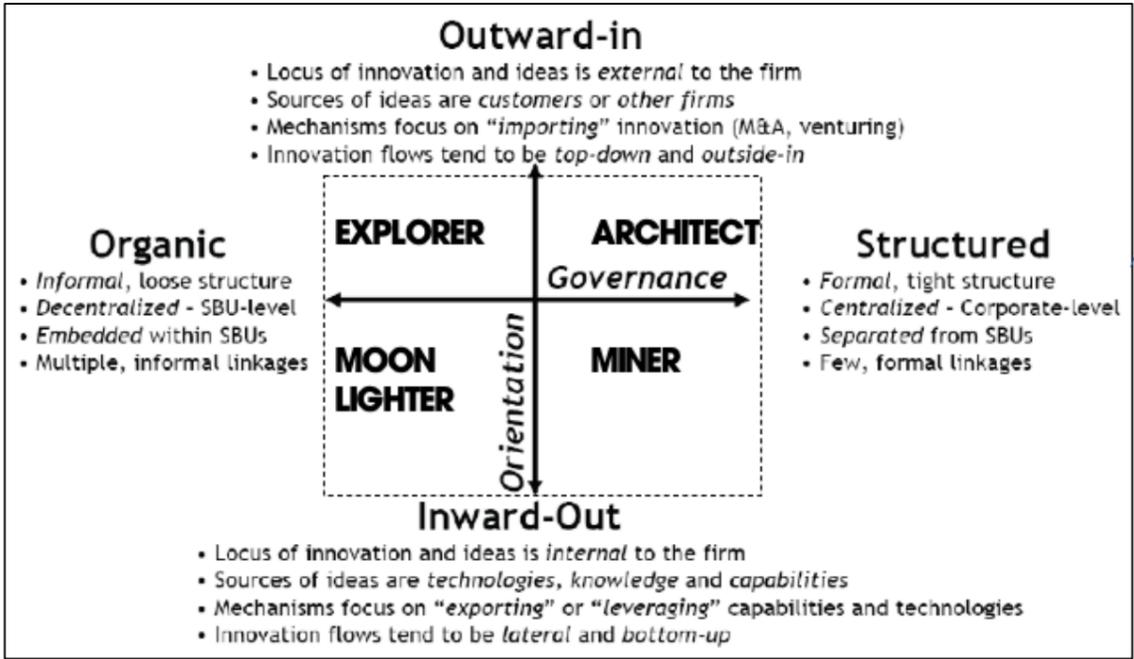
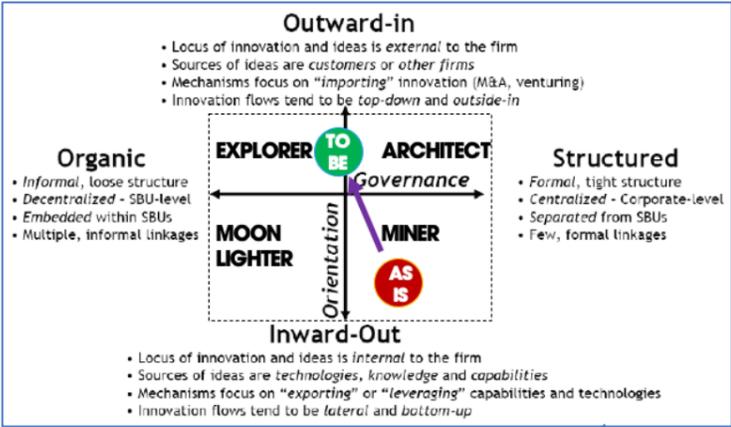


Figure 1: M. Sawhney, Business Innovation Approaches

Value Disciplines

With a new approach to innovation value has not been created or captured yet. The Value Disciplines (Treacy & Wiersema, 2013) describe 3 distinct ways to value: operational excellence, product leadership and customer intimacy. In Operational Excellence, a company tries to optimize its operational processes. By optimizing the processes, a company is able to keep costs as low as possible. From purchasing to logistics. All processes are optimized to ultimately reduce costs. This approach could be classified as being a 'Miner'. The product is central to Product Leadership. The company excels in this area, because they supply 'the best' product on the market. Quality is of paramount importance here. The customer can expect innovative products of high quality. At Customer Intimacy, the customer is central. This strategy is also known as customer partnership according to Treacy and Wiersema. The company is focused on building a long-term relationship with the customer, towards a loyal customer base.

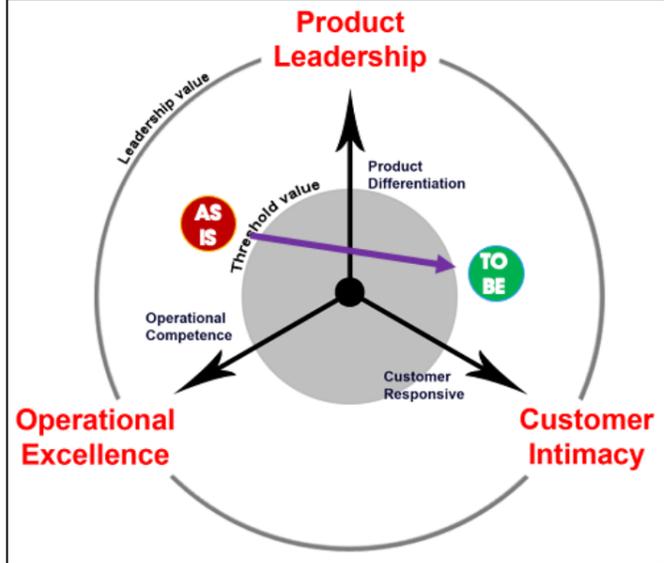
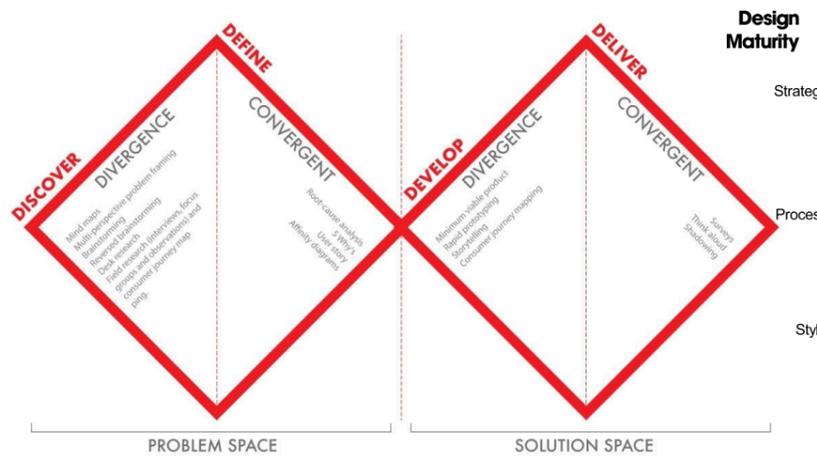


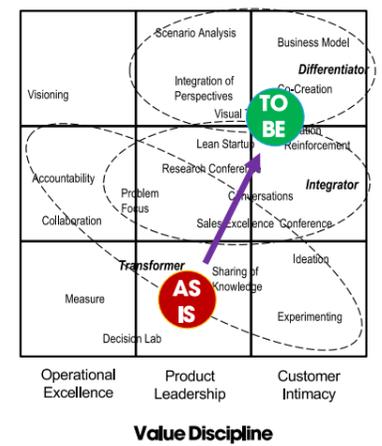
Figure 2: Value Disciplines - Tracy & Wiersema

Creating the Change

To counter the trend of sliding sales, profits and number of innovations the SBU set out along the line of 4 guiding strategic principles: better market understanding, better co-operation, revenue increase and value increase throughout the value chain.



Design Maturity



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