Co-Innovation Builder • Guide

General Introduction

ABOUT

The Co-Innovation Builder is a map to better set up and plan collaboration between Startups and Corporates (although, it can be applied to all kinds of organisations), and therefore being a compass to be followed along the way. It integrates three perspectives: the startup-side (left column), the corporate side (right column) and the collaboration (middle column). The guidebook at hand offers a concise description, guiding questions, do´s and don´ts as well as case to each building block in the form of a set card. Use the back of the set card to work on your specific case. Here are some hints before you start:

GUIDING QUESTIONS

- Whom do you involve when filling out the tool?

- Do you need a neutral person, some sort of facilitator?

- Are the parties equal or is one party dominant?

- Is your relationship aimed at a longer term partnership or a one-time project?

- What could be the label / name of the intended collaboration as your common identifier?

DO'S

1. Iterate. This is not an A-to-Z process management framework. This is a planning tool: a collaboration compass to achieve progress in the planning process and keep your project on track. Iterations are part of the process.

2. Modulate your language and rationale. Exploit your "bilingual" skills, either as a corporate or as a startup.

3. Adapt the tool to your needs, not vice versa. Some collaborations need a deep dive on different parts than others. Some collaborations involve more than two parties. Some collaborations need additional factors to consider.

DON'TS

1. Don't expect the tool to replace your own skills, experience and empathy. At the end of the day, collaboration involves human beings, their emotions and their interactions.

2. Don't forget to update your collaboration plan and make needed modifications to reach the goals. Changing one building block will affect others.

3. Don't forget to take into account the different ways and cultures of both parties, for example, typically, startups are more agile and short-term oriented than corporates. That's just fine and could be turned into an advantage.

CO-INNOVATION BUILDER

Collaboration:

Startup:

Corporate:

▶ Drivers	Drivers ▶
Deciders	Deciders
Contributors	Contributors
Resources	Resources
Returns	Returns

◎ Goal
Format
Outcomes
⚠ Risks
KPI & Milestones
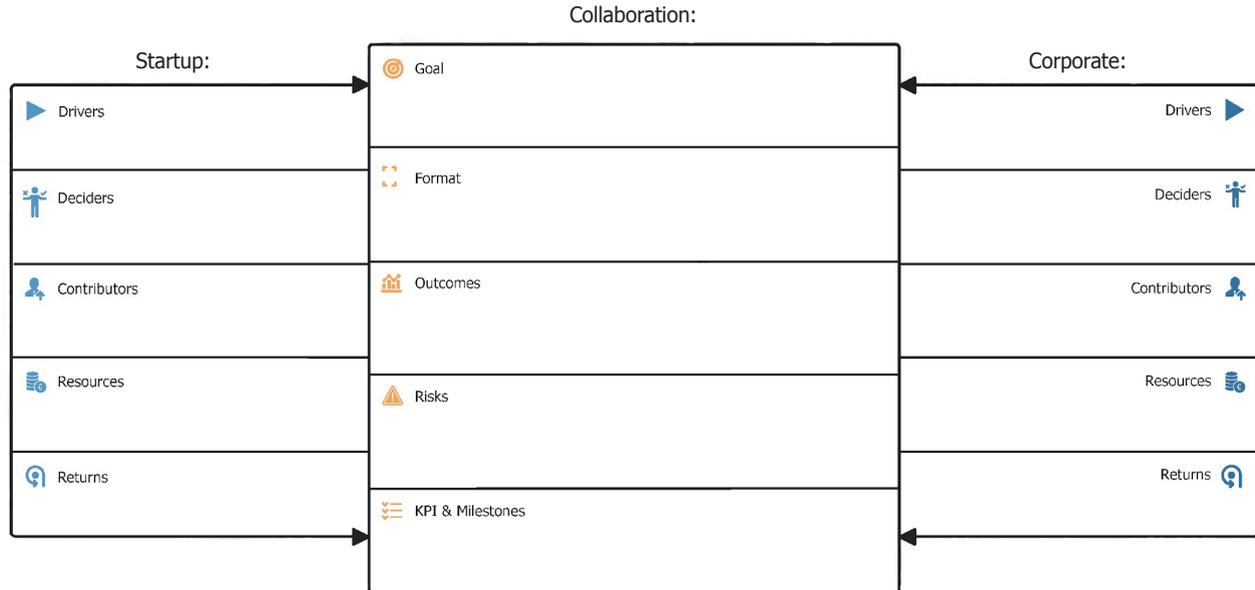
► **DRIVERS**

Spotlight// **Fluves (www.fluves.com)**
Thomas Van Hoestenberghe (Founder)

"One of the techniques that we developed was to measure the amount of sand on top of a cable for many kilometres long which was interesting for river management. Together with my co-founder who came from the offshore wind industry, we searched for a way of how we could enter this new market, which is quite averse to buying from startups. Our driver was to solve this problem in the most efficient way. We did it by cooperating with a large company already active in the offshore market."

ABOUT

Drivers constitute your main motivations behind the intention to collaborate.
Startups collaborate with corporates for the following main reasons:

- Boost revenues in order to be freed from the need to seek outside investments
- Enter new markets and acquire new customers
- Gain access to corporate assets such as data and new business opportunities
- Get market knowledge and mentoring
- Develop products and services

GUIDING QUESTIONS

- Which parts of your Business Model could profit most from a collaboration?
- What are my current weaknesses?
- What would you most need to grow?
- Which goals and objectives does the collaboration help you to achieve?
- How would an ideal collaboration look like for you?

DO'S

1. Focus on these parts of your business model where you currently experience a weakness.

2. Consider what contribution a corporate can make and make sure there is a clear business rationale behind the decision.

3. Be honest with yourself when filling out this component and, and with the corporate when discussing this.

DON'TS

1. Don't engage with a corporate if the collaboration is not relevant for you / not aligned with your strategy.

2. Don't allow the corporate to have you deviate from your core business.

3. Don't bend your resource allocation just to please the corporate.

DRIVERS

STARTUP

DECIDERS

Spotlight// **Sustainable Communication (www.sustainablecommunication.fi)**
Naomy Hyvönen (CEO)

"Our startup helps companies to be accountable to themselves, to stakeholders and to the public by supporting them to utilize their CSR assets.

Our drivers to collaborate with a corporate were to widen our customer base, but also to gain access to financing. Therefore, it was important to have a person from our side with strategic and budgetary decision-making power, which was me, as the CEO of the company."

ABOUT

Deciders are the key individuals within your company who have the strategic and budgetary decision-making power, i.e., to take major strategic decisions, to allocate financial resources etc. Within a startup, the decider is typically the founder/co-founder or the CEO.

GUIDING QUESTIONS

- Who are the decision makers in your startup? How are board members and investors involved?

- Who will be your frontman, the face of this collaboration when dealing with the corporate partner?

- Should you involve individuals from your firm who have no decision making power but much expertise in the subject matter or prior experience on similar projects?

- How does the decision-making process take place / look like in your company?

- How do you make sure you (and the decision-maker) understand the inherent needs and desires of the corporate decider you are talking to? Do your research: check the corporate's website and the decision-maker's LinkedIn to make sure that you are setting up a collaboration with the right person.

DOS

1. Make sure your decision-making process is clear to you, to your co-deciders and the corporate. Establish a lean and transparent process allowing you to learn.

2. Make sure that your person responsible for communicating with the corporate partner is excellent at communication skills, relationship management and preferably not new to the corporate culture.

3. Build a relationship with the decider, so that she / he is interested in driving the collaboration and making the most of it. Make sure that, whatever happens, the decider stays in the loop.

DON'TS

1. Don't engage in a collaboration if the stakeholder you are dealing with is not a decider, if she / he is not in the loop and you do not have the possibility to regularly check in with her / him.

2. Don't underestimate the human factor: there can be various reasons why a person may not want the collaboration to be a success e.g., co-innovation may not be part of her / his functions, the person may believe that your solution is not worthwhile her / his time or that collaborating with startups is a loss of time.

3. Don't give up if it proves too difficult to identify / involve the decider within the collaboration process, difficult does not mean impossible. This will definitely pay off.

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corporate
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DECIDERS

STARTUP

WRITE DOWN YOUR DECIDERS HERE:
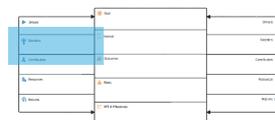
CONTRIBUTORS

Spotlight// **CO2Logic**
(www.co2logic.com/en)
Antoine Geerinckx (Founder)

"Belfius, a bank and insurance company, became the first major bank in Belgium to be certified CO2 Neutral by partnering with CO2Logic. Belfius and CO2logic work together to provide "green loans" to corporates that want to further reduce their CO2 emissions by investing in energy efficiency, renewable energies or more sustainable raw materials. From our side, we are a few people working on the project. It is real teamwork. When defining the roles of contributors, we made sure that we can respond to the demand for carbon footprints and CO2 reduction advisory. Therefore, we assigned team members with vast experience of the required climate action steps to reach CO2-Neutrality or Net Zero Emissions."

ABOUT

Contributors are the stakeholders within or outside of your startup who are not the decision-makers, yet who will contribute to the collaboration.

GUIDING QUESTIONS

- Who are the persons who will contribute, directly or indirectly, to the collaboration?

- Are these contributors the right ones for the collaboration to succeed? How do you know this?

- What is the role of each contributor?

- What are the essential skills of each contributor that will add value to the collaboration?

- Do you and they speak the corporate language and understand the different organizational culture and processes?

DOS

1. Set up your team of internal champions who will contribute to the collaboration. Choose wisely and strategically. Each contributor should bring specific resources and capabilities to the collaboration.

2. Differentiate between internal (e.g., team members) and external contributors (e.g., suppliers). Decide who will be visible and interact with the corporate, who will be the contributor (s) involved in the communication process.

3. Lay down ground rules of involvement and communication for your internal and external contributors. Daily actions, working groups, meetings (live or online), reporting: establish the format, frequency, contributors involved, etc.

DON'TS

1. Don't involve internal contributors just to make your team bigger.

2. Don't engage contributors without making sure they understand how their contribution will make a difference to the collaboration.

3. Don't make external contributors visible before having agreed on / signed a service contract with terms and conditions.

CONTRIBUTORS

STARTUP

RESOURCES

**Spotlight// Geckomatics
(geckomatics.com)**
Bert Cattoor (CEO)

"Geckomatics develops AI based mobile mapping systems. We started to collaborate with established organisations to get customer references, to generate revenues, and most importantly to learn from the customer in terms of what they expect from our product, how they tend to use it, what kind of price we could charge.

Our main resource that creates value for the collaboration is our in-house designed smart mobile system, integrating seamlessly with our cloud platform, that helps organisations get tools to create and update their geospatial information with unprecedented ease. Artificial intelligence does the heavy duties like object recognition and accurate positioning. Our system has a low barrier to use, therefore keeping actionable geospatial date up-to-date is easy for our customers."

STARTUP

ABOUT

Resources are the assets that you control and can contribute and which will create value for the collaboration. Examples of resources:

- Technology

- Customer networks

- Expertise & knowledge

- IPR

- Entrepreneurial company culture & innovative approach

GUIDING QUESTIONS

- What resources and capabilities can you dedicate to create value for the collaboration?

- Do you have the necessary resources? Are the resources sufficient to achieve the goal of the collaboration? Are there resources that you do not control directly, but are within your reach (eg. from external contributors)?

- Is the collaboration strategically important enough to mobilize your resources? Are you willing and ready to bring in those resources?

DO'S

1. Before mobilizing your resources, consider carefully what the collaboration really needs.

2. Assess the time (including preparation) and budget that will be spent on the collaboration.

3. Deploy resources timely, efficiently and effectively to create the most value for the collaboration.

4. Know when to quit if you do not have the necessary resources for the collaboration.

DON'TS

1. Don't exaggerate your resources and do not make promises you cannot keep. Assess your available assets realistically. Be honest with yourself and the corporate partner.

2. Don't block all of your resources for one corporate.

3. Don't mobilize your resources until there is a firm commitment. Your startup is not a free bespoke consultancy firm.

RESOURCES

STARTUP

WRITE DOWN YOUR RESOURCES HERE:
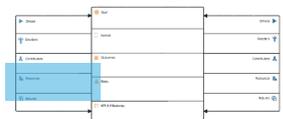
RETURNS

Spotlight// Epic Blue
(www.epic.blue)
Frederik Malesevic (Innovation Manager)

"Epic Blue is a technology startup providing location technology for business-critical operations. Our solution generates real-time positioning information of people and assets and enriches intelligent sensors and IoT systems with location data. When we started with the development, we had a good under-standing of the market thanks to our previous work experiences. We applied for Startit @KBC to give our plans more structure. You get a free workspace and enter a community of like-minded people, which is a true adrena-line boost. The setting and the diverse workshops force you to make your plans concrete and to share experiences with each other.
On a commercial level, it is often difficult to get access to the right potential customers. The label of Startit @KBC helped to open some doors, as it is a beacon of trust. We planted our seed there, and the sweat we put in during the months after helped us to sprout."

ABOUT

Returns are the expected concrete benefits of the collaboration for the startup. They can be both tangible and intangible.

- References
- New customers
- Revenue
- Finance
- Know-how

GUIDING QUESTIONS

- What are the expected returns of the collaboration?
- What are you looking for most? Second? Third?
- What will be the added value for my startup by collaborating with a corporate?
- How does the return fit your strategic goals?
- What is the revenue model? What is your share? Do the returns cover your invested resources?

DOS

1. Set realistic expectations for returns. Plan for immediate returns as well as long term profits. Successful co-innovation projects have both.

2. Get back to **returns** regularly throughout the collaboration in order to make sure you are on track.

3. For every resource invested in the collaboration, assess whether the return is worth the investment. Also consider the whole picture.

DON'TS

1. Don't underestimate the time and budget that you will invest in the collaboration, monitor your returns on a regular basis.

2. Don't continue the collaboration if it fails to provide the expected returns. In this case either evaluate the situation together with the corporate and try a different approach (for an agreed period of time) or let the collaboration go.

3. Don't bend your resource allocation just to please the corporate.

RETURNS

STARTUP

WRITE DOWN YOUR RETURNS HERE:

▶ DRIVERS

**Spotlight// Basi
(www.basi.pt)**
João Calmeiro (Head of Innovation)

"We're one of the leading pharmaceutical companies in Portugal and have recently decided to not only redefine our group structure and image, but especially dive into a contemporary approach for innovation: partnering with leading international institutions, from academia, to startups, to companies, to develop projects that might be deployed or invested in by us in order to contribute for next-generation healthcare. We realized that key opportunities could be missed if we didn't accelerate drug development and technological transformation alongside new, focused partners such as startups."

ABOUT

Drivers are your main reasons behind the intention to collaborate; it's about business and innovation envisioning. Corporates collaborate with startups for the following main reasons:

- Accelerate Digital Transformation

- Redesign and / or generate new business models

- Set up new relations within and beyond the industry

- Exploit innovation with a low-risk approach before considering direct investment / corporate venture, while experiencing startup practices and process at the same time

- Set up a listening post to learn about a new or niche market

GUIDING QUESTIONS

- What do you want to take away from this collaboration in terms of impact?

- Are you aware of the work process needed to manage the project / collaboration and get tangible results?

- Are your to-be-solved challenges and weaknesses identified? Are they clearly connected to clients pain points, and/or business bottlenecks?

- Are our culture / visions differences strong enough, up to the point of harming the collaboration?

DO'S

1. Be as open and clear as you can when sharing your goals. Your transparency helps to create a mutually beneficial relationship.

2. Manage expectations and set up commitment: share context about your resources, internal structure and innovation governance.

3. Make it clear where / how you can support startup goals, and where / how startups can support you.

DON'TS

1. Don´t collaborate with a startup if you don't have a (more or less) clear roadmap, process and governance of innovation.

2. Don't overestimate your role: without the startups you won't have the results you are looking for. Otherwise the cooperation is useless.

3. Don´t promise investment. Startups tend to be more focused on improving their solutions, increase reputation and capturing information and data in such a type of collaboration.

DRIVERS

CORPORATE

DECIDERS
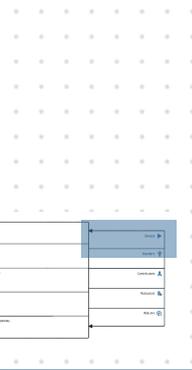
"Our operation network covers the fundamental axis of the Portuguese road system, an environment full of possibilities to set up partnerships. Our culture and ambition take any relevant type of innovation project straight to the Head of Business Development, who encompasses the Innovation process - just because, at Brisa, innovation management is not just a methodological issue, but mainly an emotional, behavioural change experience. Thus we believe it is mandatory having a leadership name materially involved in decision-making and development milestones. By doing so, the Head gives example and inspiration to the whole team: something like, "this is worth doing and relevant for our business, otherwise, our Head wouldn't be taking the lead.""

ABOUT

These are the key decision-makers regarding strategy and budget within your organization in regard to co-innovation and this often depends on where the collaboration has begun. Examples are CEO, CIO, Innovation and / or Tech directors or even marketing departments.

GUIDING QUESTIONS

- Who needs to be involved within the corporation over time, and what's their clear roles?
- Are the internal governance process, and the decision-making gates, clear?
- Are the corporate and collaboration goals clear, for you to make the best decisions during the process?
- Who is your frontman to lead the relationship with the startup?
- Considering the collaboration goals, do you believe you or your area are the best within the corporate to lead the decision-making process with the startup?
- Has the startup representative you are talking to during the process the power to make the final decision to collaborate?
- Do you know if the person you are speaking to is the startup decision-maker? If not, when will you have this interaction?

DO'S

1. Believe in multidisciplinarity. Set up the best resources over the process, both internally or when collaborating with the startup. Listen to these people before key decisions.

2. Understand startup decision-maker key drivers. Do positive stalking on social media and your peers about them. Make sure you understand the startup motivations for collaboration: product improvement, data gathering, client acquisition, investment.

3. Make sure your frontman is an excellent communicator and preferably has prior experience working with startups.

DON'TS

1. Don't assume you're the only one taking decisions. This is also a diplomatic effort for common good and ground. Cooperation is the future!

2. Don't engage in a collaboration if the decider is not in the loop.

3. Don't kick-start your project without NDAs and legal minutes previously agreed.

DECIDERS

CORPORATE
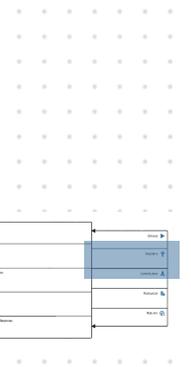
CONTRIBUTORS

Spotlight// **GENAN**
(www.genan.com)
Thomas Ballegard (Group CCO)

"Genan is the World's largest tyre recycling company. We have turned a global tyre waste problem into a green opportunity by recycling up to 150.000 tyres a day. Sustainability is at the core of what we do, but it's also at the core of how we do it: without a diverse and committed internal team of contributors composed of management, manufacturing, legal, finance and, of course, innovation reliable professionals this wouldn't be possible. Genan strives to be at the forefront in technology and innovation, and our team of contributors are the driving force behind our innovation and collaboration projects towards customers and business partners around the globe."

ABOUT

The people within or outside your corporation who will contribute to the collaboration. Be careful: this is not about startups. They are your potential partners, bringing in their own contributors.

GUIDING QUESTIONS

- Who's the project´s RACI team (Responsible, Accountable, Consultant, Informer) from your corporate? What is the role of each contributor?

- Which other people will contribute, directly or indirectly, to the collaboration? What's their role?

- Are you sure they have the minimum expertise / skills needed to run a smooth collaboration within the project team?

- Do they understand the startup language and different organizational culture and processes?

- Who will be visible and interact with the startup, who will be the contributor(s) involved in the communication process?

DOS

1. Differentiate between internal (e.g., team members) and external contributors (e.g., suppliers) and make them absolutely aware of the project goals. Be humble and inclusive, sharing updates and asking for feedback.

2. Map out needed skills vs. accountable persons. You can use the RACI rationale and the good old Six Thinking Hats model.

3. Push for governance and accountability models: reporting, productivity apps and methods, checkpoints. Lay down ground rules of involvement and communication for your internal and external contributors. Daily actions, working groups, meetings and more.

DON'TS

1. Don't ignore previous experiences on collaborative innovation. Ask or search for benchmarks, best practices and cases within your corporation or among your contributors.

2. Don't engage contributors without making sure they understand how they will make a difference to the collaboration.

3. Don't postpone time allocation and workload planning. You might have the team but not the quality time for development.

CONTRIBUTORS

CORPORATE
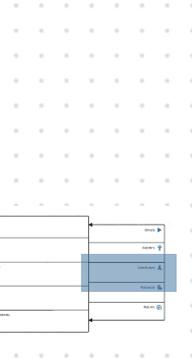
RESOURCES

Spotlight// Drei Austria
(www.drei.at)
Barbara Haiden (Innovation Manager)

"Drei Austria is a leading telecommunications provider that works beyond our obvious core business. And that was the case of our cooperation with Instahelp, an Austrian eHealth startup, to make life easier for Austrians. Instahelp needed to leverage their market access to a larger group of customers to trigger trust among potential new clients, while we had the goal of leveraging public perception on our added services and partnerships towards eHealth. Therefore, we've combined the Drei brand and expertise and Instahelp innovative service solutions. We couldn't explore this eHealth possibility without such key external resource."

ABOUT

Think about the resources that could create value for collaboration. From the corporate side towards startups interests, this is mainly about:

- Available Data
- Pilot-oriented mindset, corporate entrepreneurship culture and practices
- Investment
- Industry expertise & knowledge and technology convergence (systems, platforms)
- Intellectual Property Rights

GUIDING QUESTIONS

- Do you have the necessary resources? Is your organisation willing and ready to bring in those resources?

- What type of resources can you offer that create value for the collaboration? Are the resources sufficient to achieve the goal of the collaboration?

- Are these resources clearly available and understandable?

- Are there any resources that you need but which are outside of your control (e.g. from contributors)?

DOS

1. Triple-check your corporate compliance rules before confirming which assets are available and accessible.

2. Before mobilizing your resources, consider carefully what the collaboration really needs.

3. Plan in advance. Try to anticipate your in-company needs for rollout, too. Be clear upfront about the resources you'll have available for the project.

DON'TS

1. Don't bypass any corporate governance rules for the sake of moving further. You might create new problems instead of new solutions.

2. Don't share everything at once. Always prioritize key assets sharing on each step, to avoid confusion and lack of focus.

3. Don't mobilize your resources before the right moment or timing.
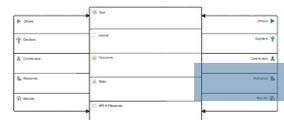
Co-funded by the
Erasmus+ Programme
of the European Union

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corporate
edupreneurship

RETURNS

"We've partnered with an open innovation program to connect with startups worldwide, in order to address some of our key challenges within the Blue Economy (Ports and Shipping 4.0) as we manage a cluster of leading ports in Portugal. And the effort has been worth it: we've not only established ongoing collaborations with seven different startups - being for pilot development and deployment, joint projects etc - but also envisioned tangible impact and results. For instance, we signed an agreement for the installation of an experimental wave energy plant in our facilities, able to generate up to 20MW and pave the way to a whole new business growth path; and we are still working with the other startups to customize solutions to improve our cluster performance. Well-structured co-innovation worth doing."

ABOUT

These are the concrete benefits and values you expect to gain / take from the collaboration. It's measureable, both quant and qual. Within the corporate, returns can be about:

- Prototyping and piloting outcomes / deployment
- Digital transformation acceleration and efficiency, optimization improvements
- New business models development / new targets
- Investment opportunities
- Positive impact on organizational culture

GUIDING QUESTIONS

- Do the results fit with your strategic goals and/ or the expected returns on collaboration?
- What is the implementation / rollout revenue model? What is your share?
- Are you aware about qualitative / innovation culture results coming out from this collaboration? Have you considered them as part of your results, too?
- Are you ok with mutual risk-sharing collaboration? Are you fine about giving up or changing your route if this is the best thing to be done?

DO'S

1. Make a crystal-clear needs assessment beforehand. Define your KPIs and metrics related to in-company efforts, the collaboration itself and also for deployment. Be quantitative and qualitative.

2. Get back to **returns** regularly in order to make sure you are on track.

3. Have in mind that results here are way beyond classical ROI. Try your best to involve and explain the difference to your controlling / procurement areas.

DONTS

1. Don't compare collaboration with ongoing business KPIs: different challenges, processes and parameters.

2. Don't compare time allocation and short-term results between ongoing business and co-innovation projects. Different contexts demand a different understanding.

3. Don't give up on the collaboration if the initial path has been proved somewhat wrong but you've found a new one. This is about learning and achieving by doing.

RETURNS

CORPORATE

WRITE DOWN YOUR RETURNS HERE:

GOAL

Spotlight// Kospro
https://www.kospro.fi/
Juha Koskinen (Founder)

"Kospro Oy is a Finnish startup, which offers procurement services in the construction industry. We collaborated with the construction service company VRP Etelä-Suomi to jointly develop their processes and strategies for procurement in order to improve cost-efficiency. We collaborated at all levels from employees to management. This included offering them services in project management, purchasing, supplier networks and procurement process knowledge. As an additional objective, we received financial resources, references, networks and longtime security needed for the growth of our company."

ABOUT

The starting point to a successful collaboration is to communicate openly about the respective goals. Only a consensus on what is to be achieved together can drive the actual effort, resolve possible conflict points and optimize the impact for all stakeholders. A jointly agreed goal bundles energies and forms the basis for commitment and aligned actions. Examples include:

- Developing new business models and opening up new revenue streams
- Creating a public value by offering products/services with an impact on society and sustainability
- Improving cost efficiency
- Optimizing functionality and scalability
- Sharing knowledge, activities and resources
- Building sustainable competitive advantage through innovation

GUIDING QUESTIONS

- Where will the collaboration lead? What is the target or shared purpose of the collaboration?
- What are the mutual strategic goals for the collaboration?
- Are the shared goals understood the same by both parties?
- Are the goals aligned with your business and/or innovation strategy?
- Are the resources sufficient to achieve the collaboration goals?

DOS

1. Before setting up the collaboration, take enough time to identify and clarify the challenge or problem you aim to solve. Think about the customer pain points and how you will create value together.

2. Set clear goals on what you want to achieve together and be open to set new collaboration goals throughout the partnership.

3. It's important you are on the same page by sharing the same vision and aim. Build mutual understanding and trust through open communication.

DON'TS

1. Don't be afraid to say "no" to the collaboration, if there's no fit.

2. Don't merely cooperate, but collaborate. Go beyond just dividing labour and tasks, work together towards a common goal.

3. Don't turn this into a competition. Remember that you are chasing different targets.

GOAL

COLLABORATION

FORMAT

COLLABORATION
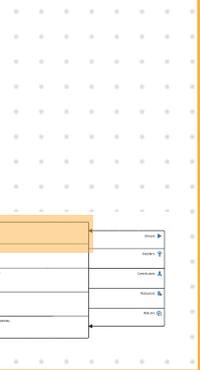
**Spotlight// AirScan
(https://www.airscan.org)**
Jérôme De Waele (Managing Director)

"We have decided to form a strategic partnership with Genano to co-develop an integrated value proposition for air quality measurement and improvement. The primary mission of Airscan is to predict and measure air quality and based on this information propose concrete improvement actions. Genano develops innovative and sustainable air purification solutions and was looking for a partner that could make air quality "visible" to users. Both our businesses share their expertise within an open and win-win collaboration based on trust. Stronger together, we combine our resources to offer a better value to our customers."

ABOUT

Choosing the right type of collaboration format is a central pillar for a successful collaboration. The format can come in many shapes and sizes and can evolve over time. It is important that the format supports the fulfilment of the goals in the best possible way by bringing together all the actors, strategies and conditions involved in a constant pattern of interaction, allowing synergies to emerge.

- An innovation project, pilots and prototypes

- Accelerator or incubator programme

- Internal and external venturing

- Partnerships (product co-development, procurement from startup)

GUIDING QUESTIONS

- What type of collaboration format matches with your own focus areas and the jointly defined goals?
- What type of format is in line with the resources available for the collaboration?
- What type of collaboration format will create value for both sides (win-win situation) and the target groups?
- Should the collaboration be started with a smaller pilot project? How will the format change throughout the collaboration?

DOS

1. Choose a collaboration format that is compatible with your collaboration goal and your organization's strategy and culture.

2. Analyse and compare different formats regarding applicability, strategic alignment and goal contribution.

3. Make sure both parties have similar expectations and understanding of the format and what it requires from both parties.

DON'TS

1. Be precise, don't choose an unclear and vague collaboration format.

2. Don't be afraid to start the collaboration with a smaller pilot project to test the waters first and build on from there.

3. Don´t think the format you now decide on limits you from choosing a different format later on in the collaboration.

FORMAT

COLLABORATION

OUTCOMES

COLLABORATION

Spotlight// PIONEERS
(www.pioneers.io)
Michael Wlaschitz
(Senior Innovation Consultant)

"Working with startups brings corporates the unique possibility to combine the strength of both worlds. In one collaboration project, we connected three global startups with a leading Swedish energy provider to create an AI-driven heating solution. While the company provided access to a test area of buildings in Stockholm, the startups provided hardware sensors, a digital app and know-how in data analytics. Together, they developed a smart and monitored heating control solution for property managers and house residents."

ABOUT

The joint outcomes are a consequence of the mutually defined collaboration goal and should be well-defined, precise and are ideally concrete. Defining the outcomes well also helps in setting up realistic expectations of the collaboration for both parties. It is also important to distinguish between short-term and long-term outcomes. Examples are:

- A prototype, Minimal Viable Product (MVP)

- A number of ideas and solutions customers are ready to pay for

- Number of experiments run, iterations made and documented learning

- New customers, markets, products/services, business models, patents

GUIDING QUESTIONS

- What are the expected and desired joint outcomes of your collaboration?

- Are the outcomes a consequence of the mutually defined goals?

- What are your short-term and long-term outcomes?

- Which are the priority outcomes for both collaboration partners? Is there a good balance and equal value for both partners?

DOS

1. Make sure your expectations are aligned and that you are on the same page in regards to what you expect to achieve through the collaboration and that the collaboration provides equal opportunities and growth.

2. Take into account the individual drivers you have formulated for the collaboration, also make sure that the deciders are in line with and value the expected outcomes.

3. Ensure the defined outcomes strengthen your joint value proposition.

DON'TS

1. Don't set unrealistic, vague or unclear outcomes for the collaboration.

2. Don't cut corners, take time to plan the outcomes carefully.

3. Don´t expect to reach the outcomes overnight nor to reach all of the outcomes, it will always be a process of failing, testing and improving.

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OUTCOMES

COLLABORATION

⚠️ RISKS

Spotlight//. AVL List GmbH (www.avl.com)
Viktoria Ilger
(Team lead, AVL Startup Initiative)

"AVL List GmbH is the world's largest independent company for development, simulation and testing in the automotive and other industries. A rapidly changing environment in terms of technology trends, customer behavior and shifting industry boundaries means that it is increasingly difficult to keep up with innovations on your own. By bringing in new perspectives and capabilities from startups the AVL Startup Initiative - Creators Expedition, launches co-innovation for future mobility solutions. In our experience, intransparency and unclear communication that doesn't see eye-to-eye is a major risk when conducting co-innovation projects. Otherwise, losing time and resources to an unsuccessful partnership would be a high risk. Since co-innovation is made by people, it is important to understand that social risks at the employee level are also an important piece of the puzzle to consider. Employees and their attitude towards co-innovation are a major risk that is often difficult for a company to overcome."

ABOUT

In order to minimize the risks related to your collaboration, the first important step is to identify them. All partners need to be clear how much risk they are ready to take and they need to be transparent about their own expected risks. The key here is to discuss these openly while designing the collaboration. Examples include:

- Lack of resources (human, physical, and intangible ones such as competences, time etc.)
- Misunderstandings due to different mindsets, culture, dysfunctional communication, different structures, e.g. different extent and speed of formal systems, planning and unclear decision making structure
- Strategic misalignment
- Lack of management support and clarity of roles and responsibilities
- Lack of patience for long-term results of the collaboration

GUIDING QUESTIONS

- Where are the strengths, weaknesses, opportunities and threats related to the collaboration? What are the potential risks involved?
- Which risks can you tolerate and which are acceptable?
- How would you both prioritize the risks? Which risks should you mainly focus on?
- What kind of mitigation strategies or i.e. steps can you take to reduce adverse effects of risks involved?

DO'S

1. Think about both the internal and external risk factors related to the collaboration.

2. Try to project the future in terms of risks the best way possible.

3. Jointly map your risks (go for quantity first) and then prioritize them for likelihood and impact. Focus on strategies for the high-impact risks.

DON'TS

1. Don't just say yes to the collaboration without evaluating the risks realistically. Don´t bite off more than you can chew - evaluate if you can handle the risks.

2. Don't be afraid to ask all questions relevant for your risk assessment.

3. Don´t focus only on your own risks - try to understand the other side´s fears and help them to reduce them.

WRITE DOWN YOUR RISKS HERE:

KPI'S & MILESTONES

Spotlight// JOST
(www.jost-world.com)
Michael Fischer (Vice President R&D)

"We had IP in the field of aerodynamics of truck & trailer systems but only limited market access so far. We explored a co-innovation with a startup from the aerodynamics scene to bring our IP and global market intelligence in heavy duty vehicles and develop new solutions for fuel savings in transportation together with the agility and innovation of the startup. We used the Co-Innovation Builder unilaterally in collaborating with a corporate as a "checklist" in the exploratory process. With more experience, we should have realized early on that "KPI & MILESTONES" remained fuzzy during the exploratory phase. In retrospect, we realized that there was a lack of a clear implementation strategy. Today we know: clear milestones and intermediate goals with measurable results are key success factors. The Co-Innovation Builder can be used as a common playbook and early warning system for exploring co-innovation."

COLLABORATION

ABOUT

In order to evaluate the success of your collaboration, set clear KPIs and milestones to determine the scope of the collaboration upfront, referring to the mutual goals, outcomes and requirements. You can plan a future road-map with checkpoints for recapping, catching-up, checking the specific metrics you have set together for evaluating and determining what did/didn't work and make any adjustments for the future of your collaboration. This will help you form a realistic view of how the collaboration is going and estimate the time and costs required to reach the collaboration goals and outcomes. Examples include:

- Run a certain number of experiments to test a value proposition by certain date

- Test and conquer a beachhead market for the prototype / product / service by a certain date

- Create and test a high-level MVP by a certain date

- Increase in revenues, customers, cost-efficiency and savings by a certain percentage

GUIDING QUESTIONS

- How do you measure successful collaboration in the short and long-term?

- What are the milestones and KPIs to reach the concrete joint outcomes? Are they realistic to reach?

- What are the minimum fail criteria for each KPI - the absolute minimum threshold to reach in order to go on with the collaboration?

- How compatible are the jointly defined innovation KPIs with your organization's KPIs? Especially in corporates, get your controlling on board to not be measured by the wrong KPIs.

DOS

1. Have a clear and specified project plan including tasks, deadlines, responsibilities, KPIs, milestones and outcomes. You can use a gantt chart to plan the process.

2. Be absolute transparent and make sure the milestones and KPIs are realistic regarding the timeline, process and budget.

3. Discuss how and when you will give each other feedback and decide on the next steps of your collaboration - consider establishing a growth board, involve your deciders.

DON'TS

1. Don't assume that the other party understands what you expect from them and your ways of measuring the objectives.

2. Don´t merely set up a budget for the collaboration, but also discuss how and when it will be spent.

3. Don´t be afraid to terminate the collaboration if it didn´t reach the jointly defined minimum fail criteria.

KPI'S
& MILESTONES
CORPORATE

WRITE DOWN YOUR KPI'S & MILESTONES HERE:

Co-Innovation Builder Guide

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