Open Innovation Typology

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Abstract
There are many ways an organization can approach innovation. On one end of the spectrum an organization can choose to have everyone submit any idea. On the other, innovation can be generated from a small, dedicated group of specialists. In the middle there are many variations along the way. This paper discusses the open innovation typology and the options for an organization making the decision about the best way to create an innovation infrastructure.

1. INTRODUCTION
Open Innovation is a term coined by Henry Chesbrough, who wrote *Open Innovation* in 2003. In the book Chesbrough defined open innovation as follows; “Open innovation is a paradigm that assumes that firms can and should use external ideas as well as internal ideas, and internal and external paths to market, as the firms look to advance their technology.”

Chesbrough argues that given the wide dispersal of information, the pace of change and the global nature of competition innovation must incorporate ideas from external organizations – customers, prospects and business partners. Any firm that uses a “go it alone” approach and ignores ideas from its external constituents risks missing good ideas that can accelerate growth and differentiation.

Loosely defined, open innovation supposes that a firm will request and receive ideas from third parties. In addition to the submission of ideas, third parties also may be involved in ranking or prioritizing ideas, evaluating ideas, and even prototyping ideas. Open Innovation techniques span much of the innovation process, and like any innovation method or process “open innovation” is a generic phrase, with many different implementations depending on the nature and structure of the innovation approach. Open Innovation merely defines an innovation process that embraces and encourages third party participation, but the term “open innovation” does not specify how the third parties are involved, what roles they play or how they are invited to participate. This lack of clarity about open innovation and how it is deployed and the benefits it can create often cause confusion for new innovators. In this article we present a more structured way of organizing and thinking about open innovation, using factors that include how the participants are invited and how they are instructed. These factors can help us create a “typology” of open innovation, examining at least four different open innovation methods.

This typology of open innovation will help distinguish different types of open innovation and determine when and how to apply each type. The two defining attributes in this typology are:

- **Participative or Invitational**: Should the sponsors invite specific people to submit ideas or should the innovation effort be open to all interested partners?
- **Suggestive or Directed**: Should the ideas be influenced or directed by topics or needs specified by the sponsor, or should the participants be allowed to submit ideas with no asserted boundaries or conditions?

Interestingly, these two factors are also important for closed innovation programs. Who you select from among your staff to generate ideas dictates the scope and depth of ideas. How you choose to frame the challenges and topics that the team uses to submit ideas indicates what is strategic for your company. These factors take on added significance when “open” innovation is deployed. Let’s take a deeper look at both factors, and then use these two factors to create a typology for open innovation.

2. WHO SUBMITS IDEAS
When considering who to invite to an idea generation session, the sponsor has a wide array of options, from “everyone” to a small, handpicked team. This is true whether the brainstorm is conducted within an organization or the ideas are generated through “open” innovation. At one end of the spectrum, the
sponsor can hand pick a small, talented group of individuals, chosen for their knowledge and experience. This approach is often best for

- challenges or issues that require deep experience or knowledge,
- challenges that may generate useful intellectual property,
- challenges that require secrecy or
- challenges that address a very disruptive goal.

Often a smaller team is more successful at radical or disruptive innovation, since it is easier to communicate a radical goal to a small team and confirm that the idea generation team is all “on board” with the goal. At the other end of the spectrum is “crowdsourcing” which means allowing anyone with an interest in the topic to submit ideas. The conventional wisdom is that many diverse perspectives will result in

- more ideas,
- better ideas and
- ideas with greater diversity.

Evidence has shown, however that larger groups are less effective at generating disruptive ideas, since disruptive ideas seem uncertain and the “crowd” tends to favor ideas they can understand. Secrecy and intellectual property concerns rise as more people are involved as well.

There are, of course, intermediate points on this spectrum – for example a firm can select some internal and external experts to ensure an audience with broader perspectives without opening the idea generation session to the entire web. We’ll look at some examples of idea generation using each of these approaches in the paragraphs that follow. In the following pages we’ll use the term “invitational” to denote innovation programs where the sponsor has selected individuals to participate and “participative” to denote innovation programs that are open to all comers.

3. THE INSTRUCTIONS PROVIDED

The second factor in idea generation that will help form our typology is the selection of topics for innovation. Again there is a strong dichotomy between the two options, even more so than in the previous example. A sponsor of an innovation effort can assert a topic of interest and request that the participants respond to the stated need, issue or challenge. We call this “directed” innovation, since the sponsor directs the participants to submit ideas in line with his or her need. Alternatively, an idea sponsor can open an innovation effort without suggesting topics, seeking any and all ideas that the participants have, regardless of the alignment of the ideas to corporate needs or strategies.

For most innovation efforts, we focus on “directed” innovation. Directed innovation has the benefit of training the participants’ attention on challenges that are important and relevant for the sponsor in the hopes that good ideas will result that will address the challenge or opportunity. These ideas are solving a real problem or addressing a real opportunity that the sponsor believes is important. These directed ideation sessions are more likely to result in ideas that meet the needs of the sponsor, are aligned with corporate or business line strategy and can be implemented. Directed sessions result in the generation of fewer ideas than a completely suggestive session, but the ideas are more relevant and easier to evaluate. Suggestive idea generation is useful to gain a sense of what the “crowd” believes is important. Since there are few limits to the ideas that can be submitted, many more people can participate and the breadth of ideas is much larger. This means more ideas are generated but they often have few linkages and must be considered separately. So while more ideas are generated, they address many more topics, some of which are important for the corporation and some of which have no bearing on strategic issues.

With these two criteria in mind, we can now develop a “typology” for open innovation. Why is a typology important? Open Innovation is just a label – your firm won’t implement “open innovation”. Your firm will implement a version or versions of open innovation informed by the invitees and the kinds of problems or challenges you seek to solve. The typology is especially useful when considering how to deploy open innovation in your business. The decisions you make about who to invite to an innovation effort and how to direct those teams will determine the kinds of ideas you receive, how the ideas are evaluated and selected, the relevance of the ideas and, to a great extent, the ownership of the ideas.
The image below expresses the “types” of open innovation possible using our two factors: Suggestive and Directed for the topics of innovation and Participative and Invitational for the invitees. Using this matrix we’ll explore the different kinds of open innovation and the results you can expect.

3.1 Suggestive/Participative
Probably the most familiar “open” innovation approach is a suggestive innovation program open to anyone who cares to participate. A suggestive, participative innovation program encourages anyone with an idea to submit an idea and review and rank the ideas from others. The most basic model for this approach is a physical suggestion box on a countertop, but there are many types of suggestive, participative innovation programs, online and offline.

Dell’s IdeaStorm site is probably one of the best known open innovation sites on the web and a good example of the suggestive, participative model. IdeaStorm is a website that allows virtually anyone with an internet connection the opportunity to submit ideas to Dell about their products, services, business model or anything else the participant cares to submit. When Dell originally unveiled the system, IdeaStorm provided no directions as to topics, so individuals were free to submit requests for changes to existing equipment, suggest new products or services or even recommend new business models. Dell receives hundreds of ideas every day on its public IdeaStorm site, and over time has received almost 15,000 ideas. Of the ideas Dell has received, over 400 have been implemented.

Note that in IdeaStorm anyone can submit an idea – Dell does not invite specific individuals or companies to submit ideas and does not weed out or preclude individuals. Anyone – customers, partners, even competitors – can submit ideas. Additionally, Dell doesn’t require that the ideas that are submitted address a specific topic or concern that Dell management or product developers prefer. Over time, Dell has introduced the concept of directed ideation on its website, which Dell calls “Smart Storms”, but IdeaStorm still provides the means for the individual to submit ideas on topics that the submitter prefers, rather than submit ideas based on topics defined by Dell.

There are a number of factors to consider when evaluating the expectations, goals and outcomes associated with a suggestive, participative open innovation model:

1. **The breadth of ideas submitted will be vast.** When submitters define the topics of interest, every idea can be unique, and the ideas will span a broad spectrum of focus areas. To address this breadth, it’s important for your open innovation system to support idea tagging and categorization to aggregate similar ideas.

2. **Evaluation and selection are much more difficult** than other open innovation types. Since the submitter chooses the topics and ideas they submit, it is much more difficult to establish a “fixed” set of criteria to evaluate the ideas. Therefore, while many more ideas are submitted under this approach than other approaches, it is possible that far fewer will be implemented than under a directed system. You can address this concern by creating a baseline set of criteria that the idea must address, or have the submitter propose how the idea should be evaluated. Selecting the ideas can be left in the hands of the participants, who can vote on or rank ideas, or selection can be
placed in the hands of internal staff. Participants may “bid up” an idea that is less interesting or valuable to the sponsor, so a firm must take care to spell out how the selections will be accomplished.

3. **The number of ideas submitted can be staggering.** In the IdeaStorm case, almost 15,000 ideas were submitted in just a few years. That represents close to five thousand ideas a year or close to 15 ideas a day. If each idea took only 30 minutes to review and evaluate for further action, a team could spend over a man year on evaluation and selection, and new ideas continue to come in all the time.

4. **Secrecy is difficult and protection of intellectual property is almost impossible.** A suggestive, participative open innovation program happens “out in the open” so good ideas can be viewed by all participants. Since the individuals aren’t pre-selected and don’t have extensive intellectual property training, it’s hard to determine which ideas are valuable and should be protected, and even more difficult to determine which ideas are original or may be protected by another firm already. Most sites include a stipulation that the participant agrees to waive ownership rights over any idea submitted to the company sponsoring the event.

5. **Open, suggestive innovation is, for all intents and purposes, an example of social media** and is subject to the same expectations that an individual might have about a social media platform like Facebook for example. You can expect participants to invite other participants, comment on the ideas they like (and dislike) and participate on the site or forum as if they are working on a social media site like Facebook. There’s little distinction between the two and the “rules” of social media apply.

6. **Ideas submitted are likely to be incremental,** especially the ideas that are ranked through “wisdom of crowds”. It is likely that the participants will submit a broad range of ideas, from very incremental to very disruptive, but the prevailing sentiment in a large forum will be to revert to safer, more familiar ideas. Large groups will reject ideas that they believe are too “radical”, even if your organization might find the ideas valuable.

7. **Open, suggestive models are “continuous engagement” applications.** That is, the software or sites have to be continuously available to be discovered by a large number of people. That means that the site must be constantly available, and the ideas will be constantly evolving. You may be able to convert the site to a “campaign” model over time once your participants reach a critical mass, but until that time the site needs to be available and interactive on a continuous basis.

For obvious reasons, this type of open innovation has garnered the most attention, since the websites are readily available to anyone who is interested. The investment to start a suggestive, participative open innovation program is relatively low, but will require a software solution to capture ideas and support distributed users. Dell’s IdeaStorm application is supported by SalesForce.com, but there are a number of software applications that can provide a suitable platform.

There is another important consideration, however. In a robust participative, suggestive model, your innovation site tends to become one aspect of your social media strategy. This being said, once a site is available, the engagement from your team cannot flag. Participants don’t merely expect to submit ideas – they expect to receive comments and suggestions about their ideas from other participants and from the sponsoring organization. Further, they expect the ideas to be evaluated, selected and implemented. Campbell’s Soup discovered the hard way that failing to interact with idea submitters and neglect communications and follow-up actions once the ideas are submitted will lead to atrophy and eventual abandonment of the site by the participants. This means your team must understand the staffing necessary to interact with the participants and sustain that level of engagement as long as the site provides relevant information to your firm. Otherwise, as noted above, the “rules” of social media apply and your firm will quickly become a pariah online. Staffing, not just for the short term, but over the longer term must be taken seriously. As ideas enter the system, you’ll need resources to respond to the ideas, reply to submitters and acknowledge their ideas, and team members to rank, prioritize and evaluate ideas, as well as the means to select and implement some of the best ideas, and provide feedback on the eventual outcome of the ideas.

### 3.2 Suggestive/Invitational

Another fairly common “open innovation” model is the one we term “suggestive/invitational”. In this instance the sponsor of the innovation initiative invites specific individuals, teams or organizations to submit ideas of their choosing. There are few if any specific topics or requirements.
One of the best examples of the suggestive, invitational model is IBM’s Idea Jams. Periodically IBM will invite a wide range of people to submit ideas in a number of topic areas. Other than broad topic areas such as environmental impact, green and sustainability there are no restrictions on the kind of idea that can be submitted. In one Idea Jam in 2006 thousands of individuals invited from sites around the world submitted over 30,000 ideas. As is the case with the suggestive, participative model, the number and distribution of the participants require that a software system support the open innovation effort.

Clearly the significant difference between this model and the participative model is the concept of selecting and inviting specific participants. In this case the sponsoring organization is seeking specific perspectives or insights, or believes that carefully selected individuals or teams will provide better insights and ideas. While this can mean that the teams generate fewer ideas that are more aligned to the needs of the firm, it can also introduce “groupthink” or limit perspectives unless there is reasonable diversity across the invited individuals.

There are a number of factors to consider when evaluating the expectations, goals and outcomes associated with a suggestive, invitational open innovation model:

1. The breadth of ideas submitted will be large but not as large as the suggestive model. When submitters define the topics of interest, every idea can be unique, and the ideas can span a broad spectrum of focus areas. However, the mere selection of the participants limits the range of idea submission, as the participants typically have some knowledge about what the sponsor values or where its key strategies and focus areas lie.

2. Evaluation and selection are simpler than in a suggestive model. Since the submitter chooses the topics and ideas they submit, it is much more difficult to establish a “fixed” set of criteria to evaluate the ideas. Invitees typically are a bit more circumspect in the kinds and breadth of ideas that they submit, which reduce the load for the evaluators. Typically, individuals who are invited to participate have more insight and understanding about the innovation process, so their ideas have greater alignment and are better documented, reducing the evaluation effort.

3. The number of ideas submitted can still be large. In the IBM Idea Jam example, thousands of ideas can be submitted in fairly little time.

4. As the participants are invited, it becomes much easier to protect ideas and define intellectual property, especially if the individuals invited have greater sensitivity to what constitutes intellectual property or work under negotiated agreements with the sponsoring firms. Intellectual property definition and protection still remains an issue as the number of participants grows.

5. A suggestive, invitational open innovation model is less susceptible to issues that traditional “social media” sites bear. Individuals who are invited can be requested to keep ideas, comments and topics in quarantine. Since the site does not have to be public, it is easier to reduce the availability of ideas and topics to third parties.

6. Ideas submitted as part of a suggestive, invitational open innovation model are likely to span the gamut from incremental to disruptive, but as a whole they are also more likely to be relevant to strategic goals and needs and applicable to near term needs. Evaluations of the ideas are still likely to favor incremental ideas over more radical or disruptive ideas, since a large group of people are likely to reject ideas they don’t believe the firm will countenance.

7. Suggestive, invitational models are typically “campaign” or event-driven applications. That is, the invitation is limited to a specific period of time. The invitation to participate not only invites the participant but communicates a specific period of time that the open innovation effort will be active. This method ensures that the sponsor can invite an ever-changing set of participants.

For all the potential benefits, this type of open innovation has achieved the least amount of use and awareness, most likely due to the upfront investment required to build a list of participants. Much care needs to be given to the experiences and perspectives of the people who are invited to participate, and once those lists are built, they must be maintained over time. There are also legal and financial implications when building the list. Many executives will seek to cleanse the list of any real or potential competitors which can greatly limit the number of participants. Additionally, since this model is typically event-driven, new and existing innovators must be invited to new sessions as they occur, which presents more work and more effort to the sponsor.
Once a good list of participants is built, however, the vast majority of the work involved in this model is accomplished. Since most of the innovation programs are event driven and time bound, and the number of invitees is far fewer than in a completely open innovation model, fewer ideas are generated, and they tend to be more focused and of higher quality, which reduces the efforts in categorization, aggregation and evaluation. Additionally, because the participants are invited and engage on the initiative for only a short amount of time, there is far less expectation for feedback and follow-up on the ideas that were submitted. This approach has some “social media” aspects but those attributes are much less emphasized than in the continuously available suggestive model.

### 3.3 Directed/Invitational

The type of open innovation that offers the most promise to larger organizations is the concept of directed ideation with invited partners. In this case a firm can build a web of pre-identified and pre-screened partners to participate in idea generation on topics of special interest or strategic importance. The sponsoring organization controls both the list of invited participants and the topics for ideation.

There are several well-known examples of these directed, invitational open innovation programs. Probably the best known is P&G’s Connect + Develop program, which allows firms to partner with P&G to participate in innovation activities. Like P&G, many firms are creating “proprietary networks” consisting of selected partners, customers and prospects who participate in innovation activities. These partnerships require much deeper development and address many of the legal and intellectual property issues that can arise in traditional open innovation models. A second example of a directed, invitational open innovation model is Innocentive. In the case of Innocentive, the sponsoring firm produces a specific problem or specification, which Innocentive posts as a Request for Proposal (RFP) on its site. Any registered third party can respond to the specification, submitting ideas to Innocentive for review. In the case of Innocentive, anyone who has been accepted as an Innocentive solution provider can see the specification but doesn’t necessarily know which firm has posted the issue or challenge. Also, within the Innocentive model the submitters don’t see the ideas that are submitted by other parties, so while this is “open” innovation the amount of collaboration on ideas is far lower.

In these directed, invitational models firms seek to build trusted partnerships for idea generation. While there is a risk of “groupthink” since the number of firms or participants is far lower, the level of trust and depth of relationship with the participants is much higher, and the quality and value of the concepts that are generated can be very high. A significant amount of business development and market assessment work must be completed to build these proprietary networks, but once in place they can generate ideas that are rapidly vetted through the entire value chain of an industry. These directed, invitational models can be thought of as the natural evolution of open innovation from a corporate perspective. John Seely Brown, of Xerox fame, said it best in a recent Business Week online article:

“For open innovation to realize its full potential, it will have to navigate from a narrow focus on transactions to provide much richer support with long-term, trust-based relationships around joint initiatives to address real problems or opportunities.”

When considering a directed, invitational innovation model, the factors to consider are:

1. **The breadth of ideas submitted will be limited** by the defined need or challenge, but the depth of the ideas is much greater than in other forms. Having built a network of trusted firms, the needs and challenges behind an innovation request are well-understood. The participants in this format will offer fewer ideas, but those ideas will have great alignment to the needs and a much greater viability than in other firms of idea generation using partners.
2. **There is a risk that the firms within the trusted partnership and the participants in the open innovation program “know too much” and don’t stretch their thinking far enough.** If there are too many “experts” in the trusted network, their thinking may be constrained and governed by “what they know” rather than what’s possible. Evaluations may become too easy and the evaluation criteria may need to be relaxed for these efforts.
3. **The number of ideas submitted is likely to be far smaller** than in other open innovation formats but as noted above the viability of the ideas is much greater.
4. Since your firm is working within trusted networks, more intellectual property issues and other confidentiality concerns have been addressed as the partnership developed. As you gather your network to address a specific topic or issue, most of the legal issues have already been addressed.
5. Directed, invitational innovation while “open” is open only to those partners who have been vetted and achieved certain status. This format is the only kind of open innovation that isn’t really “public” and available for a large swath of the population, so your communications can be constrained and the visibility of the event is limited.

6. Ideas submitted within this framework are governed by your instructions rather than by the “crowd”. While participants are likely to be more comfortable submitting incremental ideas you have the chance through your instructions to encourage them to be as incremental, or as disruptive, as you care to be.

7. While the relationships and trusted networks have longevity, this level of engagement is by definition periodic or episodic based on specific needs or market events. These programs should be thought of as “campaigns” or events, not as an ongoing idea generation program. However, the relationships within the network and communication to sustain and refresh the trusted network must be sustained regardless of the current innovation activity or lack thereof.

A directed, invitational open innovation approach is different from the other types in that there’s far less need for a software solution in a trusted relationship. That’s because far fewer people will be involved, and far fewer ideas will be discussed. When creating an open innovation platform of this type, you can use some of the same tools we’ve documented above, but there’s far less need for idea management systems in this approach.

As noted above, we believe that many firms will evolve their “open” innovation programs to focus primarily on this kind of open innovation. A directed, invitational open innovation program has a number of advantages. First, your firm works with known, trusted partners, customers and prospects who understand your business and may participate in the same value chain. That means they understand your markets, your customers and your operating environment. They probably understand your revenue streams and business models. Second, due to the nature of the arrangement, there are far fewer concerns with intellectual property and confidentiality. While these are significant concerns in other open innovation models, they are greatly reduced through the advent of trusted partners. Third, the ideas you receive within this model will be valuable, applicable, timely and in line with your business strategies.

For all the benefits associated with the directed, invitational program, there are several significant challenges. First, these relationships require a significant amount of work to develop. That investment is why Innocentive, with its distinctive offerings, has become popular. Second, there is a risk within the trusted network of relying too heavily on partners who may have a similar perspective and worldview, failing to incorporate individuals or firms with different perspectives. This can mean your ideas are more incremental than is helpful, missing market windows and customer opportunities. Third, while you may include some customers in your trusted network, the “voice of the customer” isn’t heard as distinctly or as broadly in this model. You will need to incorporate other means to gain insights into what customers want and need, not rely solely on this model for that insight.

3.4 Directed, Participative

The final type of open innovation model we’ll review is the directed, participative model. In this model, a sponsor “directs” a group of people to address a specific problem or opportunity. Anyone who cares to participate based on the topic can participate. In this regard the directed, participative model is fairly similar to the suggestive, participative models like IdeaStorm, except that the topics are defined by the sponsor. Many open innovation models follow this progression from suggestive, participative to directed, participative because the value of the ideas remains relative high while the number of ideas is greatly reduced. Additionally, the directed nature of the program or event allows the sponsor to direct the teams to pursue opportunities that are of interest to the company, rather than simply submit any idea they prefer.

Examples of the directed, participative model include the “Storm Sessions” on the IdeaStorm site, where Dell managers provide specific topics or challenges that any prospect or customer can respond to. Other directed, participative models include idea contests. As this chapter was written the Deep Water Horizon oil disaster unfolded. BP and the US Federal Government created a site to allow interested individuals and companies to submit ideas about capping the well or recovering the oil in the waters of the Gulf of Mexico. A number of firms and organizations sponsor idea contests to attract the best ideas or solutions to stated problems or challenges. These idea contests allow anyone to respond to a specific issue or challenge, thus they are participative and directed.
As should be apparent through these examples, directed, participative innovation attracts people with similar interests and goals or similar passions. Many interest groups, Birds of a Feather group and LinkedIn groups use this approach to obtain ideas from a relatively homogeneous but distributed group of people. Typically the people who are engaged in these open innovation efforts are people who have a deep interest in the topic or issue, and are willing to work within the guidelines or confines asserted by the sponsor. The fact that the topic is dictated and rules of engagement are created weeds out a lot of people who would have otherwise participated.

When considering a directed, participative innovation model, the factors to consider are:

1. **The breadth of ideas submitted will be limited by the defined need** or challenge, but the depth of the ideas is much greater than in other forms. In this model we are tapping into people with great interest or passion about the topic, who have sought out the ability to participate and want their voice to be heard.

2. **Evaluation and selection are simplified** because the topic or challenge is usually well defined, but evaluation and selection can be complicated by the fact that people participating in this kind of innovation model have a strong personal or emotional attachment to their ideas or to the topic. They may be less inclined to support an analytical assessment of the ideas and may engage in more heated discussion in online forums and comments about the ideas.

3. **Depending on topic and the breadth of interest and engagement, you may find that this model attracts as many participants and generates as many ideas as a suggestive, participative model.** Generally topics that engender a significant amount of emotion or passion – cleaning up the Gulf, for instance – will encourage individuals to submit many ideas.

4. As these ideas are often available on a public forum, the issues of intellectual property, secrecy and confidentiality arise. These concerns are somewhat overcome by the fact that many of these programs using this model are intended to cure an ill or address a problem like the oil disaster where people care more about fixing the problem than gaining compensation.

5. **Directed, participative innovation, like suggestive innovation is a social media exercise and is subject to many of the same challenges and issues.** A community will form around key topics and the participants in that community are often passionate. They will invite others and will have strong opinions about the ideas that are submitted. Your team may need to provide a moderator to track the ideas and the communication within the community.

6. **Ideas submitted as part of a directed, participative open innovation model are likely to span the gamut from incremental to disruptive.** Since the topic has been suggested by a sponsor, he or she can indicate the type of ideas that are more favored and indicate a preference for incremental or disruptive ideas.

7. **Directed, participative models are typically “campaign” or event-driven applications.** That is, the topic or challenge is focused on a problem that needs to be solved or is bounded by a time period. Clearly, given the nature of the challenge or problem these campaigns can exist for quite a long period of time. However this model is best viewed as supporting events or campaigns.

A directed, participative model of open innovation is easily supported by software, which will be necessary since many participants are likely to submit ideas, and those participants are likely to be highly distributed. Any of the software applications mentioned previously will support a directed, participative open innovation model.

This approach and its success will depend significantly on the definition of the challenges or opportunities the sponsor creates. For “cause” oriented topics that allow people to submit ideas to solve problems in line with their passions or worldviews, a significant number of ideas will be generated. For more technical or arcane topics or those that seem to have relevance to the business, you may find that this approach has less value because it requires the participants to seek out the idea generation opportunity and have some affinity to the problem or challenge.

4. **CONCLUSION**

In this article it has been our goal to introduce an open innovation “typology” based on two factors: how the topic or challenge of the innovation program is conveyed and how the participants are invited. From these four descriptions you can see that the term “open innovation” actually represents a loose confederation of very different innovation techniques and styles, and can result in very different
outcomes. Instead of implementing an “open innovation” model, determine the outcomes you desire, the range of participants necessary and other factors, and choose one or more of the “types” described above. Using this approach you’ll more quickly align the correct tools and techniques to your needs. You’ll be far less likely to use a suggestive approach when a directed approach is more in order, although at the aggregate level of “open innovation” they appear the same.

Open Innovation should be part of any firm’s innovation tool kit, and choosing the best implementation of an open innovation model for your firm involves some choices to appropriate structure the open innovation effort. Some critical questions to ask your innovation sponsors:

- Do you prefer to engage a lot of people generally or a few people specifically?
- Do you have specific topics or opportunities to address or are you more interested in the ideas of the “crowd”?
- Do you seek incremental ideas or more disruptive ideas?
- Do you have a deep bench of talent that can actively engage a large audience or do you prefer to interact with a smaller, more selective team?
- Are you seeking to conduct “open innovation” to attract public attention and extend a social media strategy, or do you prefer to conduct efforts more discretely?
- Do you have specific partners that you trust to provide insights and ideas? Can you build trusted relationships with them on innovation topics?

Asking and answering these questions may take time, but that time will be well-spent if it prevents your organization from kicking off a public, suggestive model when in reality the goals were for quiet, disruptive innovation. Not all “open innovation” is alike, and as should be apparent through this short typology, the different styles require different investments and will result in very different outcomes. Make sure your “open innovation” structure achieves your open innovation expectations and goals.