Understanding Scope and Boundaries of Regional Innovation

Dr Arvind Upadhyay
Brighton Business School, UK
a.upadhyay@brighton.ac.uk

Dr Giuseppe Pedeliento
University of Bergamo, Italy
Innovation

- An idea, practice or object that is perceived as new by an individual or other unit of adoption (Rogers, 2003).
- Introduction of a new product or qualitative change in existing product (Schumpeter, 1934)
  - Changes in Industrial organization
  - Process innovation new to an industry
  - Development of new sources for raw material
Regional Innovation

- Portfolio of Innovation (Davenport, 2006).
- Regional System of Innovation (Doloreux, 2002).
- Strong to Weak Region (Cooke and Morgan, 1998). E.g.: Baden-Wurttemberg: Germany, Emilia-Romagna: Italy, Silicon Valley: USA
Current Understanding

- Innovation in regional area.
- Competition at small and medium scale level.
- Regional innovation linked with physical area.
Strategic Tool

- Regional Innovation as strategic tool.
- Implementation of corporate strategy.
- Strategic alignment with vision and mission.
Methodology

- Two case study organization.
- Location (Industrial area in Italy).
- Semi structured interviews.
- Study and research over a period of 10 months.
- Total 32 interviews (17 in organization A and 15 in organization B).
Findings

• Organization A was working more towards the global innovation while the organization B concentrated on regional innovation.
• The standardised product and global sourcing, which helped them in achieving the economies of scale.
• Organization B concentrated on local sourcing to manufacture the products at a low cost.
Discussion

• Effect of regional innovation on organization’s competitiveness.

• Application of regional innovation as a strategic tool.
Limitation

- Study included two small and medium scale organizations.
- Organizations are in auto component manufacturing sector, hence may differ the result in different sector.
Thank you for your time