



DIVERSITY AND OPEN INNOVATION

BlogPost by Susanne Justesen, INNOVERSITY RESEARCH, September 2006

Christopher Meyer is the CEO of Monitor Network and he has some very interesting insights on the role of social networks, innovation and none the least diversity! It becomes especially interesting when he talks about open innovation: "I think that the reason why open Innovation goes so deep can be explained by two things: First, new science has shown how diversity is essential to novelty, which also maps how gene-pools work: if you want a new strain of corn, you can't do that with a single clone of corn; you need lots of kinds of corn! If you want new thoughts, you need lots of kinds of thinkers!"

and Christopher Meyer continues....: "There is a second reason why open innovation is growing so rapidly right now (...), we've been through a period of about five years, in which companies got extremely lean and reduced their investments in the new and the innovative! (...) So now we have ended up with companies which are low on diversity and high on efficiency, and not particularly innovative. So suddenly now, growth is more important, innovation is more important, but how are we going to do it? Well, the fastest and best way is to look outside the walls of the organization, for a diverse set of resources that can help."

And I can only agree with Meyers on this! You should definitely check out the podcast, Christopher Meyer really presents some interesting ideas and perspectives!

OPEN DIVERSITY: LINKING THE INSIDE WITH THE OUTSIDE

One of the primary challenges in engaging in open innovation activities however is, that to effectively mobilize and tap into diverse networks on the outside or the organization; you also need a certain degree of diversity on the inside, which unfortunately only very few of the

organizations which have set off to introduce different open innovation initiatives are actually aware of.

Social networks tend to be demographically aligned due to network homophily, which basically means that we as individuals tend to seek out and learn from similar others (as opposed to diverse others), which results in most of us building networks of people similar to ourselves. Organizations with a relatively homogenous workforce, will therefore likely, only have access to a relatively small external network, as most employees will tend to know practically the same people (Lazer & André-Clark, 2000; Granovetter, 1971). This definitely makes it more difficult for homogenous organisations to identify and none the least, tap into external ideas, knowledge and resource!

One of the primary promoters of open innovation is the conglomerate [P&G](#), with their "connect & develop strategy", which calls for 50 percent of innovation to come from the outside! And P&G knows and understands the importance of internal diversity, for them to succeed in truly mastering OPEN innovation.

I was privileged enough to actually assist P&G draft what we called their "Global Innoversity Strategy" last year, which linked the effort of building a diverse workforce directly to innovation efforts. Something I had previously been attempting to convince many other organizations of the need for doing, but P&G, to my knowledge, is the very first - and only - organisation which has actually done so! Hopefully, once I am done with my Ph.d., I will be able to convince many more organizations of the need for doing so!

WHAT MONITOR NETWORK DOES

What Monitor Network does is to help organizations gain access to exactly such a diversity of external resources, such as business practitioners, scientist, politicians etc, to make use of this external diversity of knowledge and competences in their actual innovation practice! Monitor Network helps organizations tap into such networks either just as a one-day event, or as a standing advisory board, much like they have done with P&G and their Design and Innovation Council.

A highly interesting approach to open innovation, which can serve as great way of tapping into external knowledge diversity. However i would find it important to stress that open innovation requires companies to build and maintain knowledge diversity BOTH on the inside AND on the outside of the organization to succeed with open innovation!