Transformation, Innovation and Business Strategy.
• This is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning.
Winston. S. Churchill, speech

November 10th, 1942
Introduction 2

- **Innovation** - ...is generally understood as the introduction of a new thing or method. All innovations begin with creative ideas. Creativity by individuals and teams is a starting point for innovation.
Innovation – how to fathom it?

- **Types of innovation**
  - **Business Model Innovation** (changing the way business is done in terms of capturing value)
  - **Marketing Innovation** (new methods of promotion, pricing, product design etc.)
  - **Organizational Innovation** (alteration of business structures)
  - **Process Innovation**
  - **Product Innovation**
  - **Service Innovation**
  - **Supply Chain Innovation, Ecosystem Innovation** (purchasing of input products and services from suppliers and the delivery of output products to customers)
Innovation versus: invention, collaboration, co-operation and coordination

- **Invention** – is an object, patent, process or technique which displays an element of novelty.

- **Collaboration** – right mix of people and companies allowing to achieve collective results that the participants would be incapable of accomplishing working alone.

- **Co-operation** – obtaining mutual benefits by sharing or partitioning work, saving time, resources and equipment.

- **Coordination** – the organization of efforts of different parties to reach a common goal by harmonizing tasks, roles and schedules.

- **Communication** – letting know what are you performing and how.

Innovation = \((\text{Invention}) \times (\text{Collaboration}) \times (\text{Co-operation}) \times (\text{Coordination}) \times (\text{Communication})\)
Transformation is a never ending story – change is the continuity

Evaluating ecosystem transformations (multisourcing) one should ask the following five questions (5W-Model):

- **Why** (why do we transform/multisource and what is a definitive goal)?
- **What** (what are the objects of transformation/multisourcing)?
- **When** (when transformation/multisourcing should start)?
- **Where** (where transformation/multisourcing should take place)?
- **Whom with** (whom I chose to assist, or not)?

Transformation can be either caused by need to source (in/out), or sourcing (in/out) can be caused by transformation.
Closing remarks

4 S Company model

- **Synergy**
  - Cooperation of two or more similar systems in order to improve efficiency
- **Symbiosis**
  - Coexistence of two or more different systems acting for the benefit of each other.
- **Symphony**
  - Managed harmony of diversified systems
- **Synechie**
  - Random cluster of events and elements eventually leading to a total chaos…