



EBOOK

# Building an Innovation Ecosystem for **Public Sector organizations** and **Industry Associations**



“

What is the calculus of innovation? The calculus of innovation is really quite simple: Knowledge drives innovation, innovation drives productivity, productivity drives economic growth.

”

**William Brody (born 1944),  
Scientist and Entrepreneur**

## The state of Innovation in public sector organizations and association bodies

Public Sector organizations and associations play an imperative and integral role in modern economics. Insights show that, on average, the public sector alone accounts for about one-third of a country's economic activity. Today, the emergence of new technologies and the accessibility of open data has created a space in which public sector organizations and associations can delve into new strategic innovation avenues to encourage internal innovation and/or help drive economic development in their designated arena.

Today, we are all too aware of the prevalence of innovation in the corporate space; hot startups catch the eye of eager investors daily, large organizations attempt to adopt lean strategies to advance agile models of innovation, and businesses look externally to seek out innovative partnerships and game-changing solutions.

When we compare innovation in the corporate space to innovation in the public sector and in associations, traditional thinking may suggest that innovation is an easier feat for the former. While corporates have the luxury of being more flexible and adaptable to innovation, the inherent structure of the public sector and multiorganizational associations can make implementing innovation policies and strategies more of an uphill battle.

However, when we consider that a major role that public sector organizations and associations have to play is that of gatekeepers or nurturers of different sectors, entities, and communities, we can actually see that these organizations are uniquely positioned to facilitate an ecosystem of innovation. Within this ecosystem, a community of exchange, interaction, and creative problem solving can be fostered, helping to advance innovation, and subsequently stimulating productivity and economic growth.





# Why create an **innovation ecosystem?**

Let's take a look at some of the reasons why public sector leaders build innovation ecosystems today.

## **TO FOSTER INTERCONNECTEDNESS**

In the modern entrepreneurial space, entities that form relationships, exchange insights and resources, and scale great ideas help foster innovation. The capacity to create and sustain innovation relies on the ability of these entities to come together and work wisely to produce outcomes that advance strategic goals. The ecosystem provides a purpose-built environment that facilitates this entrepreneurial exchange; enabling connections, connecting mentors, and establishing business networks.

## **TO CREATE TRANSPARENCY AROUND INDUSTRY OPPORTUNITIES**

As mentioned prior, public sector organizations and association bodies act as nurturers to the industries they operate in. As such, they are often responsible for creating and promoting opportunities for their industries. The ecosystem serves as the tool for helping these institutes create transparency around industry activities, allowing members to easily take advantage of opportunities available to them.

## **TO MAKE AN IMPACT ON THE INDUSTRY**

Smart innovation leaders today build ecosystems to advance strategic objectives. While Innovators in the corporate space may be more motivated by monetary incentives, innovators in the public sector and in associations tend to be more motivated to facilitate innovation for the desire to make a change and impact on their industries or communities.

## **TO MAKE THEIR JOBS EASIER**

Managers in charge of innovation are often juggling many tasks that are interconnected but are managed in disconnected ways. Consolidating their innovation activities through an ecosystem platform makes their jobs much easier; helping to reduce time spent facilitating connections, working on spreadsheets, updating databases, and time spent on research.

## **TO EXTRACT VALUE**

The ecosystem provides an ideal space for different communities to come together and derive value from each other, it also provides a space for the organizations and associations operating the ecosystem to extract value from it. Ecosystem operators are able to monitor their activity, derive opportunities and insights, and directly engage with target audience members.



# What's your Innovation ecosystem

The first step to building an ecosystem platform starts with defining its core model:

## OPEN INNOVATION

The concept of open innovation is a model of innovation that organizations employ to facilitate idea generation by looking to external communities with varied knowledge and expertise. Within the concept of open innovation, knowledge is widely distributed and organizations must adopt an outward-looking approach to advance their strategic objectives.

## INNOVATION CLUSTERS

Innovation clusters are defined as regionally proximate groups of interconnected entities that encourage the development of new technologies and work to build knowledge together. The entities in the cluster stimulate innovation through the exchange of knowledge and expertise, technology transfer, and information dissemination.

## BUSINESS NETWORKS

A business network is a structure that enables business managers to connect and build mutually beneficial relationships, where they can explore new business opportunities. The central purpose of the business network is to help manage difficulties in facilitating collaborations between managers in different organizations, bridging the gap through a digital infrastructure.

## INNOVATION DISTRICTS

An innovation district is a contemporary model of urban development that aims to build a community of entities that advance innovation in a local area. Districts are formed by clusters of institutions and businesses and are supported by urban infrastructure to help facilitate knowledge-exchange, idea generation, and commercialization of innovation. While districts are physical structures they are also supported through a digital infrastructure.

## FUNDING ECOSYSTEM

Innovative projects often require backing by established organizations or entities. Funding opportunities, accelerators, incubators, and corporate venturing provide real opportunities for startups and innovators to get their projects off the ground. An ecosystem provides a space where innovative projects can be sought out by investors and backers, helping to accelerate the pace of innovation within a sector or industry.



## GUIDE

# A step-by-step guide to building your innovation ecosystem platform

Now that we have defined our innovation model it's time to take a look at the steps needed to build a productive ecosystem platform.

## Start with outlining your strategy and key considerations

To begin with, we start by defining our strategic objectives. This involves considering the following:

### WHERE ARE YOU IN YOUR PROCESS:

Are you building your ecosystem from scratch, or do you already have some form of an ecosystem in place? Remember that ecosystems are dynamic, even the traditionally strong ones can decline due to external factors. Therefore, it's important to constantly think about how you can strengthen your ecosystem.

### THE RELATIONSHIP WITH ECOSYSTEM MEMBERS:

What do you want the relationship between ecosystem members to look like? How do you see your organization's relationship with these members? Strong relationships and interactions form the foundation of a powerful ecosystem, pay careful consideration to how you define the parameters of these relationships.

### THE TEAM STRATEGY:

How will you get your team on-board with your project? Your team knows your ecosystem members the best, they know what they need and how they innovate. Consider ways to motivate your team to explore new ideas and opportunities.

### ORGANIZATIONAL PROCESSES:

How does your organization or association operate? What are the processes that will help or hinder the development of your ecosystem project? Make a list of processes you will need to go through to execute your project and how you will manage every step.

### KNOWLEDGEMENT MANAGEMENT:

Your ecosystem will become an invaluable source of knowledge, how will you manage all of it? What will this output look like and how will you utilize those insights? Make sure that you carefully consider how your ecosystem insights will contribute to your organization.



## Make the business case to all involved stakeholders

Involving multiple stakeholders in your ecosystem project is key to building an integrated platform that advances your strategic objectives. To get your stakeholders on-board you need to understand their interests and what angle you should take to build a solid case for your ecosystem. Consider the following steps in your approach:

- Start by Identifying your stakeholders; what motivates them, what are their roles and how can you help them advance their own objectives.
- Make stakeholders understand their contribution to the project; their roles can be just as significant as yours, make sure they are aware of this.
- Clearly communicate your strategy and goals; you have set a clear and defined outline of your objectives, make sure that they are being adequately communicated to get stakeholder buy-in.
- Seek input and feedback; your stakeholders will be an indispensable source of knowledge, ensure that you are utilizing their insights effectively.
- Address all key concerns in a structured way; critiques and push-back are inevitable, be flexible and adaptable to evolving your strategy during every step of project delivery.

## Define the content of your ecosystem

We have established that an ecosystem is an environment that fosters innovation through the principles of exchange, interaction, and collaboration. Now, how do we go about implementing these principles in practice on our ecosystem platform? Let's explore:

- Create a collaborative space that allows users to interact directly; enable social and collaboration tools such as community sharing and direct messaging on your ecosystem platform, to allow ecosystem members to directly interact with each other.
- Allow users to take ownership of their ecosystem profiles; give ecosystem members autonomy to update their profiles, easing your administrative burden.
- Bring together funding, accelerator, and incubator opportunities; create a directory space for startups and innovators to seek out opportunities and connect with established organizations.
- Keep your community engaged through content; create directories of useful content for your community to aid in knowledge sharing.
- Facilitate contribution; provide users with a space to bring their solutions and resources directly to the platform.

## Outline key administrative considerations

As you are probably already well-aware there will be administrative conditions you will need to take care of when building your ecosystem platform. Make sure that you pay particular attention to the following:

- **Approval process:** What approval structures will you need to go through in your organization? Carefully consider each step of approval and plan how you will utilize your strategy outline to make a case for your project.
- **Budgeting:** Do you already have a budget for your project? Or will you need to seek it out? Constructing a budget plan alongside your strategy outline is imperative for ensuring that you are utilizing resources effectively every step of the way.
- **Legal and regulatory framework:** Are there any country-based regulations you will need to adhere to? You absolutely must consider these, as well as any data protection laws you will need to follow before constructing your platform.

## Choose the right infrastructure of your ecosystem

One of the most important aspects of creating an innovation ecosystem is choosing the right type of infrastructure for your platform.

- Here you will need to take in organizational considerations; who will be operating the platform, what type of structure will you need based on your strategy outline, what type of data will you need to host.
- You will also need to take into consideration any specific technical requirements; the location of the data you are hosting, security standards, data ownership, data protection laws.
- Another discussion you are also likely to have is whether you will build an internal infrastructure or whether you will utilize a SaaS solution. While an internal infrastructure may seem like a safer bet, it's usually costly to build, requires time to get off the ground, and requires significant maintenance. Alternatively, a SaaS solution tends to be a more cost-effective option, is quick to mobilize, can be tailored to the users, and is already optimized for engagement and collaboration.

## Outline how you will overcome your obstacles

To conclude, it's important to understand that inevitably you may face some obstacles in the process of building your ecosystem. To better understand how to handle them, it's a good idea to outline beforehand what these challenges could be and how you would approach them. Consider some of the following obstacles you may encounter:

- **Resource management:** We know that nine times out of ten projects go over budget. What can you do to mitigate this issue? Consider conducting a careful resource analysis, to evaluate how you can best utilize your resources to ensure that you avoid budgeting issues down the road.
- **Motivation:** Lack of motivation hinders innovation. What is your strategy for keeping your team and yourself motivated? Make sure that you have a solid understanding of how you intend to keep motivation active throughout the project.
- **Organizational size:** Public sector organizations and some associations can be significantly large. With size comes difficulties with organizational management and motivation that becomes an impediment to innovation. Therefore, it is really important to develop strategies that work against those inherent forces.
- **Fear of failure:** In the public sector fear of failure may be a more significant barrier to innovation than in private sectors. Avoid that problem by ensuring that you have fully vetted your project before you start to develop it.







PLATFORM

## Innovation Management Software

Skipsolabs allows organizations to create powerful ecosystems that enable them to aggregate all their innovation assets, resources, and stakeholders on one platform.

The platform helps public sector organizations and association bodies build ecosystems that:

- Take the administrative burden off innovation teams
- Help to reduce the work of innovation managers in matching or introducing people and organizations
- Allow them to create directories of content for users e.g. events, resources, challenges, job boards, requests for help
- Offers users personalized experiences through dashboards and recommendations
- Simplifies engagement with users through newsletters and targeted group messaging
- Allow platform administrators to track what stakeholders are working on
- Centralize all their web design, hosting and workflow management



## The Infrastructure Industry Innovation Partnership (i3P)

### The Challenge

The Infrastructure Industry Innovation Partnership (i3P) is a community of client and supply organizations in the infrastructure and construction industries working together to develop innovative projects. i3P is a primary driver for innovation in the UK infrastructure industry, helping to direct innovation to address major challenges in the sector.

i3P needed to update its existing portal to create a more collaborative hub for its community of infrastructure contractors, infrastructure owners, and industry innovators/SMEs to encourage innovation.

#### They needed to create a platform where:

- Challenges could be shared to provide a better focus on knowledge gaps
- Infrastructure community members could easily connect
- Impactful innovations and projects could be collaborated on across organizations
- The value of re-applied knowledge could be shared
- Feedback could be given on challenges within certain projects
- Industry news and events could be shared to enable cross-industry opportunities

### The Solution

i3P required an 'out of the box' solution that provided workflows and a high level of customization. The previous supplier had built a portal from scratch that was too admin intensive, complex to customize, and difficult to use, therefore underutilized by members. To create a platform that would truly benefit its community, i3P decided to utilize Skipsolabs' powerful innovation management software.

In the short span of just four weeks, Skipsolabs gathered all the necessary requirements and implemented the new platform ready for the community to start using straight away.

#### The platform has given i3P and its community the ability to:

- Provide users with recommendations on community members and innovations that are most relevant to them
- Post and collaborate on innovations
- Post project updates from the i3P & external communities
- Post and apply to community challenges
- Network and connect with community members who can help advance ideas

Skipsolabs' customer success team works closely with i3P to ensure that the platform is continuously enhanced and that additional value can be provided to the community.

### The Results

By utilizing Skipsolabs' platform, i3P fulfilled all of its requirements in providing key Infrastructure industry players in the UK with a base to collaborate on innovations.

i3P has seen an uptake in activity on the platform and has received positive feedback from community members that see many benefits to the portal update. The new platform launch has been promoted to stakeholders at events across the infrastructure industry, attracting hundreds of new members to share and collaborate on industry innovation.

William Readaway, Senior Lead at i3P, comments: "Skipsolabs are easy to work with, very responsive to our needs, and always make time for us. The platform is neat and easy to navigate, as well as being highly configurable so that it could be adapted to our process instead of having to follow a generic workflow."





## Telefonica's Open Future Hubs

### The Challenge

Launched in 2014, Open Future is the strategic regional entrepreneurship program developed in alliance with public and private partners. The program is a network of accelerators with a global focus and local presence. Through this initiative, Telefonica supports local start-ups in their early stages of maturity, foster the creation of an entrepreneurial ecosystem outside the big cities and promote local action with a global point of view.

Together with its partners, Telefonica has created Open Future Hubs that offer start-ups a working and mentoring space where they can develop, grow, and access exclusive offers from commercial partners. Any company that does not yet have a minimum viable product or generate business is a potential candidate to enter this program.

Since the launch of Open Future, Telefonica has carried out more than 200 start-up calls and has accelerated more than 1,300 projects, which have generated around 4,000 jobs. Open Future currently has 33 Hubs, in 3 countries in Europe and Latin America. In 2022, the program opened two new entrepreneurship spaces in Andalusia: Puerto de Huelva and Zona Franca de Cádiz; and one in Valencia: Open Top.

The goals of Open Future are:

- Handle multiple open calls and challenges
- Manage accelerator program workflows more efficiently
- Run various accelerator programs through one central platform
- Simplify the mentoring process for their individual accelerator hubs
- Allow judges to seamlessly evaluate startups

### The Solution

With flexibility in configuration Skipsolabs was able to build a multi-tenant platform that would allow Telefonica to manage innovation hubs across Spain and Latin America. Individual hub managers are able to use the central platform to source and evaluate their applicants and move them to their own sub-platform for their own startups and mentors to use when they have been selected to be part of their cohort.

The Skipsolabs design team developed a modern and fresh UX for the platform inline with Telefónica's brand guidelines. With Skipsolabs Telefónica could:

- Run a global call for innovative startups across different tenants and easily accept and manage applications
- Build an extensive innovation database of startups and mentors
- Evaluate and select startups according to pre-defined criteria and customized scorecards
- Allow startups and mentors to easily book time with each other and track the hours spent against their allocated allowance
- Utilize KPI and task tracking to track projects' progress

### The Results

Utilizing Skipsolabs' platform Telefonica was able to efficiently run all phases of its different accelerators phases.

With the multi-tenant platform individual hub teams were able to manage startups and mentors through their own admin dashboards.

Since the development of the platform Telefonica has launched 22 accelerator programs.

With Skipsolabs Telefonica's innovation team was able to streamline the scouting process, foster partnerships that are right for their organization, and encourage collaborative relationships that promote innovation in the sector.



## CEC'S Empower Innovation Network

### The Challenge

As part of an initiative to foster clean technology innovation for communities in California and globally, the California Energy Commission had the vision to launch the Empower Innovation Network; a cleantech community platform designed to break down barriers for its entrepreneurs.

The network would serve as a space for innovators to have easy access to:

- **Funding Opportunities** – Access to one of the largest online collections of cleantech funding opportunities
- **Accelerator Programs** – Opportunities for Innovators and startups to apply to incubator and accelerator programs
- **Referral Networks** – Prominent firms and members can bring their solutions and resources directly to the platform, where there are options for collaborating and coordinating projects between different entities
- **Cleantech Resources** – The platform would house an extensive body of cleantech resources including libraries, tools, and databases

### The Solution

SkipsoLabs' Innovation Ecosystem product provided an ideal software solution to help The California Energy Commission and its partners build a powerful platform which would serve as a resource database for the cleantech community.

SkipsoLabs worked with Network partners to build a customized platform that would help facilitate an ecosystem of cleantech innovation.

### The platform includes the following key features:

- Dedicated modules where platform users, including technology innovators, local communities, funding providers, architects & engineers, technology adapters, startups services and others in the cleantech community, can be profiled
- Highly customizable search criteria which has been tailored to the entire cleantech ecosystem
- Social and collaboration modules which facilitate interaction between entities in the community. These include features such as community sharing and direct messaging
- Users can easily access a comprehensive database of industry events, news, tools and resources
- The platform provides highly granular privacy settings, which are flexible based on roles and access rights

### The Results

Utilizing SkipsoLabs' advanced Innovation Ecosystem technology, the California Energy Commission and its partners were able to build a powerful platform which provides the cleantech community with a dedicated space where they can access curated resources and connect to people and organizations working to advance a clean energy economy for all.

With the growing global demand for more sustainable technologies and a cleaner economy, the Empower Innovation Network platform serves a major role in helping to connect the cleantech community and promote funding opportunities for cleantech solutions.

SkipsoLabs continues to work in partnership with the California Energy Commission and its partners to help build upon the strengths of the platform, as registered users on the network continue to increase.





## **CONTACTS**

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