

COLLABORATIVE INNOVATION IN FORMATION OF INNOVATIVE SUPPLY CHAINS

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The context in which firms are competing is more and more complex and dynamic: globalization of the markets, rapidly changing technology developments, shorter product life cycles, etc. In fact, the search of business strategies to answer the final customer demand or needs is becoming one of the main concerns of many enterprises. It is widely agreed that innovation is crucial for the long-term survival and growth of the firm (Schumpeter, 1939) and it has very important effects on meso and micro economic variables such as productivity growth, competitiveness and employment, although the exact relationships between these variables are not very well known (Edquist et al., 2001).

Innovation establishes its basis on what the customers' value is and what they are willing to pay for it. Drucker (1985) suggested that innovation is based on creativity, systematic and order, and also on unexpected events, but in the end, innovation is based on associating a solution to a need. Companies do not usually innovate on their own. Some authors explained the interest of collaboration between firms and other organizations for innovation processes (Porter, 1998; Cooke, 2001).

Supply Chain is an interesting framework for understanding how collaboration influences the SC innovation performance. This paper is focused on the analysis of the main features that contribute to create an adequate collaborative environment for fostering innovation processes in the frame of supply chains (SC).

This paper discussed the benefit of collaborative innovation in formation of innovative supply chains and proposed a framework to implement this concept. CI makes the development process more efficient as dependencies are dealt with early in stage. Product or process design rework stemming from incomplete knowledge is reduced. The success in the adaptations of CI mainly depends on the involvement of all parties, the management, creation of learning organization, and availability of a platform to communicate but more than all proper understanding of customers' needs.

References

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