

Firm's Innovation Ecosystem: Barriers, Key Success Factors and Strategies

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Abstract

Strategic positioning fosters the firm performance in an ecosystem. Companies in an innovation ecosystem use strategic tools to connect different business units. The systematic literature review was used to search for the articles used in this review. Google Scholar search engine was employed to filter the references of each selected paper. In total, 41 papers published in journal and conference proceedings have been used for the review. The review shows that companies challenges as shortage of willingness to share insights and intellectual property, confusion over management methods need to create sustainable value, lack of coordination within the ecosystem, lack of an innovation plan, failure to pay attention to a new set of risks and costs associated with network-types of practices when innovating through an ecosystem. The review highlights specific key success factors such as management commitment, consumer value, and value chains linked to customers' expectations, and organisational culture that supports change processes, well-articulated goals, timelines and milestones, and embracing risk-taking and understanding the nature of risks in collaborative networks. Furthermore, the review also identified the balanced scorecard multiplying risks and value blueprint as strategic tools used to evaluate the performance of companies within an ecosystem. The study concludes that managers should evaluate the ecosystems' ability and the potential of their firms to survive.

Keywords

Balanced Scorecard, Firm Performance, Innovation Ecosystem, Management Commitment, Strategic Positioning, Strategic Tools, Value Chains.

Introduction

The positive role of relationships of the inter-organizations and networks to innovation are acknowledged widely (Valkokari et al., 2017). Research is shifting focus to value co-creation and collaborative innovation in communities or networks of individuals. These