

GE Global Innovation Barometer 2013 Results – Focus Poland



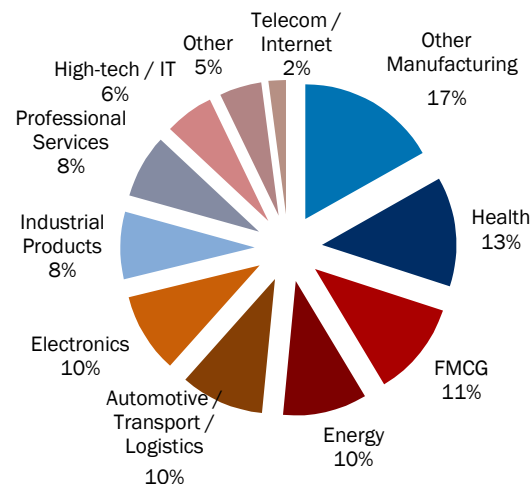
GE global innovation barometer methodology

Now in its third edition and spanning across 25 countries, the GE Global Innovation Barometer is an International opinion survey of senior business executives actively engaged in the management of their firm Innovation strategy.

The survey is conducted by StrategyOne a consulting and research company and funded by GE. The barometer examines the way business executives around the world appreciate the framework for Innovation their country has developed, it also details the perspective from business on the most efficient policies to support Innovation .

Finally it adopts a firm centric approach to better understand the way International businesses adapt their innovation practices and strategies in a challenging economic environment.

Sample covers a diversity of economic sectors



8 out of 10 respondents are men (no quota)



Sample and fieldwork details

3100 phone interviews (in local languages)

25 markets (tracking in 20 markets for 2 years and 10 markets for 3 years)

Questionnaire average duration: 38 Minutes

Period: October 22nd to December 5th 2012

All respondents directly involved in the innovation strategy or process within their company. (28% C-Level).

Average company size is 1 200 employees

Average age of respondent is 43 years old.



Poland Executive Summary

Innovation as a strategic priority for Polish business

Innovation is a strategic priority for Polish businesses (96% of Polish respondents report innovation is a strategic priority for their business).

Various types of innovation are expected to drive the performance of Polish businesses in the future:

- the improvement of existing products or services (mentioned by 89%, a result 10 points higher than the global average)
- the development of entirely new products (mentioned in second position by 68% of respondents)
- the development of more affordable new products (66%, which is 10 points higher than the Global average)

Additionally, the development of new business models, while not yet recognized as a higher priority, is identified by 53% of Polish respondents as promising way to boost future performance and in line with the Global average.



Abilities businesses must master in order to innovate successfully

To innovate successfully Polish respondents identify key abilities their business has to master:

- Development of new technology (86%, a result 20 points higher than the Global average)
- Understanding customers and anticipate market evolutions (84%)
- Managing and taking risks (82% and 22 points higher than the Global average)
- Furthermore, mining data inside and outside of the company is a top priority for 59% of respondents which is 5 points above the global average for this item.
- It is also important to note that a top priority for Polish businesses more than the Global average is investing in long term innovative projects (64% vs 59% for the Global sample).

Less of an interest from Polish respondents in the development of new business models is confirmed by the fact that this ability is regarded as a priority by 38% of Polish respondents vs. 45% of the global sample.



Evaluation of the Polish framework for Innovation

Overall the framework for innovation in Poland is perceived as quite challenging for Innovation by business executives from the other markets: 24% of Business executives from the 25 markets regard the Polish environment for Innovation as strongly Innovation conducive. This puts the country in the 22nd position of the ranking based on this indicator

When evaluating their own market 38% of Polish business executives report that their country has a strongly Innovation conducive environment overall.

When asked to evaluate in more detail their environment for Innovation, Polish business executives provide interesting input

On the negative side, the items connected to government support are more negatively evaluated than the Global average and most of all in noticeable decline when compared to last year results in Poland. Also, more than the Global average, private investors support is also more negatively evaluated.

On the more positive side, Polish business executives report higher satisfaction than the Global average regarding a belief that the general public is convinced of the value innovation can bring to their day-to-day life. The protection of the copyright and the patent is also seen in a more positive light and has positively increased from last year.



Respondent's policy expectations

Polish business executives make innovation a strategic priority and rely on it to drive future performance, In fact, 16% of respondents believe “*Innovation has a negative impact on their economy*”, a result less than the global average (30%).

In this context, Polish businesses expect renewed support and Innovation incentives from policymakers, particularly regarding:

- **Fighting red tape and bureaucracy for companies trying to access innovation public funding** (81% of respondents, an impressive 33 points higher than the Global average).
- **Better alignment of students curricula with the needs of business** 66% of respondents want to ensure that business confidentiality and trade secrets are adequately protected (22 points higher than the global average)
- **Encouraging a stronger entrepreneurial culture in the education** system through stronger linkages between students and business savvy individuals is a measure recognized as high priority by 54% of Polish respondents – in line with the global average
-



Collaborative Innovation as the way forward

67% of Polish respondents believe that identifying and working collaboratively with the best business partners is a key ability firms should possess to innovate successfully.

87% of Polish respondents report that their firm has been increasingly looking at innovation through the collaborative angle. Furthermore, 89% of respondents strongly agree their firm would be more successful at innovation through partnership than if their company went about it alone.

Businesses in Poland would like to partner first to access new technology (89% and 10 points higher than the Global average), enter new markets (88% and 9 points higher than the Global average) and improve the profitability of an exiting offer (86%, a result 17 points higher than the Global average).

The barriers to collaborative Innovation are also identified: lack of protection of confidentiality/IP (63%, which is in line with the global average), and because of a fear of talent poaching (60%, which is 15 points higher than the global average).



**Innovation is a strategic priority for
business globally**

Innovation on top of business agenda: 96% of respondents would say it is a strategic priority for their company (vs. 91% average)

Q1. Would you say that for your company innovation is...:

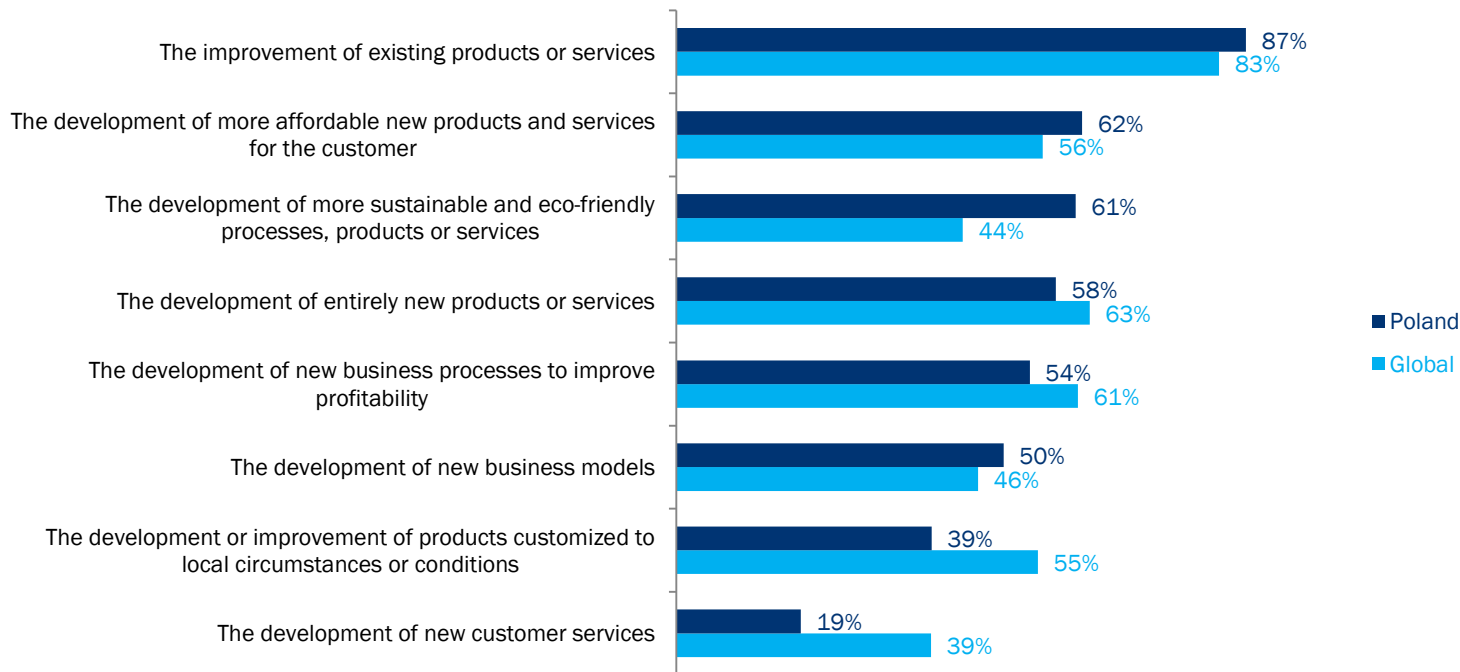
	Poland	Global Average
A very high strategic priority	52%	44%
A quite high strategic priority	44%	47%
A quite low strategic priority	4%	8%
A very low strategic priority	0%	1%



Innovation types and business performance: looking back and looking forward

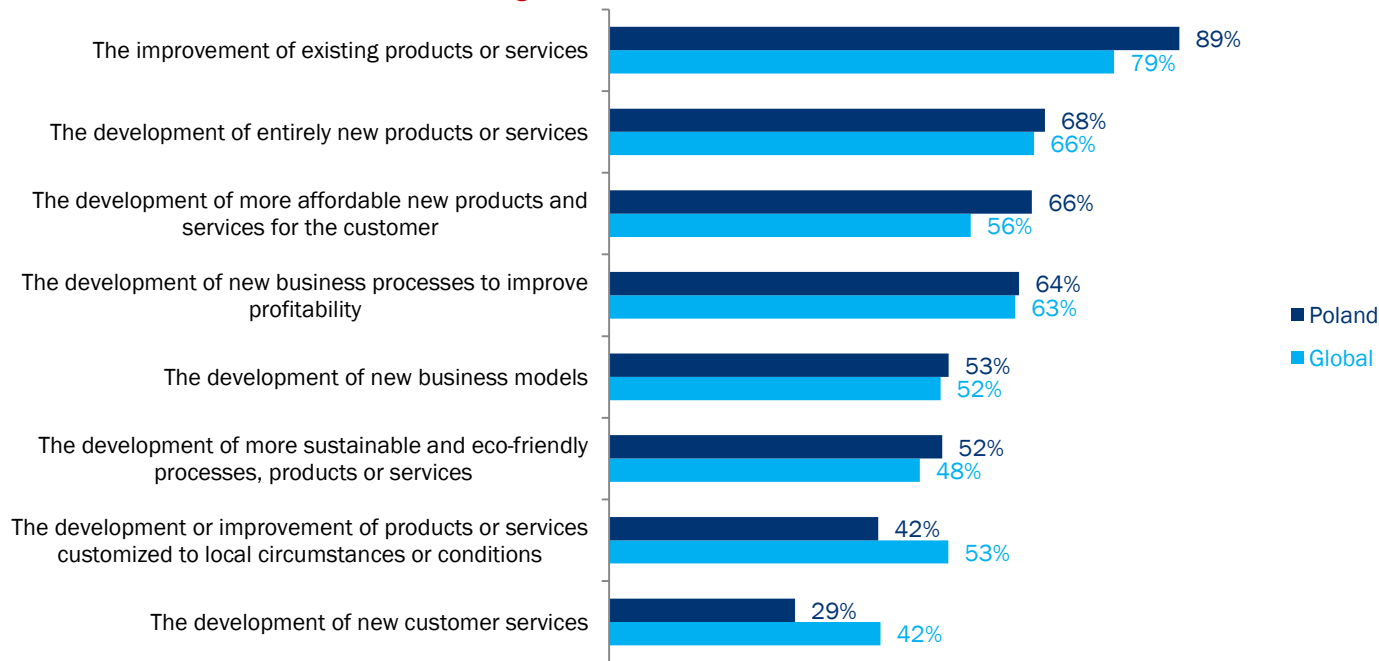
What kind of Innovation drove business performance in the past in Poland?

*Q2. What kinds of innovation have contributed most to your company's performance in the past few years?
Poland results vs. 25 markets Global Average*



A future gazing exercise: what will drive future business performance in Poland?

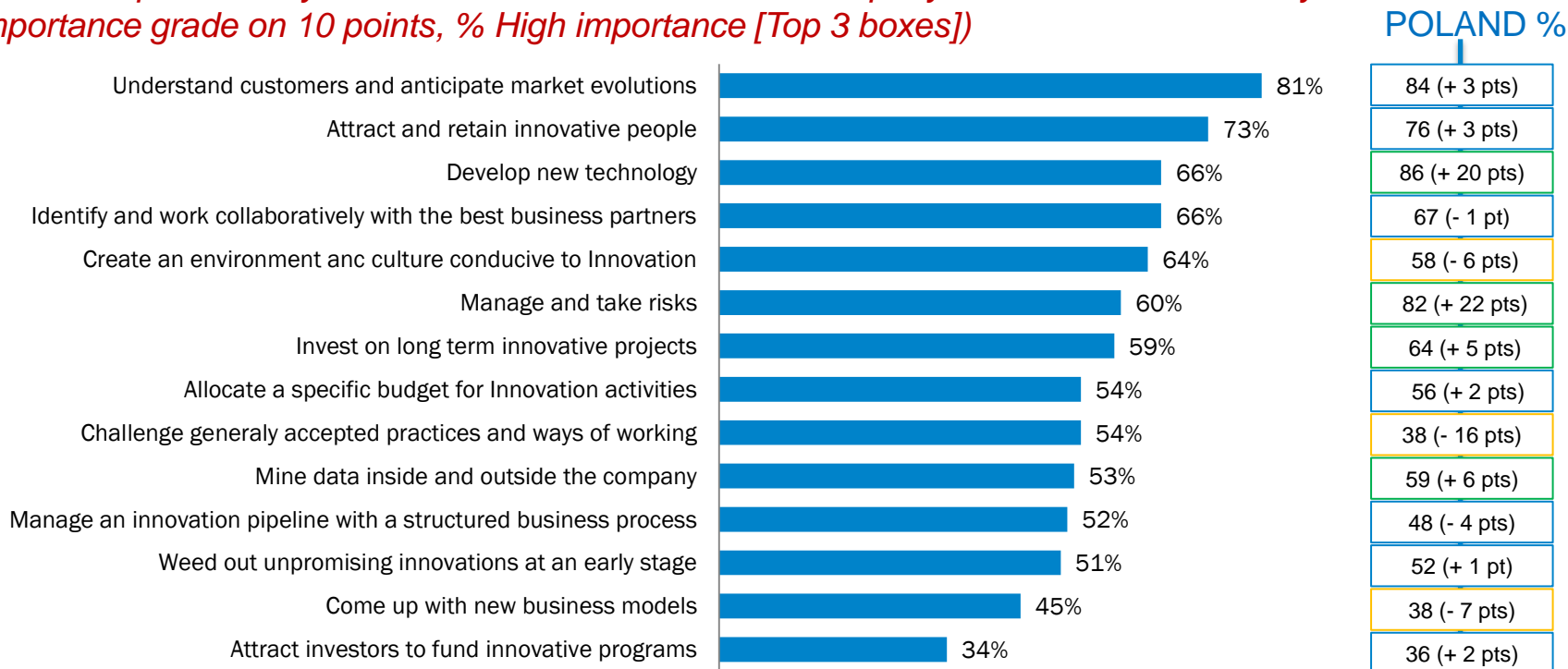
*Q3: What kinds of innovation do you expect to contribute the most to your company's performance in the future?
Poland results vs. 25 markets Global Average*



Key abilities innovative firms master better

To Innovate successfully business need to master market insight, technology development, partnerships, talent and culture

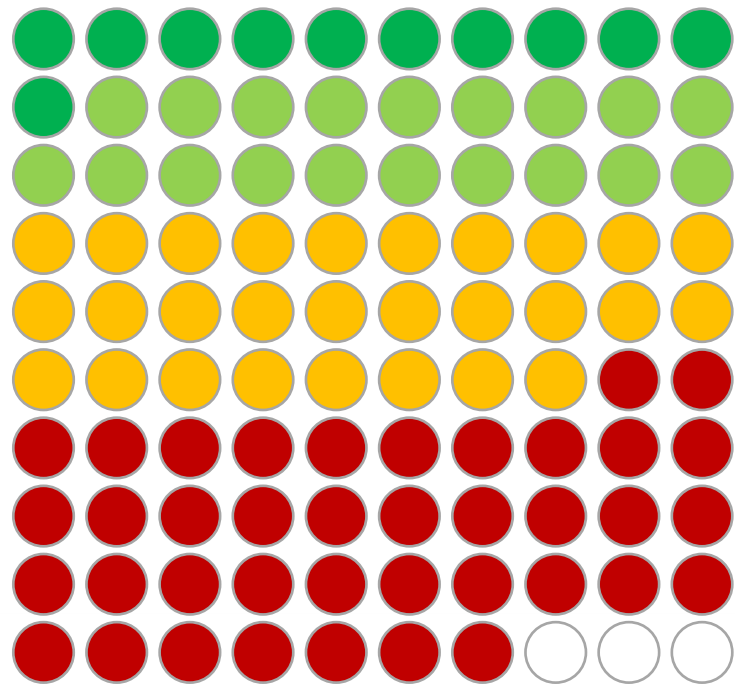
Q4. How important do you think these abilities are for a company to innovate successfully? (Importance grade on 10 points, % High importance [Top 3 boxes])



Increased competition and protectionist temptation: A global innovation vertigo?

The net positive impact of Innovation on local economies is challenged by 30% of respondents: a globalization anxiety?

Q5-2. *By creating more competition among businesses and making some products and services obsolete, innovation has a negative impact on my country's economy (% Agree)*

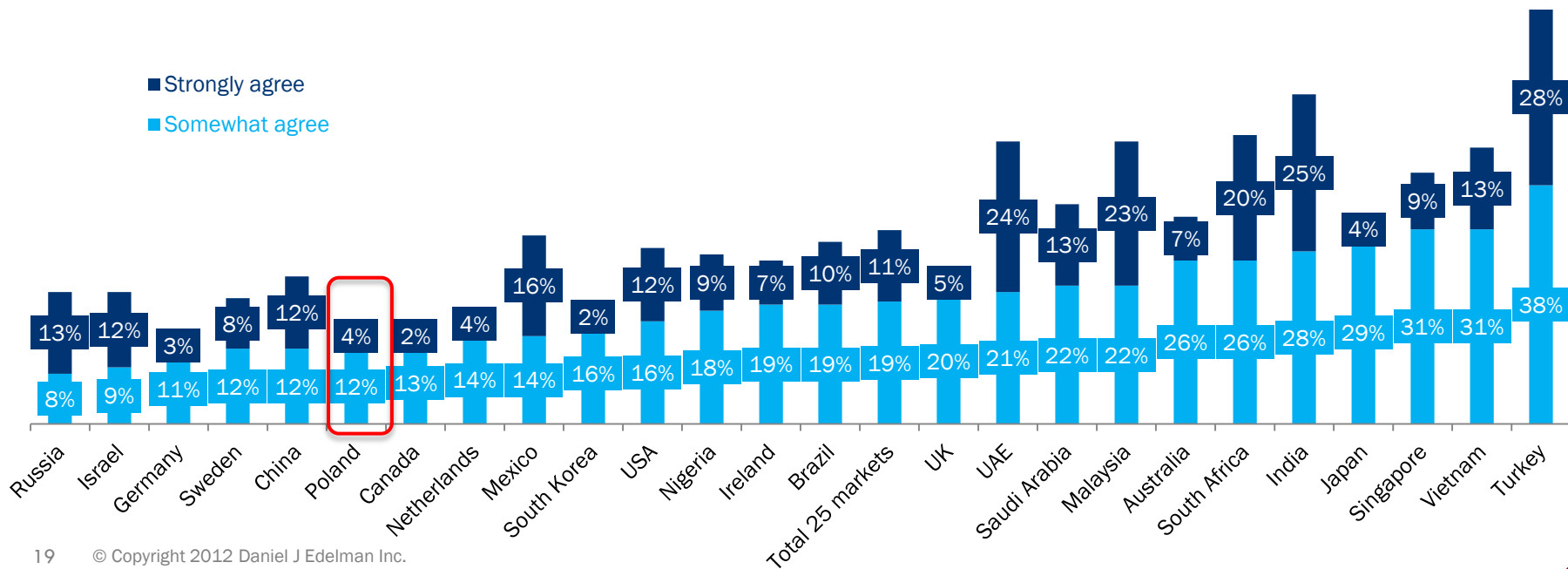


Strongly agree	11%
Somewhat agree	19%
Somewhat disagree	28%
Strongly disagree	38%
Don't know / Unsure	3%



The positive impact of Innovation on local economies is challenged : greater competition and shorter business lifecycles

Q5-2. By creating more competition among businesses and making some products and services obsolete, innovation has a negative impact on my country's economy

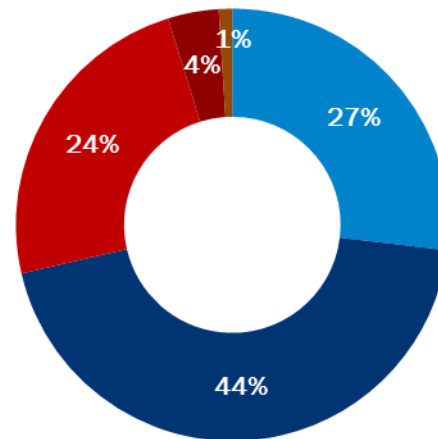
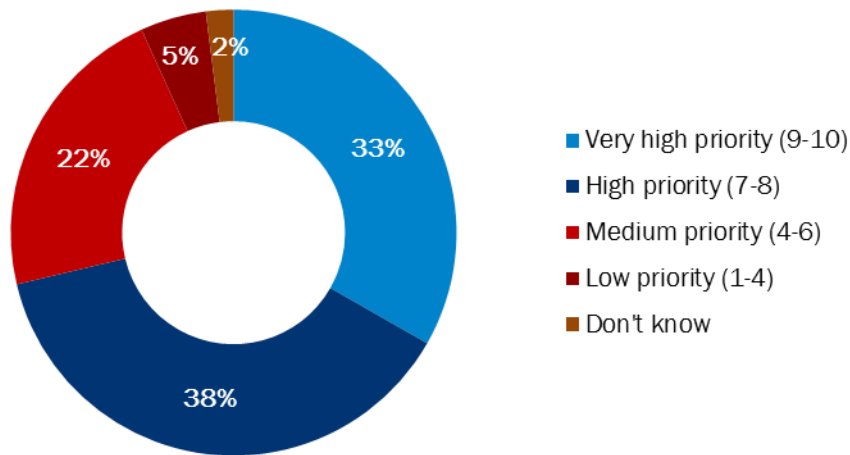


Opening up the market or national preference, paradoxical tensions seem to exist within global business

Q9 . What are the main priorities your country should focus on to efficiently support innovation?

Q9-8. Promote domestic rather than imported technological development via preferences in government procurement

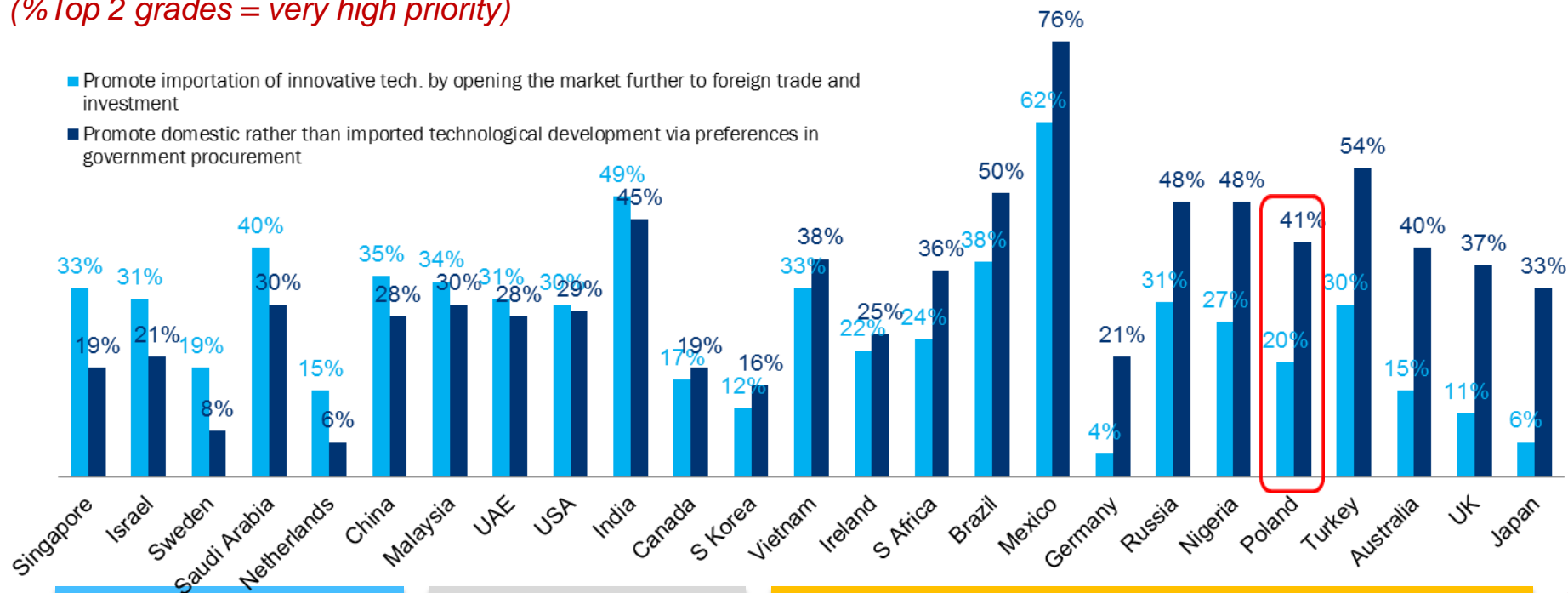
Q9-11. Promote the importation of innovative technologies by opening the market further to foreign trade and investment



Expectations regarding the policy focus to be adopted are contradictory and vary greatly from one market to another

*Q9. What are the main priorities your country should focus on to efficiently support innovation?
(%Top 2 grades = very high priority)*

- Promote importation of innovative tech. by opening the market further to foreign trade and investment
- Promote domestic rather than imported technological development via preferences in government procurement



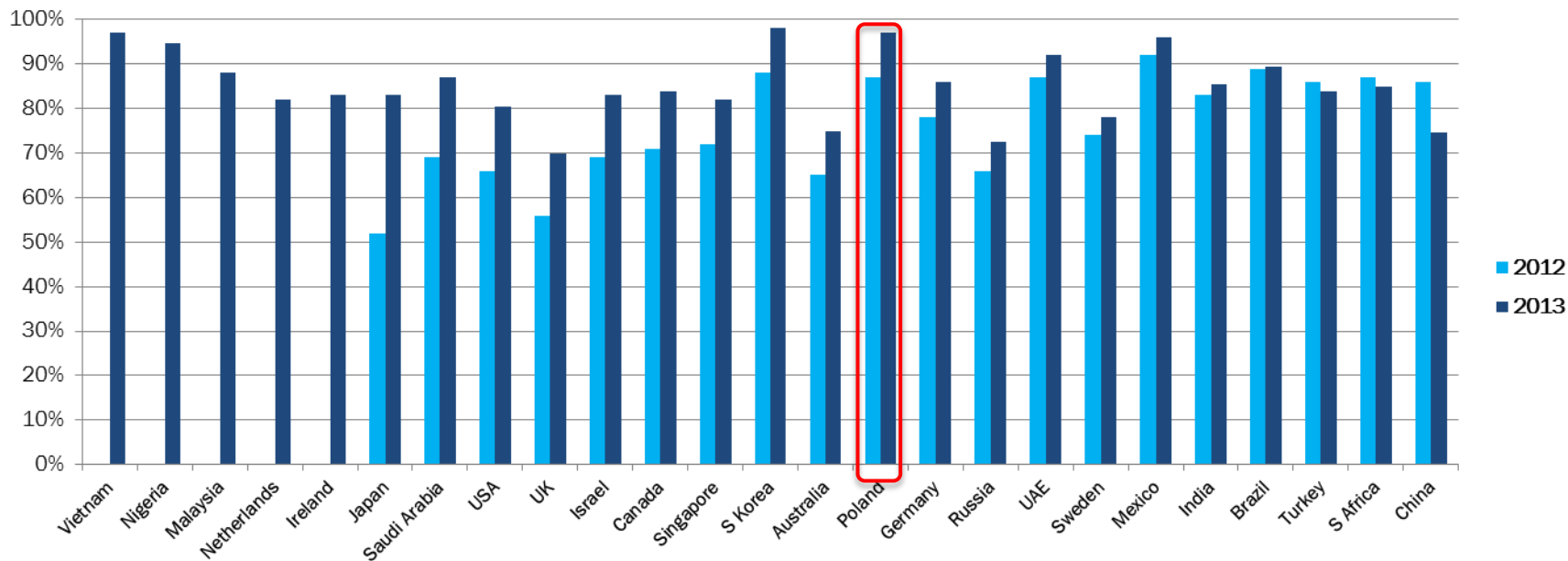
Role of SMEs and need for greater
localization: the trend keeps
building up globally

A growing consensus around the need for innovation to be embracing the specificities of local market needs

Q5. 1 - More than ever before, innovation needs to be localized to serve specific market needs

Average 20 markets 2012: 76%

Average 20 markets 2013: 84% (+ 8pts)

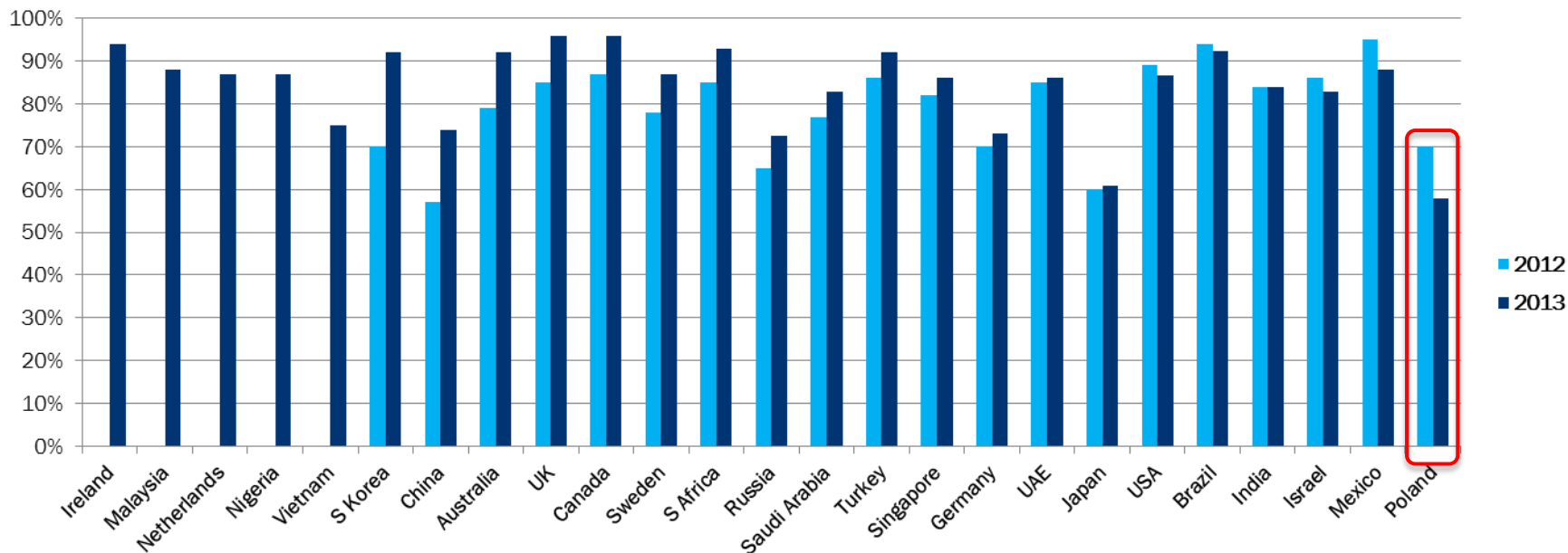


Innovation can be originated anywhere

Q5. 3 - More than ever before, SMEs and individuals can be as innovative as large companies

Average 20 markets 2012: 79%

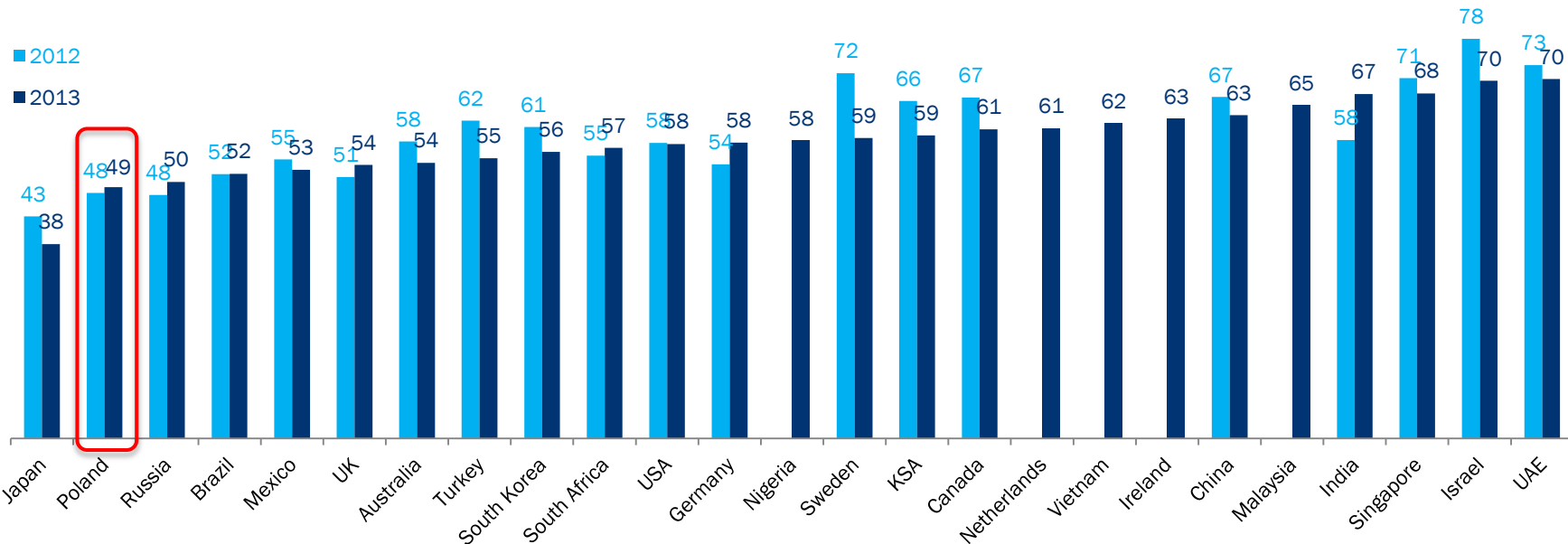
Average 20 markets 2013: 84% (+5pts)



A contraction of the Global environment for Innovation

How do respondents evaluate their country's Innovation framework? No major change in Global ranking, strong new entries

Index on 100 points summarizing the perceptions of respondents regarding 13 dimensions of the Innovation framework of their country.

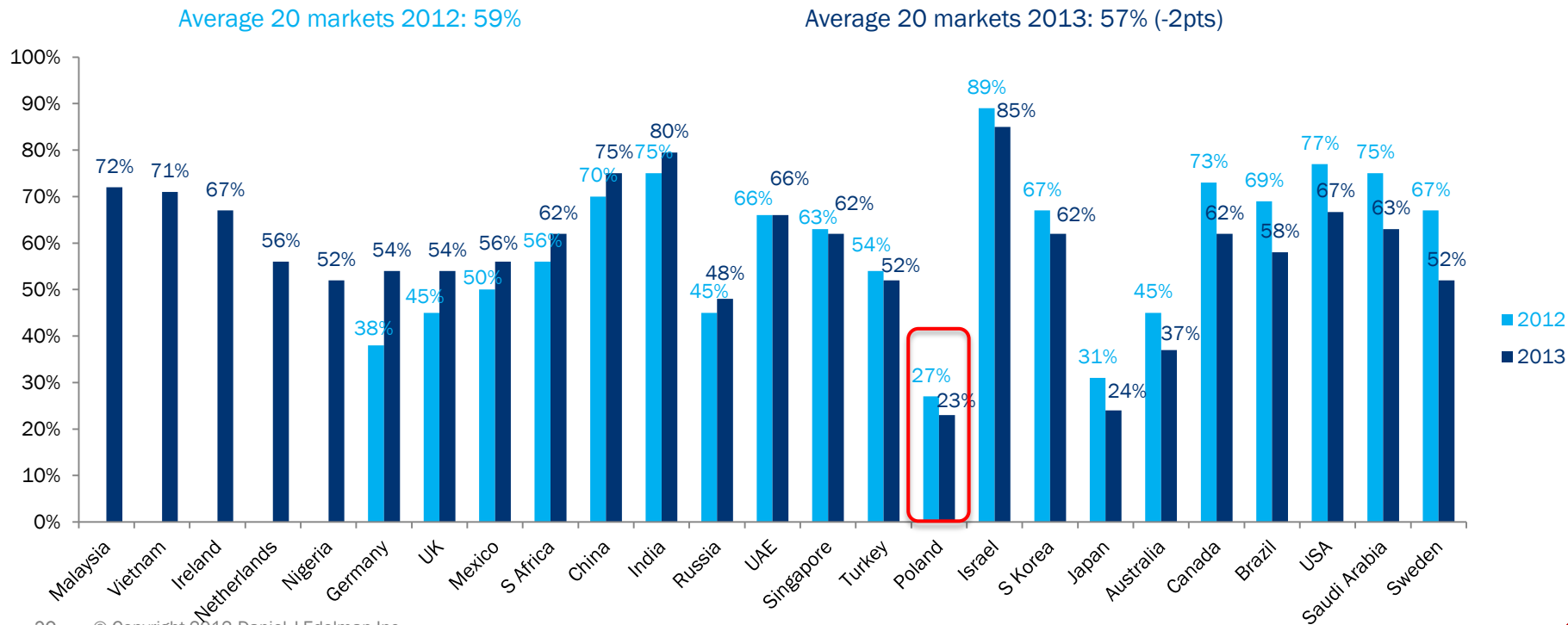


	% Agree 2013	Gap / 2012	Gap / 25 markets
Government and public authorities allocate an adequate share of their budget to support innovative companies	23%	+ 2 pts	- 22 pts
Governmental support for innovation is efficiently organized and coordinated	22%	=	- 18 pts
It is quite easy for companies to partner with universities for their R&D needs	53%	+ 2 pts	- 12 pts
Local universities and schools provide a strong education model for tomorrow's innovate leaders	31%	- 1 pts	- 26 pts
Private investors are supportive of companies that need funding to innovate	23%	- 4 pts	- 35 pts
Public-private partnerships have proved effective in supporting innovation	47%	+ 9 pts	- 18 pts
Society as a whole is accepting of taking risks as part of the innovation process	47%	- 4 pts	- 19 pts
Society as a whole is supportive of innovation, there is an appetite for innovation among young generations	64%	- 9 pts	- 15 pts
The general public is convinced of the value innovation can bring to their day-to-day life	76%	- 9 pts	+ 1 pts
The protection of the copyright and the patent are effective	61%	+ 11 pts	+ 2 pts
The speed at which innovative products are brought to market is adequate	50%	+ 13 pts	- 10 pts
Trade regulations are not preventing firms from being commercially successful	53%	+ 13 pts	- 7 pts

Detailed results per component & market

Private investment stagnation, a positive exception in Germany

Q6. 1 - Private investors are supportive of companies that need funds to innovate

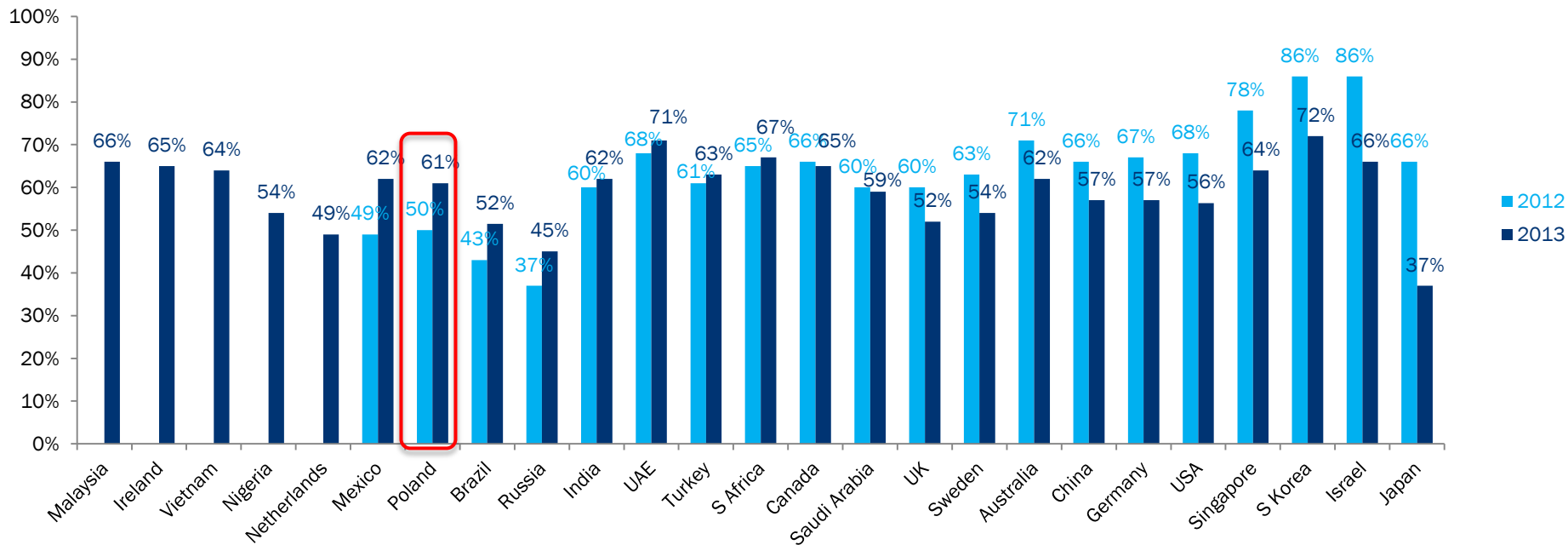


IP protection a growing concern, including in China

Q6. 2 - The current IP protection system does not present barriers to innovation

Average 20 markets 2012: 64%

Average 20 markets 2013: 59% (-5pts)

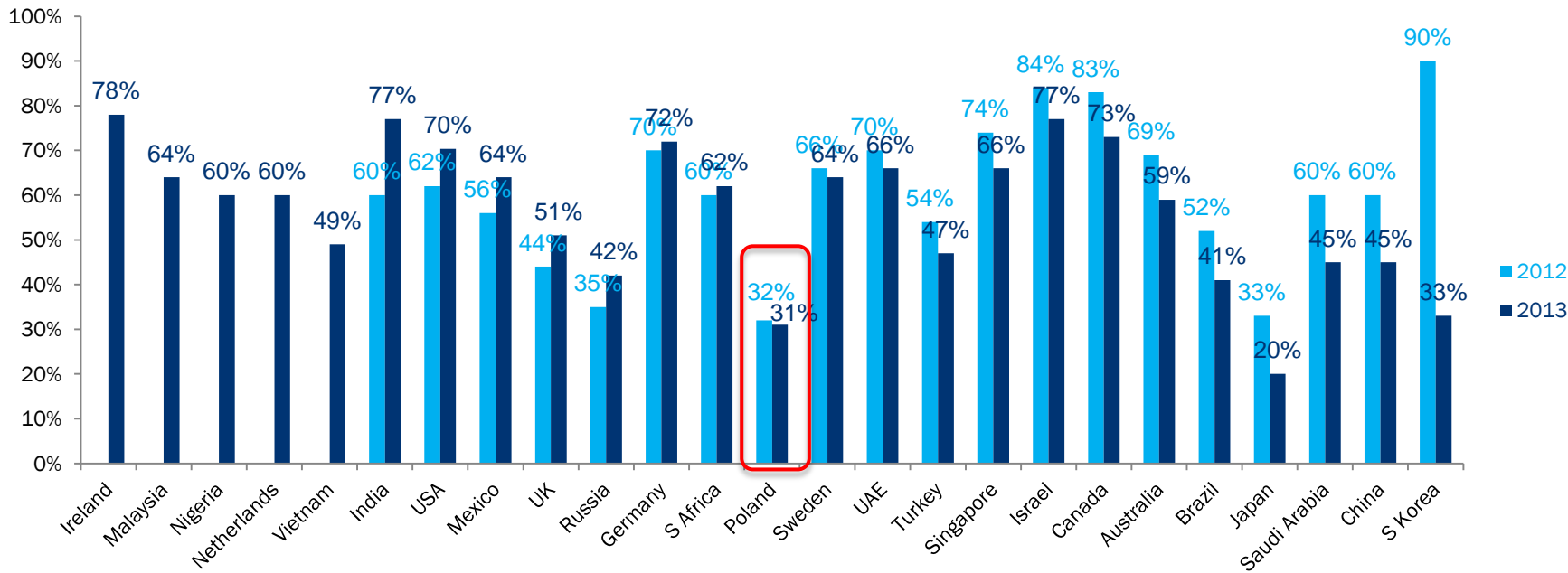


Contrasted evolution regarding universities' ability to train talents

Q6. 3 - Universities and schools provide a strong education model for tomorrow's innovative leaders

Average 20 markets 2012: 61%

Average 20 markets 2013: 55% (-6pts)

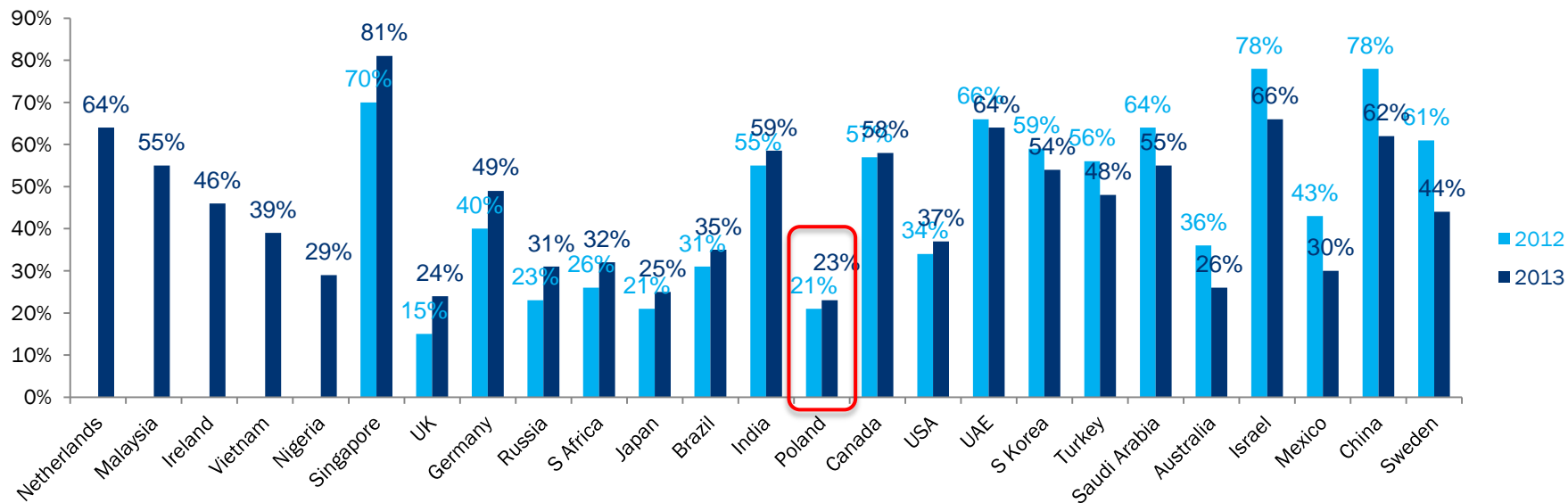


Lower financial support from Governments overall

Q6. 5- Government and public authorities allocate an adequate share of their budget to support innovative companies

Average 20 markets 2012: 47%

Average 20 markets 2013: 45% (-2pts)

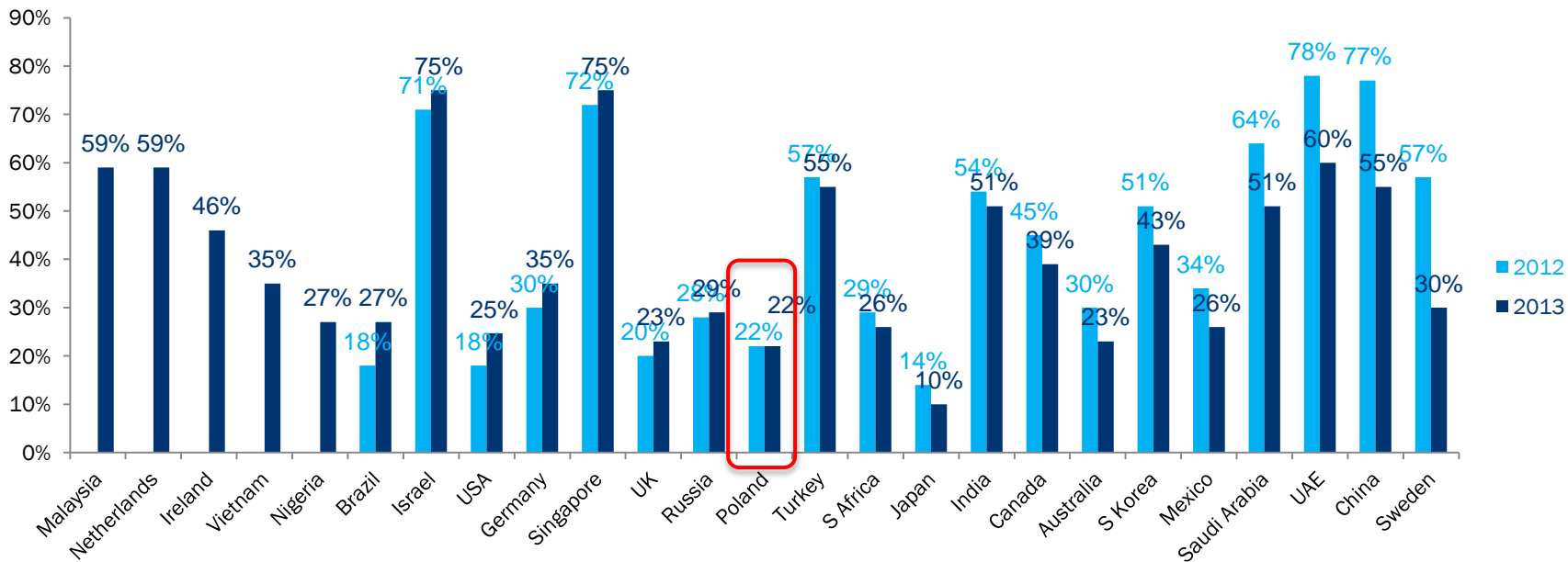


The organization of government incentive to innovation is criticized

Q6. 6 - Governmental support for innovation is efficiently organized and coordinated

Average 20 markets 2012: 43%

Average 20 markets 2013: 39% (-4pts)

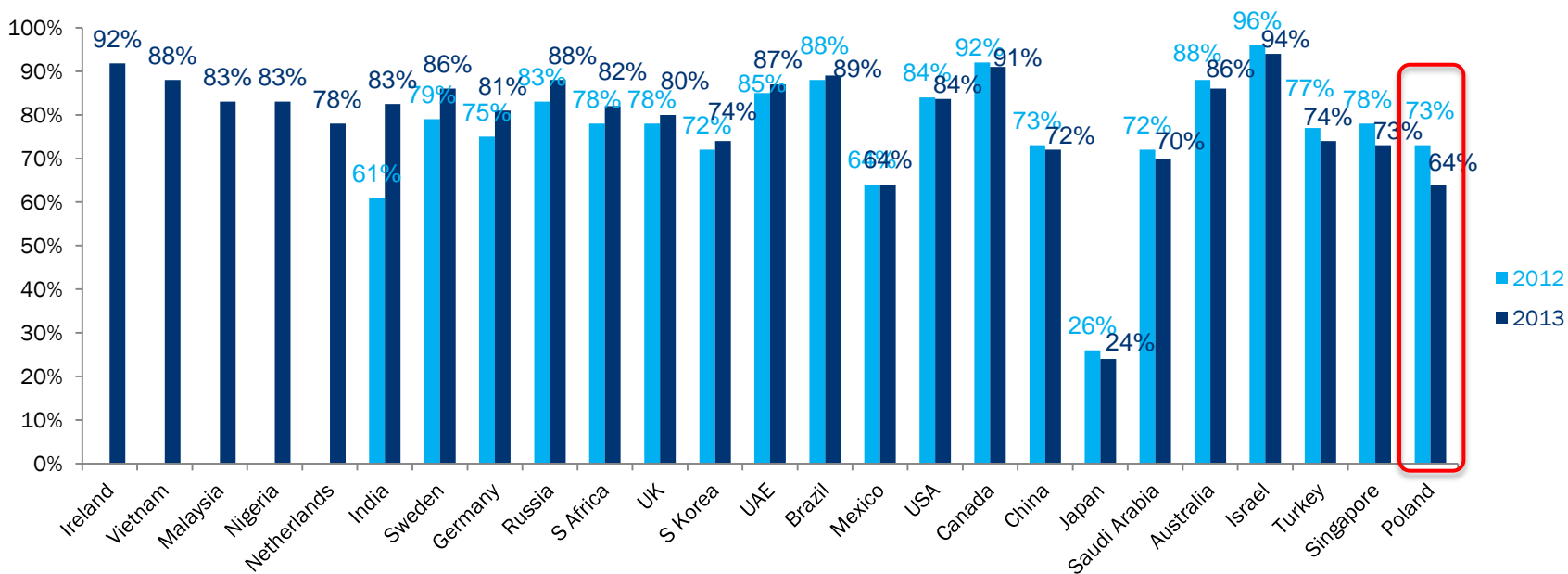


On the positive side: a growing appetite from young generations

Q6. 8 - Society as a whole is supportive of innovation, there is an appetite for innovation among young generations

Average 20 markets 2012: 76%

Average 20 markets 2013: 77% (+1pt)

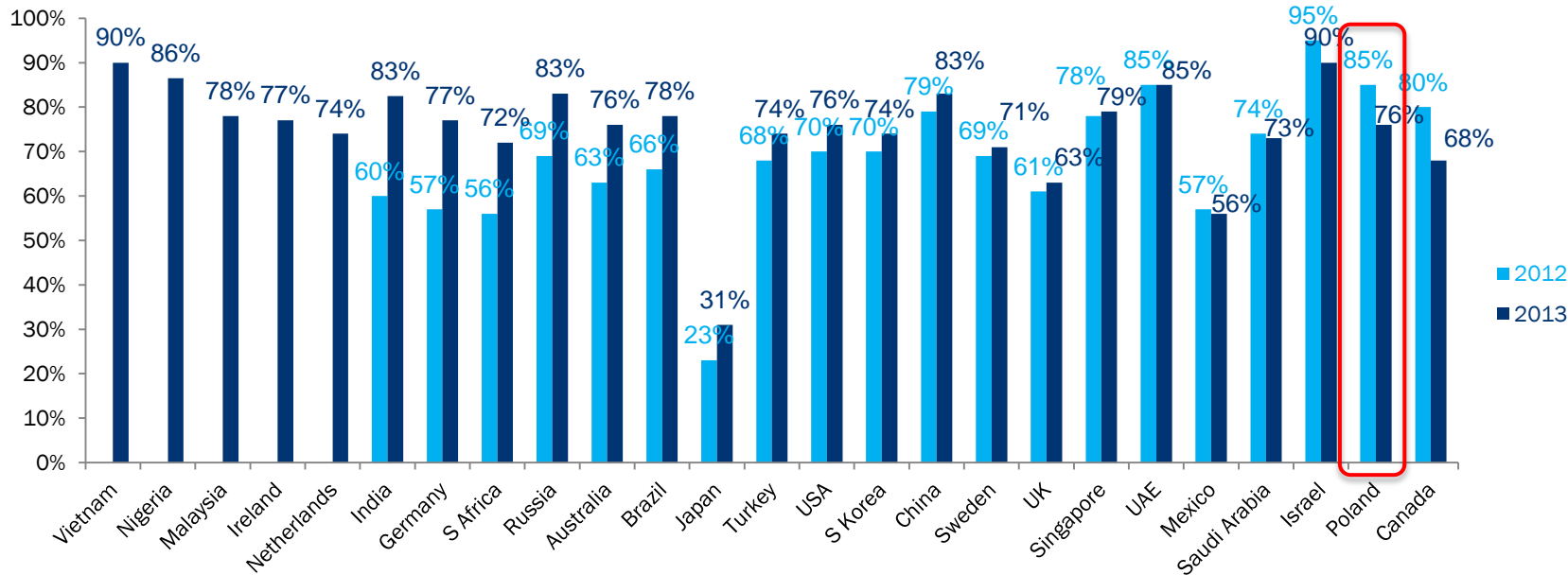


On the positive side: greater societal support

Q6. 9 - The general public is convinced of the value innovation can bring to their day-to-day life

Average 20 markets 2012: 68%

Average 20 markets 2013: 73% (+5pts)

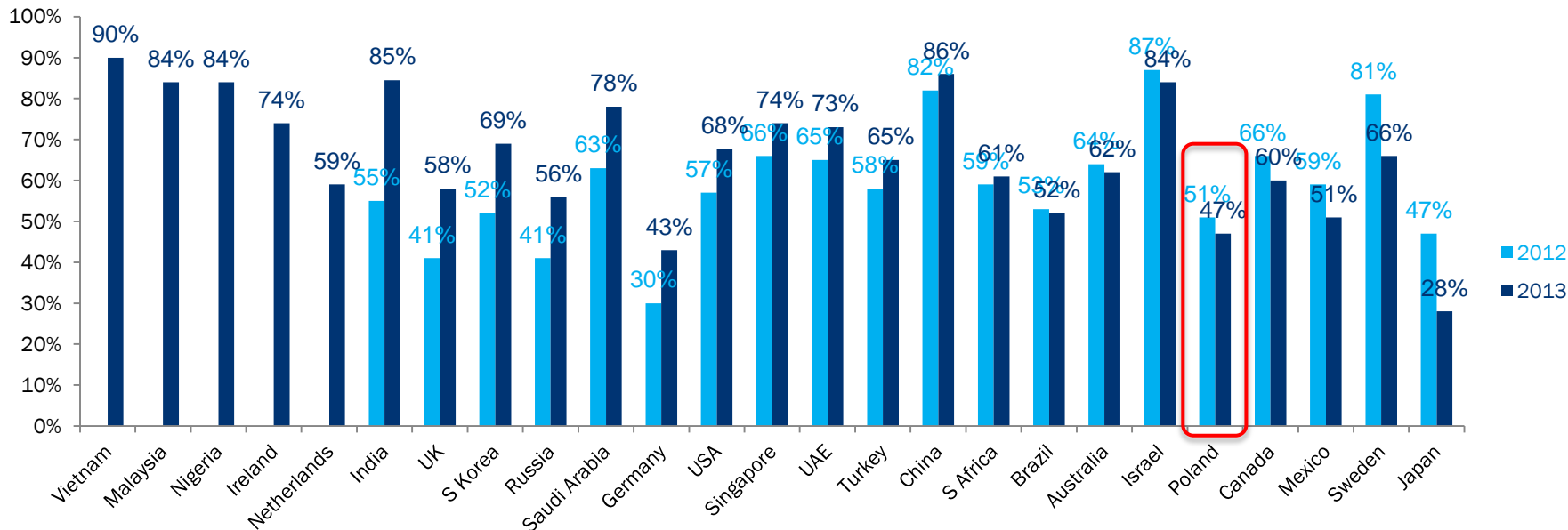


On the positive side: greater tolerance to Innovation related risks

Q6. 10 - Society as a whole accepts that taking risks is part of the innovation process

Average 20 markets 2012: 59%

Average 20 markets 2013: 63% (+4pts)

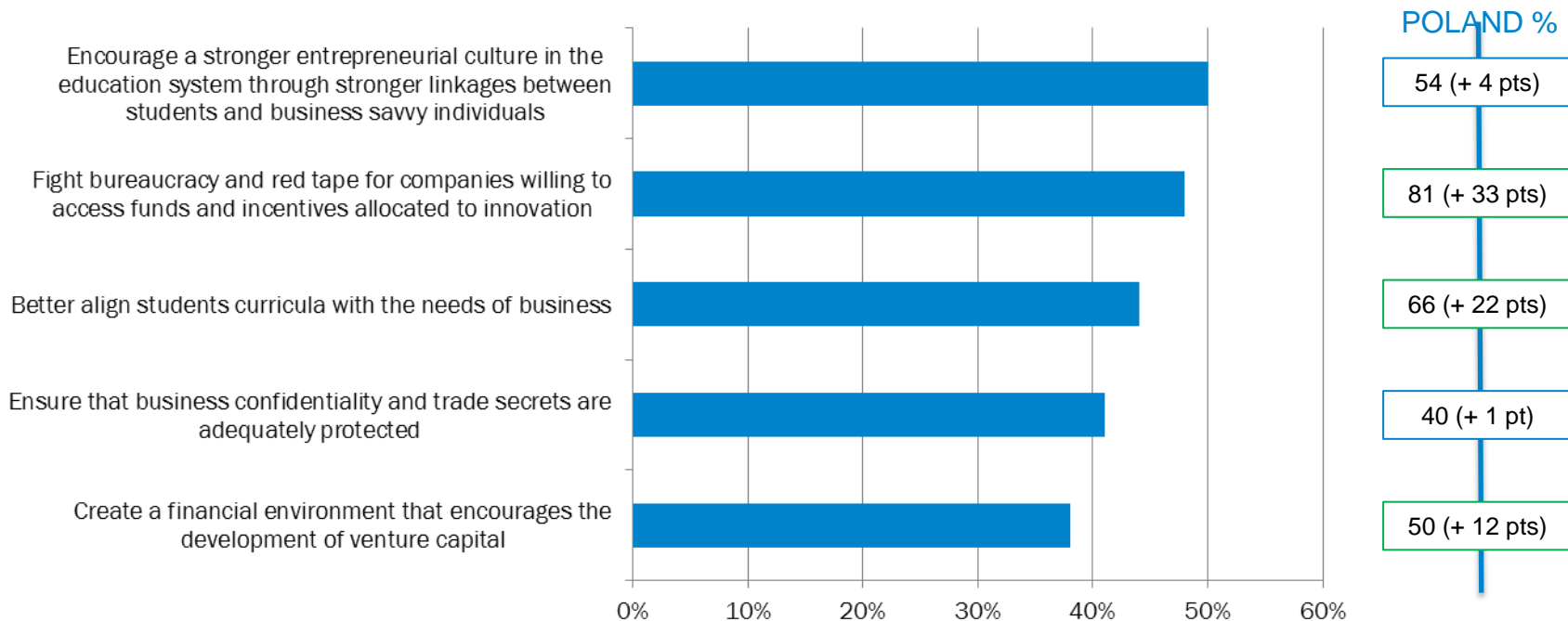


What policies would support
Innovation most efficiently?

Education, fighting bureaucracy and protecting trade secrets evaluated as the most pressing priorities to support Innovation

Q9. What are the main priorities your country should focus on to efficiently support innovation?

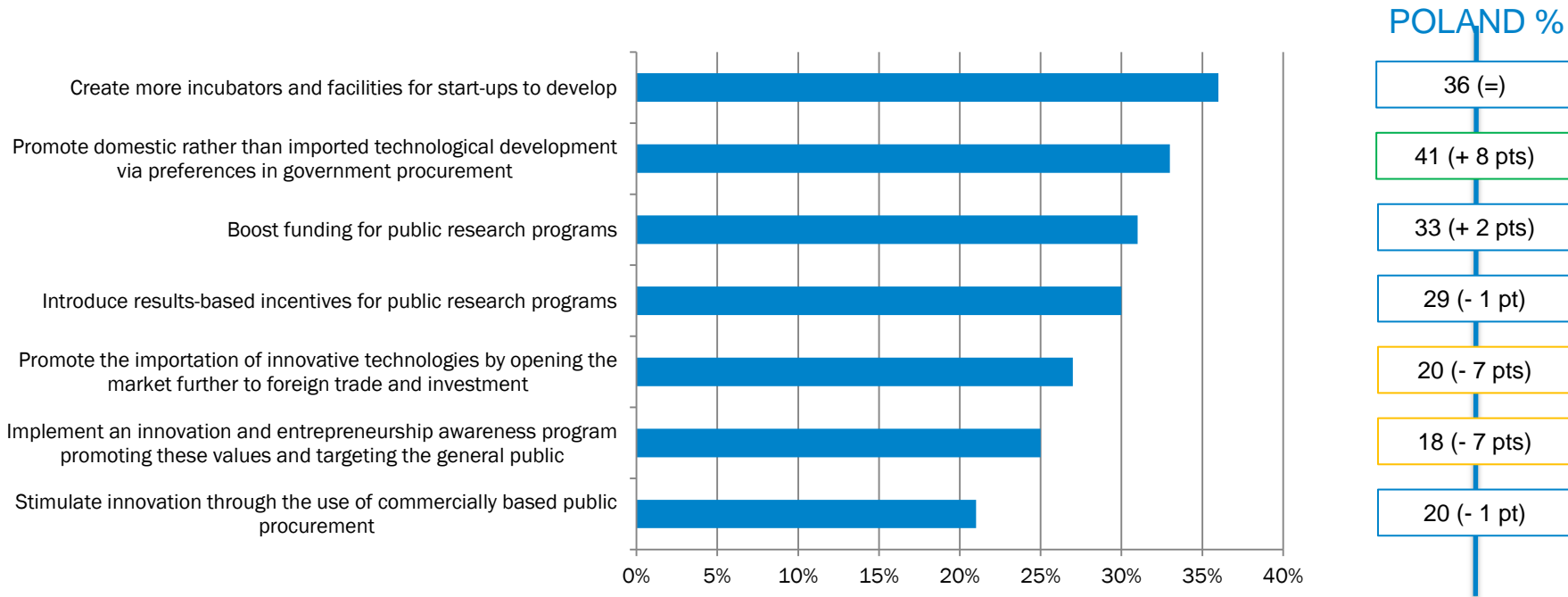
Grade on 10 points where 10 means it should be a VERY STRONG priority and 1 a VERY LOW one, (% Top 2 grades)



Education, fighting bureaucracy and protecting trade secrets evaluated as the most pressing priorities to support Innovation

Q9 What are the main priorities your country should focus on to efficiently support innovation?

Grade on 10 points where 10 means it should be a VERY STRONG priority and 1 a VERY LOW one, (% Top 2 grades)

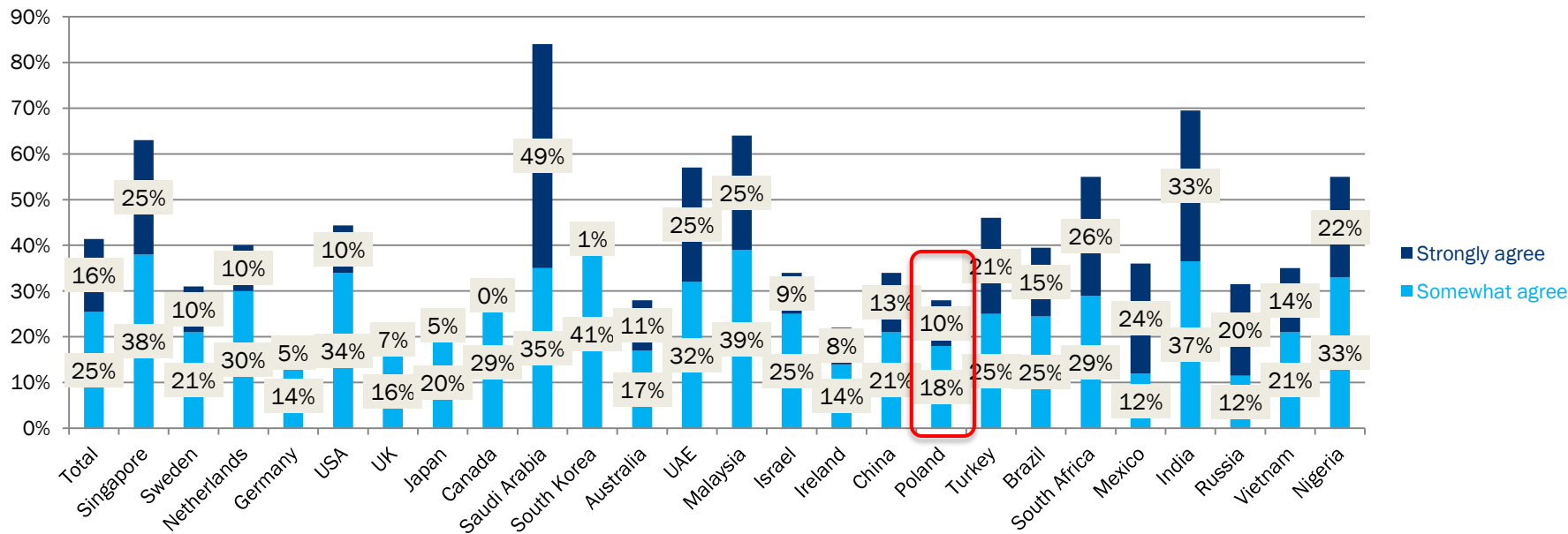


Clustering markets depending on Policy priorities

	JAPAN	SINGAPORE	SOUTH KOREA	CHINA	AUSTRALIA	TURKEY	BRAZIL	POLAND	RUSSIA	VIETNAM	NETHERLANDS	GERMANY	USA	UK	SWEDEN	SAUDI ARABIA	SOUTH AFRICA	UAE	ISRAEL	NIGERIA	IRELAND	MEXICO	MALAYSIA	CANADA	INDIA
Encourage a stronger entrepreneurial culture in the education system through stronger linkages between students and business savvy individuals		2nd		3rd			2nd	3rd			2nd	2nd	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st	1st
Fight bureaucracy and red tape for companies willing to access funds and incentives allocated to innovation		3rd			2nd	2nd	1st	1st	1st	1st	1st			3rd	3rd	3rd		3rd			3rd	2nd	2nd	3rd	
Better align students curricula with the needs of business	3rd					1st	3rd	2nd	2nd	2nd			2nd	2nd	2nd	2nd	2nd				2nd	3rd			
Ensure that business confidentiality and trade secrets are adequately protected	2nd	1st	1st	1st	1st					3rd	3rd	3rd	3rd							3rd			3rd	2nd	
Create a financial environment that encourages the development of venture capital			2nd	2nd	3rd											3rd	2nd	2nd	2nd	2nd					3rd
Create more incubators and facilities for start-ups to develop			3rd															3rd	3rd						2nd
Promote domestic rather than imported technological development via preferences in government procurement	1st					3rd			3rd																

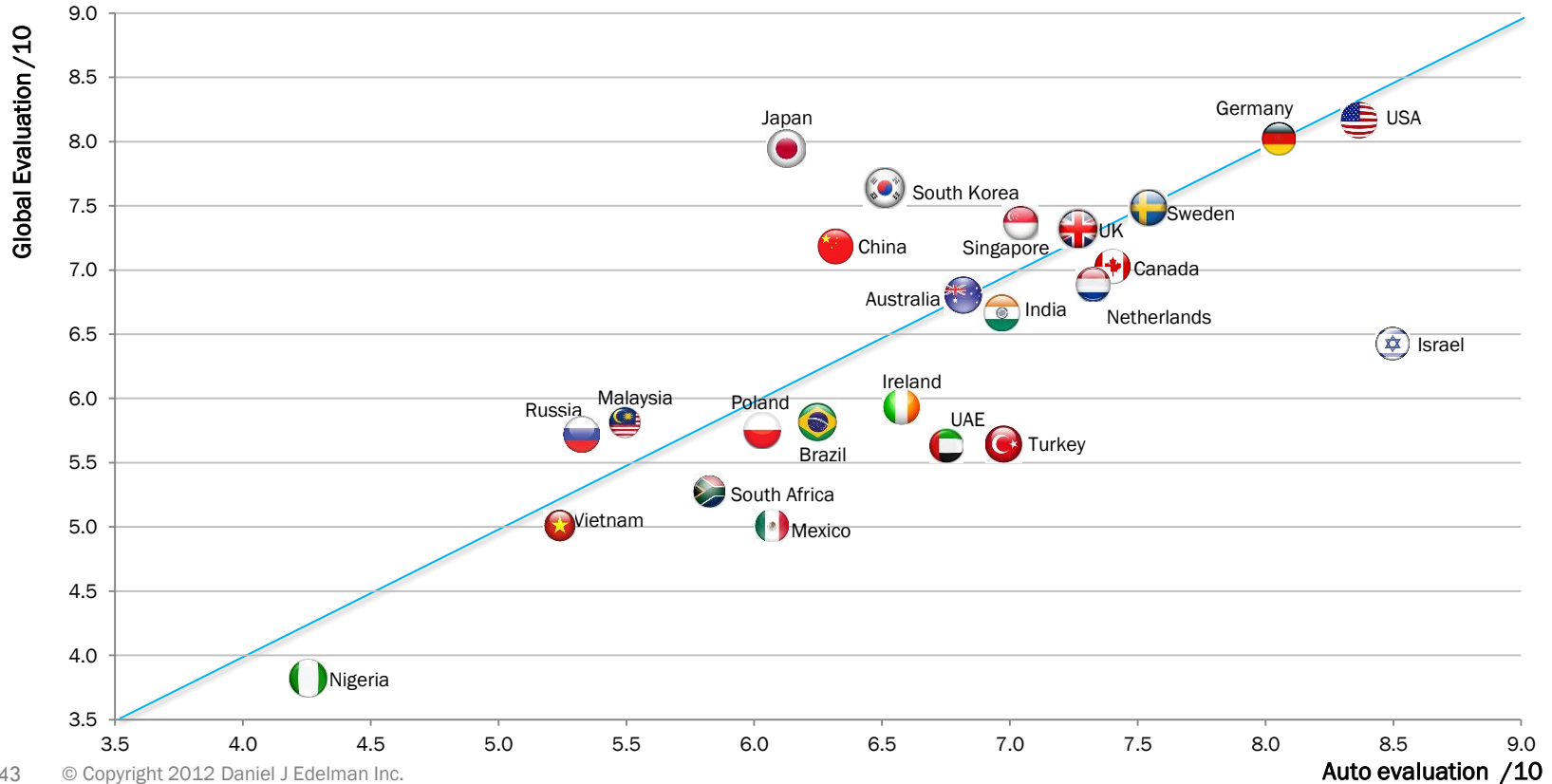
Stronger regulation on talent mobility have had a noticeable impact on Business ability to Innovate

Q5-4. Over the last two years, it has become more difficult for companies to hire talented foreign citizens because of stricter visa requirements and it had a negative impact on their ability to innovate



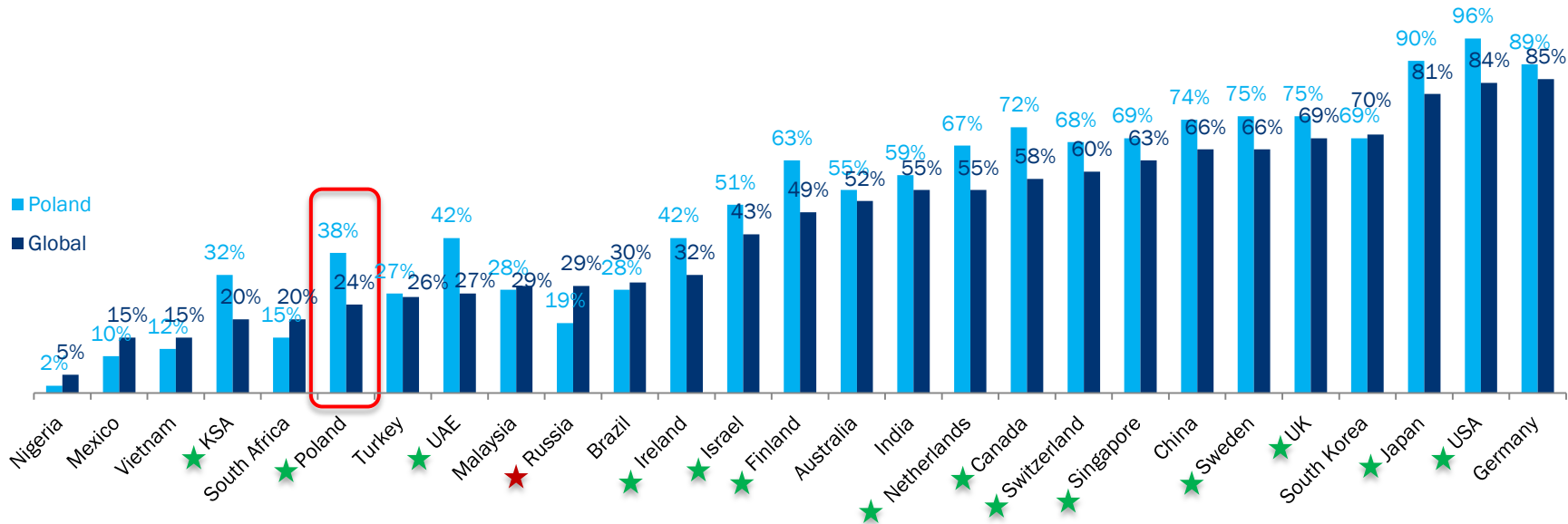
What countries are perceived as displaying the most innovation conducive environment?

EVALUATION OF INNOVATION ENVIRONMENT



How do Polish business executives evaluate other markets' Innovation environment?

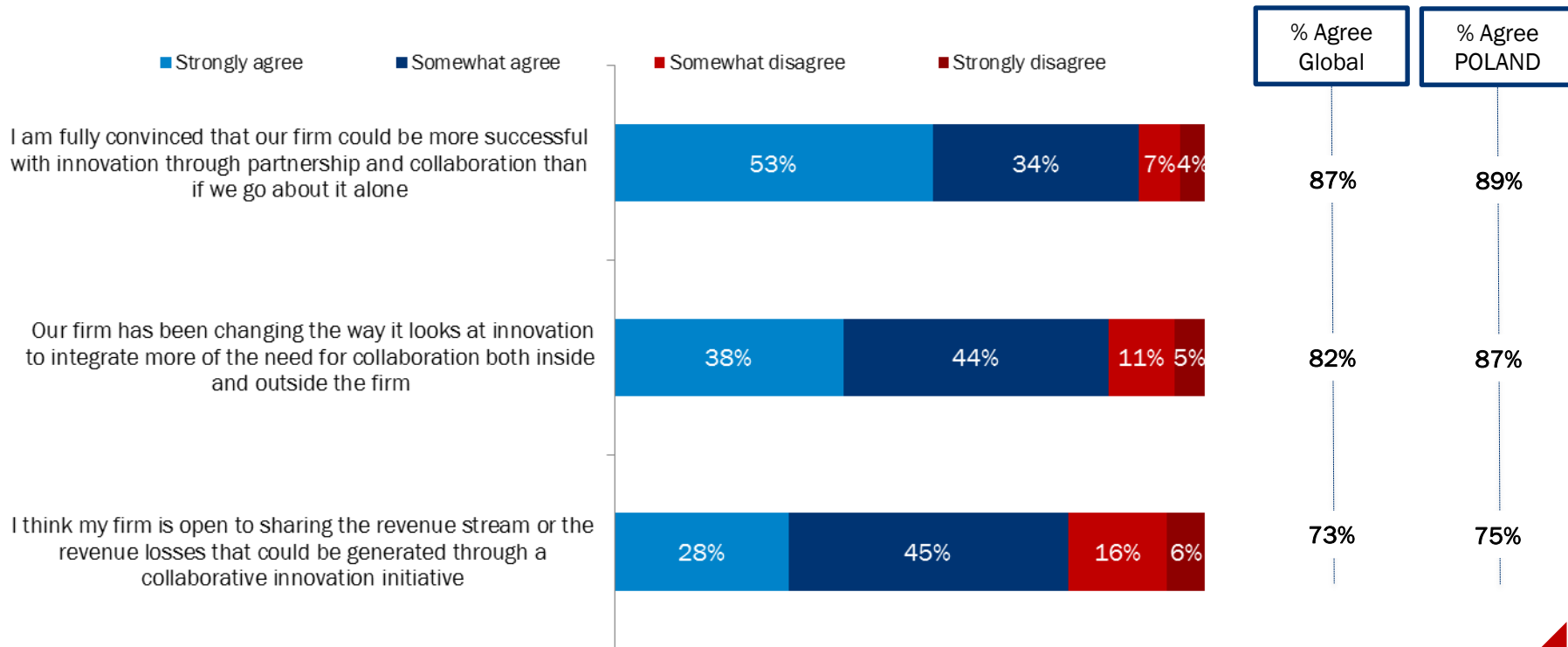
Q8. For each of the following markets, how far would you say that they have developed an Innovation conducive environment?
 % of respondents that evaluate a market innovation environment positively by giving it a grade between 7 an 10/10 points
 (Global perception vs. perception measured among Polish respondents only)



Collaborative Innovation: review of drivers and barriers, experience and policy framework

Collaborative Innovation has a Global appeal

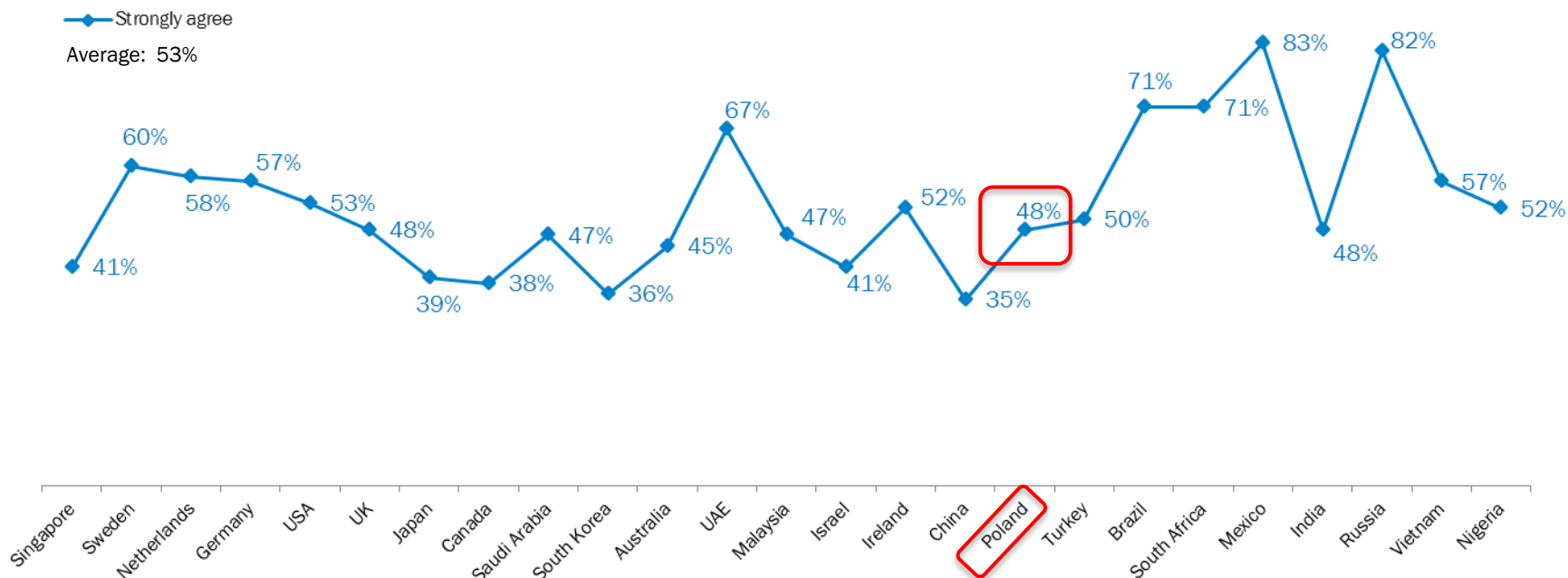
Q11: Measuring the appetite for collaboration



Partnership is globally seen as an opportunity to succeed

Q11 Measuring the appetite for collaboration

Q11-2: I am fully convinced that our firm could be more successful with innovation through partnership and collaboration than if we go about it alone



Emerging markets leading preparing even more strongly to partner

Q11 Measuring the appetite for collaboration

Q11-1: Our firm has been changing the way it looks at Innovation to integrate more of the need for collaboration both inside and outside the firm



Revenue sharing model: a more difficult question to solve

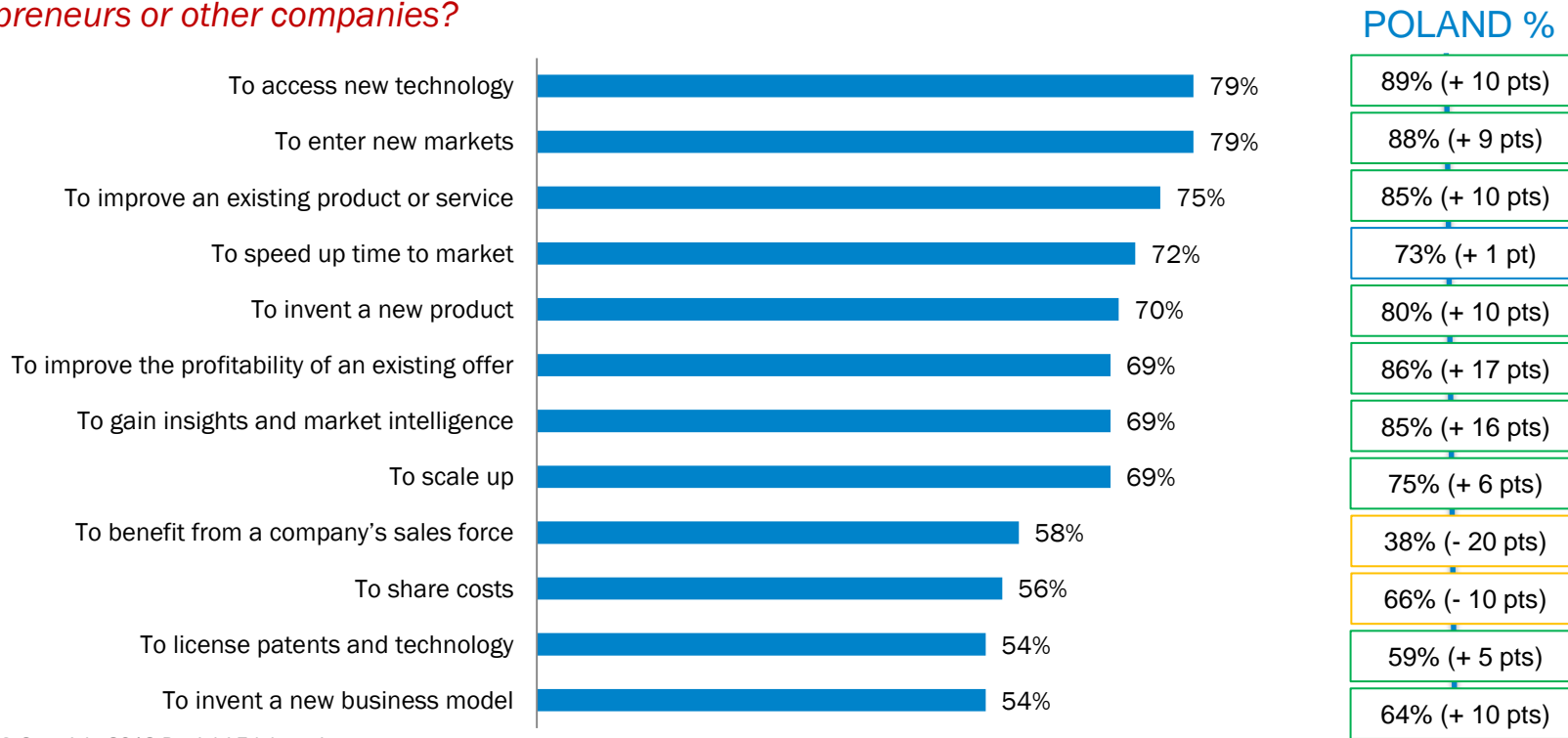
Q11 Measuring the appetite for collaboration

Q11-3: I think my firm is open to sharing the revenue stream or the revenue losses that could be generated through a collaborative innovation initiative



Reasons for collaborating

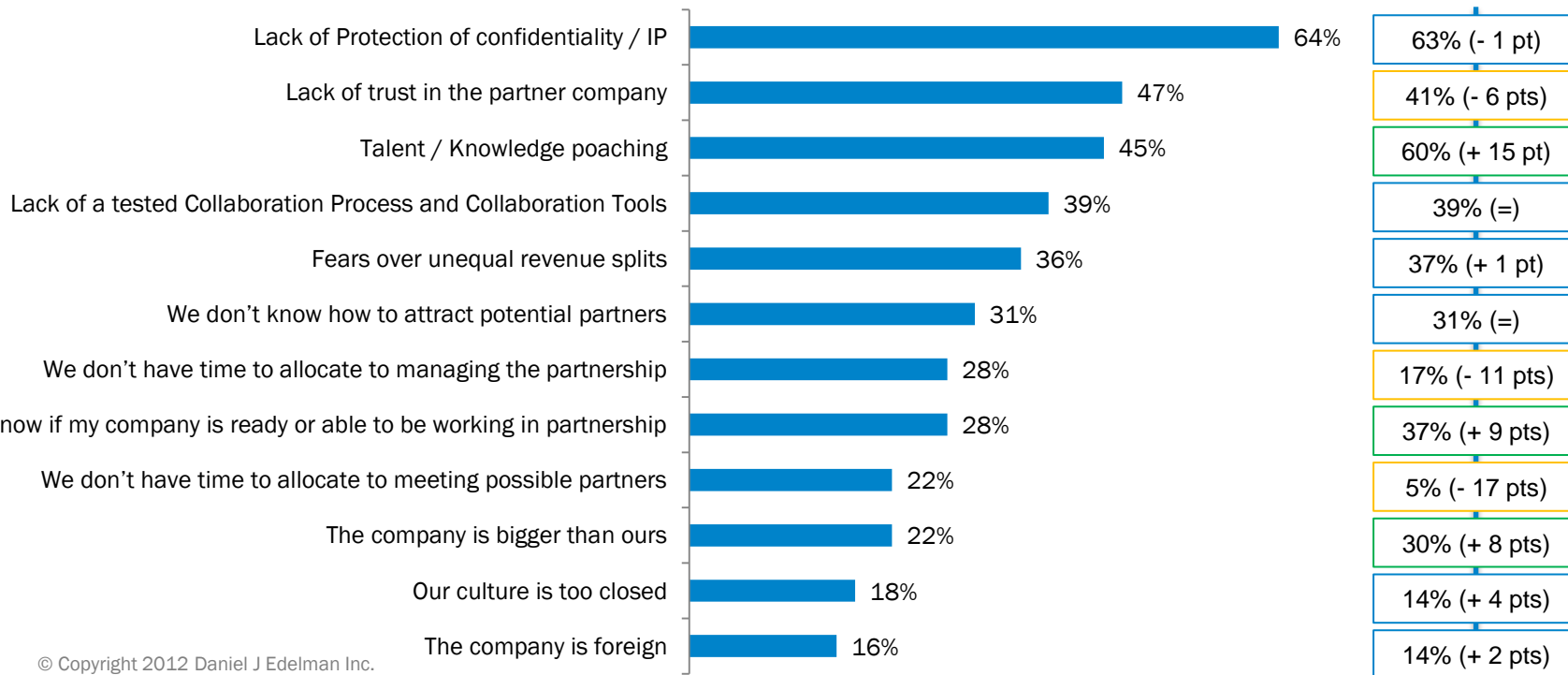
Q15 Still on collaboration, what are the main reasons why your company would seek to collaborate with entrepreneurs or other companies?



Barriers to collaboration

Q16. Still on collaboration, what are the main reasons why your company would be reluctant to collaborate with entrepreneurs or other companies? (% of respondent that selected the item as a barrier)

POLAND %



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