

Banco bilbao vizcaya argentaria

Business



In some projects such as POKE and deponents, BAA just paid money and assigned their partners to work for them. This leads to a low level of engagement between BAA and partnering companies. In addition, there is a small evidence of the customer engagement in the innovation process be seen as another indication of the open innovation. As mentioned earlier, BAA intends to move forward to the open innovation and it has embedded the environment of the open innovation through their organization. It is likely that what BAA has been doing goes beyond the close innovation.

Therefore, it can be concluded that the innovation at BAA has been a slightly open innovation" approach but how could BAA think about a system that is more open is still questionable. 3.

Challenges in moving towards to an open innovation Uncertainty in the future might lead to a number of managerial challenges. The following are some potential dangers that BAA might be aware of when keep moving towards to more open innovation approach. 3.

1 Potential Dangers in the future Centralizing innovation According to the innovation centre in Madrid, the customer insight department and all innovation projects are centrally managed within this centre. Although the centralization brings BAA the effectiveness of authority control and uniformity in action, BAA should be aware of localized control of customer service and customer satisfaction.

Successful launching new services in Madrid do not mean the success in anywhere else of the world. For better customer satisfaction, having localized innovation centers and synergies between customer insight and

innovative department would enable better understanding of local customer needs. However, localization might bring a higher cost to support their needs.

High costs of investment Although the more collaboration with external partners would be able to strengthen an open innovation, it also raises the costs of idea generation and expenses of more employee involvement. Increased investments are required to create a number of Innovative projects. BAA should consider implementing mechanisms for reducing the investment costs.

Intellectual property (P) As BAA has launched many innovative projects, it is crucial that it has to focus on strategy that prevents the imitation from its competitors. BAA may attempt to protect its innovations through patents, trademarks, copyrights or trade secrets. However, creating a barrier dependent on its unique skills should also be considered.

Ere company's belief in literatures regarding the open innovation framework This is a big danger of the company that believes in innovation literatures or theories. Some academics are still publishing the success cases of the innovation, sending the message that the implementation of the open innovation will be beneficial and bring more customers. Then the company will be able to provide better services.

It is suspected that those literatures might base on the research conducted via Interviewing the existing customers by leading questions. Carlson C. And Walden P.

Discovered that although the research on TV mobile showed the evidence that there would be a higher demand, the situation went wrong when the product Nas launched into the market and found that the demand was not actually there. So, it is important to consider the reliable of the literatures.

Employee's attitudes Since the management team has embedded open innovation environment in BAA, it may seem that its employee's attitudes would concur with both outside-in and inside- out open innovation approaches.