Elena Bou

Professor at ESADE’s Department of Operations Management and Innovation and director of its GRACO Research Group

KICs, illusion or reality?

Europe has great potential for producing new knowledge, but at the same time, it displays major deficiencies in transferring it to the market.

ELENA BOU, associate professor at ESADE’s Department of Operations Management and Innovation and director of its GRACO Research Group.

Europe faces major challenges in the sphere of innovation. According to the so-called European paradox, Europe has major potential for creating new knowledge, yet at the same time displays major shortcomings in transferring it to the market.

The recently created European Institute of Innovation and Technology (EIT) intends to overcome these deficiencies through knowledge and innovation communities (KICs), which are communities bringing the different agents of the knowledge triangle (education, research and innovation) together in a single network.

KICs are surrounded by a certain controversy. Their proponents hold that they are the first European mechanism coordinated by an independent organism to be exclusively dedicated to innovation. Detractors say that earlier attempts (such as networks of excellence) did not produce the desired results and that success stories such as Silicon Valley were not born of political initiative, but rather of individual and corporate initiative.
Both arguments are valid, but a detailed analysis of the KIC concept finally used demonstrates that it has differentiating elements that make it stronger.

What are the advantages of the KICs? First of all, their innovation concept is based on collaborative innovation; they group together all the agents in the innovation chain and foster a philosophy of open innovation. Secondly, they are not a mechanism for researching, but for innovating, which will harness the extant knowledge for the market by launching educational programs, products, services, patents and start-ups. Moreover, the fact that each KIC has a business plan fosters a market orientation, consensus on integrated objectives and collaborating members’ alignment with these aims. This aspect is highly important, since various preliminary studies show that the absence of alignment makes it harder to obtain results and fosters a vague definition of members’ roles, a clear definition being a critical factor for their success. And finally, the financing model (the EIT only finances 25% of the KICs’ budgets, the remaining being contributed by members and other affiliated organizations) and the duration of financing (seven years) foster an environment conducive to commitment and confidence among members, two determining factors for the success of such networks.

Nonetheless, there are also certain problems on the horizon. The EIT funding means they are not wholly independent. In addition, the management of networks with such a heterogeneous membership constitutes a challenge, since traditional mechanisms are not directly applicable.

KICs have broken onto the stage of European innovation with strength and enthusiasm, and only time will tell if they are to become a brilliant reality or a shattered hope. We at both the UPC and ESADE, the two institutions heading the renewable energy KIC, shall assume the challenge of turning this enormous opportunity into a tangible reality.