

"DIVERSITY AS A BUILDING BLOCK FOR INNOVATION IN EUROPE"

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Susanne Justesen initiated her speech by defining innovation the result of combining knowledge from different knowledge domains in new ways. She stated that the result of this process is innovation when it brings about a new and valuable practice, e.g. a product, a process or a service. Innovation defined in this way, means that it does not make sense to talk about innovation without diversity; among not only professional knowledge, but also about the forms of knowledge represented by a diversity of people, cultures and regions.

According to Susanne Justesen, we need to become better in Europe, at navigating between a diversity of different domains of knowledge; we need to become better at understanding a diversity of different cultures, at facilitating innovation by bridging this diversity. We need to not only exchange knowledge between domains, but also combine knowledge between domains in new ways, making way for new products, processes and services....

AER is already playing an important role in navigating between European regions in the public and political arena. But we need to find a way to facilitate the same process in the business world, if we truly want to be able to benefit from our European diversity in our innovation efforts. We therefore need a new approach to diversity.

A NEW APPROACH TO DIVERSITY: THE INNOVERSITY APPROACH

According to Susanne Justesen we need to think of diversity as "availability AND use of multiple knowledge domains". Diversity should not be seen merely as identity. We need to think of each of our identities as knowledge domains, where Justesen described regional identity as one example of a knowledge domain. Likewise, we should begin thinking of our regional, national identity and even our European identity as a potential knowledge domain, which can be applied and used for innovation purposes.

Justesen explained that each such knowledge domains represent a unique set of *perspectives* and *skills*. The *perspectives* of a particular knowledge domain provide each of us with a certain way of understanding a particular situation or problem. The *skills* pertaining to a knowledge domain provide us with a certain way of making decisions or solving a problem in the given situation.

We need to be aware though, that just by having different knowledge domains, such as for instance regions represented in the same room does not provide for neither diversity nor innovation. If the diversity of knowledge domains should be applied and used for innovation purposes we need to ensure that we do not merely exchange knowledge between domains (learning), but that we also make new combination between domains. Such combination thus requires that we either challenge ourselves and our own knowledge domain, or challenge the domains of others when we work together. Otherwise we just reproduce the presence, instead of innovating for the future.

Justesen used a thought example from AER to illustrate her point: Imagine two members from AER working together in an AER project group on energy efficiency in Europe. One of the group members is the economist Guido from the region Friuli Venezia Giulia in Italy, and the other is Anna

from the region Fyn in Denmark, with a background in engineering. Based on this description the two of them thus have a total of nine knowledge domains to draw upon in their work with energy efficiency (AER, Friuli Venezia Giulia, Fyn, Danish, Italian, male, female, economics, and engineering).

When they exchange knowledge, Guido may for instance share with Anna some of the expertise from his work with solar energy in the region of Friuli Venezia Giulia, and Anna may share her experiences with Guido that they have made in the region of Fyn with the use of windmills in boosting energy efficiency. That is a great example of sharing, and if they choose to at some point use solar energy in Fyn, she can learn from and build on the experiences of Guido and the Italian region. That however is learning and knowledge sharing, and even if highly useful, it is not necessarily innovative, and not very likely to bring about neither innovation nor new solutions.

For a project group to be innovative and not merely efficient, the group members need to actively and constantly challenge each other, to ensure that they move beyond merely exchanging knowledge into also combining knowledge between their two domains. In order for Anna and Guido to be innovative, they need to break with the past and combine their knowledge in completely new ways. Maybe a new windmill with solar panels on the wings could emerge from that?

WHY IS DIVERSITY IMPORTANT TO INNOVATION?

There are several reasons as to why diversity is important to innovation. Based on her research Justesen outlined five of the most important ones:

Requisite variety: when the members of a project group represent a multitude of different knowledge domains, they have more knowledge available to them that can be exchanged and combined in a lot of different ways.

Network variety: We know from network research that our personal networks more often than not are composed of individuals similar to ourselves. Thus, the access to other knowledge domains immediately outside the group can be rather limited for a homogeneous group, and rather abundant for a group characterized by diversity.

Absorptive capacity: A group with a high diversity of knowledge domains is also likely to be better at not only absorbing new ideas and trends emerging in the market, but also to assess whether that new idea, technology or trend is important or not.

Creative destruction: A group with a lot of different knowledge domains, people and cultures is able to challenge each other more than a group with more similar group members.

Shared problem solving: In a group with a lot very different knowledge domains, group members are able to understand and explore a particular problem from a multitude of different *perspectives*, just as such a group will be able to bring a lot of different *skills* to use in trying to solve the problem.

DIVERSITY: A BUILDING BLOCK FOR INNOVATION IN EUROPE

According to Susanne Justesen, there are a range of different arguments as to why diversity should be taken much more seriously in innovation than the case is today. The benefits to derive from diversity should not be overlooked, and especially not when considering the potentials of European diversity in improving the overall innovation capacity in Europe. But there are also challenges that need to be faced in Europe if we truly are to benefit from diversity in European innovation.

There European diversity thus represents a significant innovation potential represents in the global competition with other countries such as the US, India and China; because of the enormous diversity of knowledge domains available to us. We have a large variety of cultures, disciplines, professions and demographics – represented in the relatively small geographic area that Europe represents on a global scale.

In Europe we have a particularly strong tradition for collaboration and the combination of knowledge between traditionally separate knowledge domains. And last but certainly not least, we have a good strong and long tradition for discussions and disagreements, and are therefore good at challenging each other when we work together.

But probably even more importantly, we have associations such as the AER, that are here to facilitate interregional cooperation between our many European knowledge domains. An association like AER thus helps building awareness of the many different forms of knowledge, cultures, identities and domains available in Europe. Because we need to increase the overall European awareness of domains, not only in each region, but through interregional cooperation and innovation, in the public and none the least in the private sector.

Justesen emphasized that she firmly believes diversity to be a natural building block for innovation in Europe in the future; as a means for maintaining our competitive edge when competing globally. However, Justesen also emphasised that for us to actively leverage diversity in order to increase overall innovation in Europe, we are faced with at least two important tasks in Europe:

- We need to increase overall interregional awareness of the different available knowledge domains in Europe – how else do we benefit from this unique European diversity in innovation?
- We need to increase focus in the business world as to how to work with businesses in other regions when competing with innovators from the US and Asia.

Justesen ended her speech by saying how pleased she was that AER had now initiated this important dialogue on the importance of diversity in innovation, and how she hoped that this was just the very first step of many in establishing diversity as an important building block for innovation in Europe.