

NESTI

COGNITIVE INTERVIEWS

PROTOCOLS FOR ROUND ONE

SCOPING INTERVIEWS - INNOVATION

**Draft prepared
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Cognitive Interviewing – Round 1 - Scoping

Structure of scoping interviews

The main objective of the initial round of scoping interviews within the broader project is to gain a general and deeper insight into how enterprises view innovation and manage and account for their innovation activities. The questions have been designed to first examine the broad context and forms in which innovation, as understood by firms and as defined in the Oslo Manual, takes place. In this regard, the questions cover the context and environment that enterprises are embedded in and that may influence their innovation capabilities and propensity to innovate.

At a second stage, the questions focus on the innovation strategy and the decision-making process to implement the strategy at the enterprise level, as well as the systems in place to gather, store, analyze and retrieve innovation information (innovation bookkeeping). The last stage of the testing covers the understanding and interpretation of the concept of innovation and its different categories (product, process, organizational and marketing innovation). The goal is to verify how the respondent understands these concepts in order to identify optimal approaches for retrieving the desired information through survey questions. The objective of these interviews is not to test questions, but to lay the ground for defining questions for testing.

The scoping interview is structured as follows:

- a) **Profile of respondent**
- b) **Characteristics of the enterprise**, organizational structure, markets, business context and customers.
- c) **Innovation strategy and innovation activities**: innovation strategy and decision-making, how the enterprise organizes its innovation activities, and record keeping.
- d) Understanding of different **types of innovation as currently defined in the Oslo manual**
- e) **Record keeping and ability to retrieve detailed information**

Questions are combined into sections in the order presented above. Sections and subsections appear in bold. Every question to be asked is numbered and appears in bold and italics. Comments that are only directed to the interviewer appear in italics.

First the interviewer should ask the question and wait for the respondent to answer in his/her own words. Avoid interrupting the respondent. Give him/her time to think about the answer and elaborate without any interference. Once the respondent stops talking, then the interviewer can probe (as indicated under each question in italics) by making extra questions in order to obtain more specific information.

The interview

Please start by introducing yourself and thanking the interviewee for his/her time. Explain that the interview should take no more than 1 hour and that the content of the interview will be kept confidential and comments made will not be attributed. Remind the respondent about the relevance of his/her participation, by explaining that opinions and comments made will be very valuable for OECD to gain insights on the innovative activities of enterprises. These will ultimately contribute to a project aiming to reduce the burden of completing surveys and improving the international comparability of results across countries. .

Please also remind the respondent that the main goal is to gain a general overview of how the company understands and deals with innovation, and whether and how it manages innovation and related activities.

[Ask for permission for recording interviewing (for accurate record keeping)]

Interviewer: Before we start with more specific questions, I would like to ask you a few questions about your role within your enterprise.

Part A - Overview

1 – Respondent Profile

1.1 - Job Title: *Please, could you tell me what is your formal job title?*

1.2 - *What are your job's main responsibilities?*

Ask to summarize main activities and responsibilities.

1.3 - *How long have you being doing this particular job in this firm? How long have you been working in this enterprise?*

The respondent may have been for sometime at the enterprise, but only recently has been in his current position. Ask for how long he has been in this job, and with this organization, as it will likely have an impact on his ability to answer questions.

1.4. *Have you ever been responsible for completing an official/national innovation survey?*

Now I would like to ask a few questions about your enterprise, so that I can better understand its line of business and your markets.

2 - Characteristics of the enterprise

Some of this information can be obtained beforehand, from a business register or and from the Internet, published accounts, etc.... Even if obtained before the interview, check if your information is correct and up to date.

2.1 – Ownership and control

2.1.1 – *Is your firm part of a larger domestic or multinational group?*

If answered a multinational, ask where the Head Office is located.

2.1.2 – *Can you briefly describe the organizational structure and decision making in your firm?*

Probe to find out what types of major decisions –if any– are taken outside the firm, by parents or majority shareholders

2.1.3 *Were there any significant changes in the structure of your enterprise in the last three years? What I mean by significant changes in structure include, for example, a merger or a take over, or selling / closing down parts of the enterprise, or opening new subsidiaries in any part of the world. [OPTIONAL??]*

If yes, ask to provide specific examples

2.2 - Sector of activity (ISIC/NACE) / Line of business / Markets and Customers: [THIS SECTION COULD BE FURTHER STREAMLINED IF NECESSARY]

2.2.1 - What is the main activity of your firm?

Ask the respondent to describe its operations, and refer to its main products.

Probe for how the respondent understands the concept of products. Does he include goods or services? Or both? Ask for examples of main products.

2.2.2 - Which are your firm's main customers?

Main customers may include other divisions of the group of enterprises (such as the parent company, other affiliates / subsidiaries) or other enterprises or individual consumers or the government.

Ask if the enterprise keeps records of sales by market and by type of customer. If not the respondent him/herself, who in the enterprise might be able to answer related questions?

2.2.3 – Which are the main markets in which your company operates? ?

How does the respondent define “main markets”? Is it the local market, a region, the country? Does the enterprise sell worldwide (directly or via intermediaries)?

Probe the respondent's company would be able to provide approximate estimates as in the case above.

2.2.4 - How would you describe the structure and the state of competition in your market?

Probe about nature of competition (on price, quality, etc...) and if market is stable or unstable, if things keep changing quickly or take longer to change. If the respondent mentions changes, probe for the type of changes, for example, high churn, shortening product cycles, disruptive technological changes.

2.2.5 - What do you consider to be your firm's main strengths, compared to its closest competitors?

For example, it can be price, new products, quality, differentiation, introduction of new technologies, skilled workforce, etc.

*In the next section, we are formulating questions to test the respondent's views on innovation and the different types of innovation. It is very important that you **DO NOT** give a definition of innovation, neither of any type of innovation, but that you let the respondent answer in his/her own words and without any bias. Again, a good way to probe is to ask for examples, but only after the respondent had time to answer the question.*

3- Innovation – general concepts

I would like to ask you now a few questions about the role of innovation within your firm.

3.1 Is the term innovation used within your company to describe any of its past, ongoing or planned activities?

Who uses this term? In what type of context?

3.2. Within your company, is there an “common” understanding or definition of what innovation means?

Ask question also if respondent noted that innovation does not apply within the company. If so, can you tell me about it?

Ask in either case: 3.2.1 – And how would you personally define innovation?

3.3 - Can you give me one example of innovation based on your company’s own experience - or at least the market it operates in?

3.4 – If I asked you about recent innovations in your firm, would you be able to describe the most important ones?

- *Can the respondent describe what was distinctive about this/these innovations?*
- *Can he/she remember in which year the innovation(s) were introduced? If not, does anybody in the enterprise have this information? Probe for more: Did the innovation(s) involve advanced technology? Did it involve other companies or organisations?*
- *Did the company report on those in an annual report or equivalent? Is that a public document?*

3.5 – In your line of business, how common is for third parties to be involved in innovation? What would be examples of innovation mainly developed by or in partnership with other firms or organisations?

Ask if examples relate to own firm or just its line of business. As a general rule ask about market/industry examples if respondent fails to come up with examples from

3.6 – Where would you draw the boundary between an innovation and any other change implemented within your firm?

- ***In your line of business, can you think of an example of something new or substantially changed that you would not consider to be an innovation? Ask to provide an example.***
- ***Does the innovation have to be developed by the company itself?***

- ***In your opinion and in your line of business: does innovation require the development or adoption of advanced technology? Ask him to describe Can you think of any examples in your line of business to argue either way?***
- ***In your opinion, are all innovations successful by definition?***

3.7 – How does your company assess whether an innovation has been successfully implemented? Can you provide an example of success criterion?

Ask the interviewee to describe the innovation and the success criterion. Ask about instances that were not successes.

3.8 - In your opinion, is innovation an important part of your company's strategy? Is it communicated to the entire organization and / or outsiders?

3.9 –Could you please outline how the decision making for innovation takes place in your enterprise?

Who is responsible for the implementation of the innovation strategy in terms of organization, location of the business, research, and operations?

Who is responsible for the approval of which projects to pursue and resource allocation?

For firms that are part of a group, what is the degree of subsidiary autonomy?

3.10 – Does your enterprise carry out R&D?

If so, does it do so:

Internally?

Pay others to do R&D on its behalf?

Does R&D on behalf of third parties?

Benefits from R&D carried out at Head Office level? At other subsidiaries / group enterprises?

Now I would like to ask a few questions about some types of innovation.

4- INNOVATION TYPES

4.1 – Does your company have different approaches for different types of innovation? Are they managed by different people? Is there anybody in your enterprise who has full overview of the different types of innovation?

For the following questions, do not give the definition of any type of innovation.

4.2.- Which of the following would you consider to be products in your line of business?: [Optional]

- Goods
- Services
- Intellectual property
- Other?

Probe about the respondents to identify these separately and potential overlap.

4.3.– What would you describe as “new” product in your line of business?

What types of changes / modifications / improvements to products would you NOT classify as NEW?

Probe about how “new” is benchmarked – within the firm or outside

4.4 – Did your enterprise introduce any new products in the last three years? Can you give me an example?

Do not give the definition of product innovation.

4.5 - How would you define a product innovation? Which criteria would you use to describe a product innovation?

Do not give the definition of product innovation.

Probe for what the interviewee considers to be a product innovation. Probe what is the scope for the definition of product- does it include innovation. Which criteria did he use to define a product innovation? Probe about the boundary between a product innovation and other types of changes to your enterprise’s products? Is this a relevant distinction?

4.7 – If I said that all significant improvements to your firm’s products should be considered as a product innovation, would you agree with that statement?

Probe what the respondent thinks of as “significant improvement” and if it falls short of what he/she considers to be an innovation. If a change is not considered

to be an innovation, then ask why not? How significant the change must be to be considered an innovation?

Based on the example given for product innovation, ask if it was a new or a significantly improved product? Ask what difference does he/she see between 'new' and 'significantly improved' product.

Now I am going to read out to you one definition of product innovation:

4.8 - A product innovation is the introduction of a good or service in the last three years, which is new or significantly improved with respect to its characteristics or intended uses.

What do you think about this definition?

How does it compare with your own understanding of innovation?

5. Now I am going to ask you about changes in the way your company carries out its activities.

5.1 Which of the following would you consider as business processes used in your line of business? [consider providing a card]

- Manufacturing methods
- Service delivery methods
- Logistics
- Distribution methods
- maintenance systems
- operations for purchasing, accounting, or computing
- design or packaging
- product promotion
- product placement or sales channels
- pricing mechanisms
- business organization practices (e.g. supply chain management, business re-engineering, knowledge management, lean production, quality management)
- decision making protocols, incentives
- external relations

5.2. Which ones of those are common to your line of business, but would not describe as business processes?

5.3. What do you think about this list?

Can you think of any missing types of business processes?

Do you see any overlap between these categories – if so, where?

5.4. – What would you describe as a “new” process in your line of business?

Probe about how “new” is benchmarked – within the firm or outside

5.5. What types of changes / modifications / improvements to business processes would you NOT describe as an innovation?

5.6 – Did your enterprise introduce any new processes in the last three years? Can you give me an example?

Do not give the definition of process innovation.

5.7 - How would you define a process innovation? Is that a commonly used term in your company/ line of business? Which criteria would you use to describe a process innovation?

5.8 - Now I am going to read out to you a definition: A process innovation is the use of new or significantly improved methods for the production or supply of goods and services. This includes significant changes in techniques, equipment and/or software.

What do you think about this definition? How does it compare with your own definition / understanding of the concept of process innovation?

5.9 – How would you define a new organizational method? Can you think of an example from your own firm or companies in your line of business?

5.10 – Would that be, in your opinion, an innovation?

Do not give the definition of organizational innovation. Probe for what she/he considers to be an organizational innovation. What are the criteria?

5.11 – How do you see the difference between a process and an organizational innovation? Do you think that the concepts sometimes overlap? Or are they clearly different?

Probe for what he considers to be the difference between a process and an organizational innovation. Does he consider the same? If not, what is the difference?

5.12 – Now I am going to read out to you one definition of organizational innovation: An organizational innovation is the implementation of a new organisational method in the firm’s business practices, workplace organization or external relations.

What do you think about this definition? How does it compare with your own definition / understanding of the concept of organization innovation?

5.13 – How would you define a new marketing method? Can you think of an example from your own firm or other companies in your line of business?

5.14 – Would that be, in your opinion, an innovation?

Do not give the definition of marketing innovation. Probe for what she/ he considers to be a marketing innovation. What are the criteria?

5.11 – How do you see the difference between a marketing innovation and a product, process or organizational innovation? Do you think that the concepts sometimes overlap? Or are they clearly different?

Probe for what he considers to be the difference.

5.12 Now I am going to read out to you one definition of marketing innovation: A marketing innovation is the implementation of a new marketing methods involving significant changes in product design or packaging, product placement, product promotion or pricing.

What do you think about this definition? How does it compare with your own definition / understanding of the concept of organization innovation?

Records on innovation activities

6.1 Does your company keep a record of the costs incurred in a given year in developing and introducing new products, or in substantially modifying your business processes and related activities?

6.1.1 If so, could you briefly explain how those records are structured? Do they play an important part in your internal/external corporate reporting? Are they used for other purposes?

6.2. If asked, would you be able to provide a reasonably accurate response to a question on how much your company spent on that concept? If so, would that be in absolute terms or relative, say, to your turnover?

6.3. Would it be easier for you to report such information at a given project level?

6.4 Please consider the following headings for various categories. In the last three years, did your enterprise incur expenditures under any of the following headings? [Consider providing a card]

- *In-house R&D*
- *R&D outsourcing*
- *Acquisition of property, plant and equipment*

- Software development or acquisition
- Concessions, rights and licences, including all types of IPRs.
- Employer funded training
- Advertising, marketing campaigns, market research
- Design activities (in-house and external contracts)

Probe whether these headings easy to interpret. Where do you see the main overlaps?

6.4.1. If yes to any, please ask for examples and probe.

6.5. (all) How relevant are these categories to the notions of innovation discussed above? Probe one by one if possible.

6.6. How do they match your internal record keeping?

6.7. Does your company keep records on the qualifications and/or expertise of employees?

6.8. In the case of R&D, please, describe the records your enterprise keeps for core R&D activities, as well as for supporting ones.

I would like to thank you for your time and your valuable information. It will help us better understand the innovation activities of firms your country/ sector, and improve the design of official surveys in this area. If there are any doubts that need further clarification, can I contact you later?

Thank you,