

Framework for Measuring Innovation Potential in Indian Companies: A Case Study

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ABSTRACT

Subsequent to opening up of the Indian economy, domestic companies have been under competitive pressure from multinational companies from across the world. One of the major reasons for the domestic company's inability to successfully compete globally is that they have grown up in protected environments and are under prepared to bring in innovation either in products, or processes, or strategies. This paper is an attempt at building a scoring framework for innovation potential in companies based on internal and external elements to them. The framework provides for industry-specific scoring through prioritisation of the internal and external elements. Additionally, the paper introduces a scaling method for assigning scores to the elements of the company. Further, a case study of a company in the auto component industry has been described as an example to show how this framework can be used to assess the innovation potential of companies. The framework is seemingly subjective, but with sufficient justification reliable scores that are reproducible can be obtained.

KEYWORDS: Innovation, Framework, Scorecard, Innovation capability.

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