Building Community Resilience, 2015 National Conference
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Session: Innovation on the periphery

**i-Strategies in Rural Manitoba**

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Overview

Purpose
• Innovation
  – Matters & Needed
• Rural response

Road map
• Define innovation
• Gaps & Barriers
• Rural examples x 3
What is Innovation?

“...the design, development and/or implementation of new or altered products, services, processes, systems, organizational structures or business models for the purpose of creating new value for customers in a way that improves the financial returns for the firm.”

“Innovation is new or better ways of doing valued things.”

DISRUPTIVE INNOVATION
Game-changers, like the automobile, the internet, or vaccines

INCREMENTAL INNOVATION
Making things bigger, faster, better
What is Innovation?

**INNOVATION**
New or better ways of doing valued things

**COMMERCIALIZATION**
The process of capturing the value, taking the innovation to market
Dimensions of Innovation

Type

Novelty

Impact

Type of Innovation Initiative

<table>
<thead>
<tr>
<th>PROCESS</th>
<th>PRODUCTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>MARKETING</td>
<td>ORGANIZATIONAL</td>
</tr>
</tbody>
</table>

Novelty of Innovation Initiative

| NEW TO WORLD | NEW TO INDUSTRY | NEW TO COMPANY |

Impact of Innovation Initiative

| SMALL | MODERATE | LARGE |

Sources: Agriculture Canada, 2006; Becheikh, 2006; OECD, 2004, Ashton et al. 2015.
Dimensions of Innovation

Type

Novelty

Impact

Supply chain

Suppliers

Customer

Outside resources

Chronology

Intense

Ongoing

Sources: Agriculture Canada, 2006; Becheikh, 2006; OECD, 2004, Ashton et al. 2015.
What is Commercialization?

Innovation ecology
Systemic Barriers

- Difficulty in raising risk capital
- The supports that do exist are fragmented
- The culture in the province is largely risk-averse
Innovation Approaches in Rural Manitoba

3 Cases

• Provincial approach
• Rural regional approach
• Rural sector approach
Provincial Approach

Innovation ecology – local & global
Provincial Approach

Rural Regional Approach

Address barriers
- Fragmented supports
- Risk-adverse culture

Building on strengths
- Diversification centres
- Business advisors
- Ag associations
- Start up funding
- Capital Funding $1-3m
Rural Regional Approach

- 62 municipalities
- Economic strengths
  - Agriculture, Construction, Oil & gas
- Distance to market
Rural Regional Approach

A continuum of opportunities for adaptation & adoption in innovation
  • from elsewhere into the community, and
  • from the community into the world
<table>
<thead>
<tr>
<th>Step 1: Strategic roundtable meeting</th>
<th>Step 2: Action plan</th>
<th>Step 3: Demonstration</th>
<th>Step 4: Leading innovation transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SRDC Roles</strong></td>
<td><strong>Association Roles</strong></td>
<td><strong>Outcomes</strong></td>
<td></td>
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</tbody>
</table>
| • Identify & invite association and related stakeholders to meeting  
  • Provide facilitator | • Bring forward 2-4 transferable innovations suitable for the southwest | • Innovation transfer is selected | • Organize a leadership debriefing meeting with association and stakeholders |
| • Work collaboratively with association to define roles | • Commit to lead innovation transfer | • Roles are outlined | |
| • Assist association with extending invitations throughout the southwest to a “bright idea” demonstration | • Lead demonstration activities with SRDC | • Innovation is demonstrated  
  • Feedback gathered  
  • Entrepreneurship culture supported | |
| | | • Innovation transferred is learned by the SRDC and association | |
Rural Region Approach

• Fund a coordinator, multiple years
• Sponsor events – Makers’ Fairs
• Strengthen network / innovation helix – business, community, govt, post-secondary
• Equip associations – certify innovation facilitators
• Learn innovation by doing it – high school, college, and university curriculum
• Legitimize & celebrate innovation – social marketing campaigns
Rural Sectoral Approach

Source: Ashton et al. 2014.

28% MB Manf rev

12,000 MB employees

7% Cdn exports

Source: Ashton et al. 2014.
Engaging Food Industry

Diverse processors
- Commodities
- Products
- Age of firm
- Employees

Limitations
- Not examine resources needed nor challenges or barriers, nor failures
Findings

Types of 49 Innovation Initiatives from Case Studies

- PROCESS
  - 4
  - 12 PROCESS & PRODUCT

- PRODUCT
  - 3
  - 15 ORGANIZATIONAL

- MARKETING
  - 10
  - 5 MARKETING & PRODUCT
Findings

Novelty and Impact for Innovation Initiatives

<table>
<thead>
<tr>
<th>Novelty of innovation: NEW TO</th>
<th>World (3)</th>
<th>Industry (30)</th>
<th>Company (16)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small (12)</td>
<td>4</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>Moderate (19)</td>
<td>23</td>
<td>35</td>
<td>46</td>
</tr>
<tr>
<td>Large (18)</td>
<td>5</td>
<td>35</td>
<td>4</td>
</tr>
</tbody>
</table>

Impact of innovation on growth of company or industry
Findings

Growth

• 18 Expand market for product
• 10 Increase market share
• 9 Increase efficiency
• 7 New company
• 6 Remain competitive
• 4 Employment
Findings

PARTNERS MAKING INNOVATION HAPPEN
Findings

CHRONOLOGY of innovation

SHORT TERM resolves problems
Intense, change operations

LONGER TERM continuously intermittent, at times intense
Summary

• Several approaches needed, Not one
• Geographical coverage & accessible infrastructure
• Adaptation & adoption with regional capacity
• Not one, many along sectoral supply chain
Rural Matters in Innovation

Sponsors

Southwest Regional Development Corporation
Brandon University
Rural Development Institute
Manitoba
Rural Policy Learning Commons
Communauté d’Apprentissage des Politiques Rurales
Rural Matters in Innovation

Thank you!
Questions, Comments, Suggestions