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Beyond Innovation Theatre:

A Multiple Case Study on the Roots of the Open Innovation Stall

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Abstract

Open Innovation has become a standard component of corporate innovation strategy, and it is treated in practitioner reporting and academic literature, even in its negative results: initiatives generate visible activity, proofs of concept, startup scouting, pilot programs, without reliably converting that activity into deployed, revenue-generating outcomes. Practitioner evidence indicates that a substantial share of Open Innovation initiatives stall at the transition between experimentation and go-to-market, a phenomenon the academic literature has begun to associate with ceremonial adoption and with an underdeveloped capacity to measure whether Open Innovation initiatives actually work.

These two observations converge on the same conclusion without resolving it. Firms are able to start Open Innovation processes but frequently unable to carry them through to completion, and the reasons for this failure remain only partially understood.

This thesis examines that unresolved stall through the case of Maize, an intermediary organization that designs and operationalizes Open Innovation programs on behalf of corporate clients across multiple sectors.

The first part of the thesis reconstructs Maize's methodology, structured around a modular innovation cycle running from initial discovery through governance design, execution, and eventual scale-up, and situates it against the broader theoretical distinction between substantive and ceremonial Open Innovation practice. The reconstruction highlights a specific gap in the existing literature concerning the organizational mechanisms behind this stall. Current research documents that Open Innovation initiatives stall, and estimates how often, but does not explain the organizational mechanics that produce the stall in any structured, comparable way. The empirical component of the thesis addresses this gap directly. Using a qualitative multiple case study design, it compares successful and unsuccessful Open Innovation initiatives drawn from Maize's own portfolio, combining a structured cross-case governance matrix with semi-structured interviews conducted with the practitioners who managed each initiative. The analysis investigates how governance design, the timing of budget ownership definition, the actual functioning of escalation mechanisms, the seniority of internal sponsors, and the discrepancy between innovation referents and budget owners interact across cases to determine whether an initiative crosses the threshold from Proof of Concept (PoC) to market deployment. In doing so, the thesis moves the discussion of Innovation Theatre beyond the observation that it exists, toward an empirically grounded account of the conditions under which it can be avoided.

1. Theoretical foundations and Literature Review

1.1 Closed Innovation

Historically, the management of innovation was dominated by the Closed Innovation model, reaching its peak and subsequent decline toward the late 1980s. Closed Innovation Model was basically rooted in the belief that internal R&D should be the main and sole engine of innovation. Within this framework, big corporations tried to leverage deep vertical integration, to keep intellectual property and control research processes, as well as product development, manufacturing and commercialization.

The core assumption of the Closed Innovation model was rooted around "Not invented here" syndrome, as reported by the first theorist of Open Innovation, Henry Chesbrough, that described internal R&D as a lever of competitive edge in innovation. Those corporations were called "Fortified Castles" by Chesbrough, because they relied heavily on proprietary control and the exclusive protection of Intellectual Property (IP), viewing the innovation process as a linear and sequential journey conducted behind closed doors to prevent knowledge leakages to competitors.

1.2 Erosion factors and the end of the Closed Innovation Model

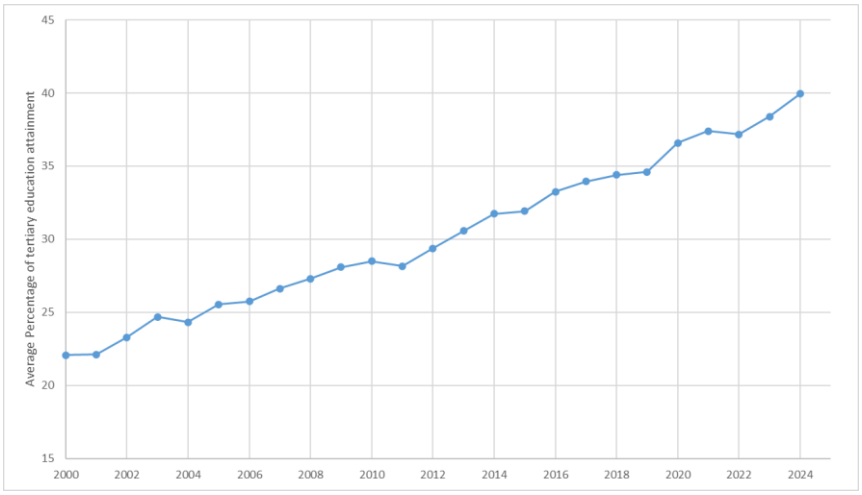
However, between the 1980s and the 1990s, there have been changes in the innovation paradigm of big corporations. There has been a shift from a Closed Innovation Model to an Open Innovation Model, because of some structural "Erosion factors":

- Increase of talent mobility;
- Exponential rise of external capital (VC);
- Growth of external options to exploit underutilized ideas;
- External providers advanced knowledge.

1.2.1 Increase of talent mobility

Many workers, in a more Open Innovation paradigm, started to move to new companies or to build new startups to unlock, implement and monetize their ideas. In this way, one company could profit from the training and experience of another company by hiring away some of the latter company's workers, or through hiring consultants who worked at another company, without paying any compensation in return.

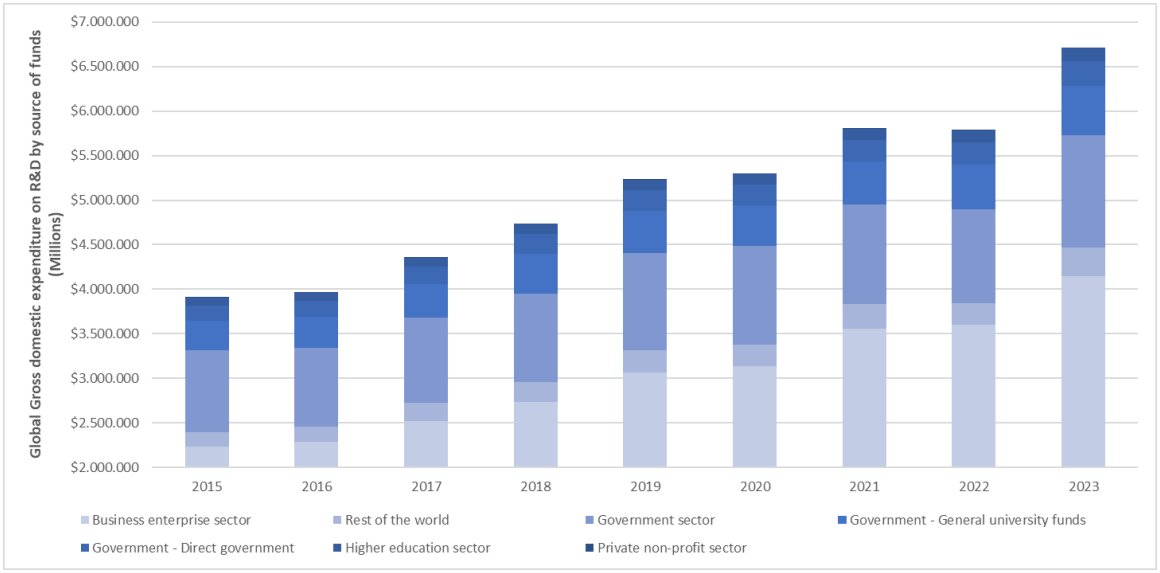
Moreover, knowledge diffusion and the growth of average educational level unlocked highly skilled employees' potential, beyond regulatory limits, time, bureaucracy and resistances of large corporations.



1 OECD. (2024). Educational attainment in tertiary level

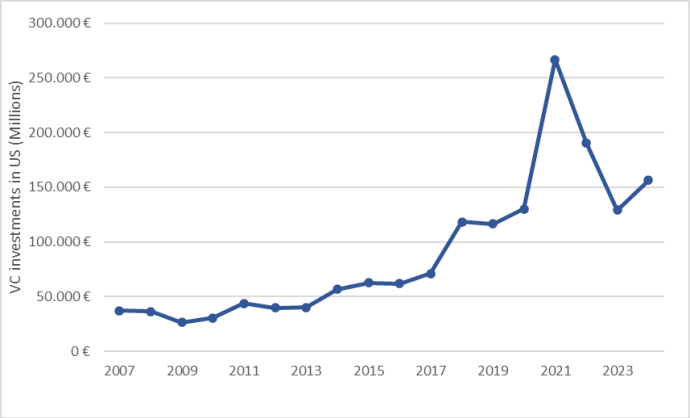
This phenomenon can be still nowadays correlated with the constant increase of average education level, on a global basis, as represented in the following graph, in which figures out the percentage of people who attained at least a tertiary degree of education, in all OECD and NON-OECD countries.

1.2.2 Exponential increase of external capital (VC)



2 OECD. (2024). Gross domestic expenditure on R&D (GERD) by source funds

As highlighted in the picture above, the rising complexity of technology led to a significant increase in innovation costs, making it increasingly difficult for a single firm to fund the entire development cycle autonomously, even if gross domestic expenditure on R&D continues to grow.



3 OECD. (2024). Venture capital investments in US

The increase of R&D capital to innovate faster than competitors and the pace of new technologies has been an enormous expansion of VC since 1980. Henry Chesbrough reported that about $700 millions in VC was invested in the United States in 1980, and the figure rose to more than $80 billion in 2000. That trend has never stopped until the present day, until it peaked in 2021 with more than $250 billion invested by VCs, providing the resources to commercialize ideas born in large corporate labs, even within startups, which became increasingly attractive for their spending capacity and rapid growth, as well as because of the frequent offering of stock options packages, that promised significantly higher rewards than the stable, lifetime employment offered by large corporations.

1.2.3 Growth of external options to exploit underutilized ideas

The clear mismatch shown between Research and Development, as discovery and execution, often leads to a "buffer inventory" of unutilized ideas kept "on the shelf".

According to the rise of talent mobility and venture capital, cited in the previous paragraphs, those unutilized ideas could no longer remain locked, and disillusioned employees could take those ideas outside to start their own ventures.

Moreover, the widespread availability of information, the expansion of collaborations between universities and companies reduced the contractual power of large corporations and their private R&D labs.

Market dynamics became more open and faster too, due to the shortening of technology life cycles, making it increasingly difficult for a single firm to fund the entire development cycle autonomously and forcing firms to look at possible ways of more agile collaborations and partnerships for innovation.

1.2.4 External providers advanced knowledge

If until 1980s companies had to produce internally, because of the lack of technical knowledge of external suppliers compared to the internal one, then suppliers became much more developed and much more open to market, competition and open sources of knowledge. This phenomenon led to the end of “Do-it-yourself” philosophy. The availability of knowledge allowed smaller firms to place advanced products on the market without investing much in basic R&D, compared to larger firms.

In conclusion, these erosion factors brought what previously was internal environment (one firm’s creation of own ideas to be used) into an open environment (one firm can access ideas from the outside as well as from internal research). Companies can find new capabilities and new pieces of valuable knowledge in customers, providers, universities, industrial consortia, external consultants, startup firms, and experienced talents that come from competitors and bring best practices noticed within the company. Overall, companies should leverage distributed pools of knowledge, technology and innovation, instead of ignoring them in the pursuit of their internal R&D ownership.

1.3 Open Innovation Model

Henry Chesbrough, together with Joel West, one of the earliest scholars to build Open Innovation theory alongside him, first defined the model in 2006: Open Innovation is "the intentional use of purposive inflows and outflows of knowledge to accelerate internal innovation and expand markets for external use of innovation" (Chesbrough et al., 2006). The definition centers on flow. Knowledge moves in and out of the firm on purpose, not by accident, and that movement serves two goals at once: speeding up internal innovation and finding external markets for what the firm already knows. Seven years later, Chesbrough and Bogers (2013) revised the concept. Open Innovation became "a distributed innovation process based on purposively managed knowledge flows across organizational boundaries, using both pecuniary and non-pecuniary mechanisms in line with the organization's business model" (Chesbrough & Bogers, 2013). The 2013 definition drops the inflow and outflow framing in favor of a distributed process, and it ties Open Innovation directly to the business model rather than to knowledge exchange alone. A firm no longer just moves knowledge across its

boundaries; it manages that movement on purpose, choosing between monetary and non-monetary mechanisms, in service of how it creates and captures value.

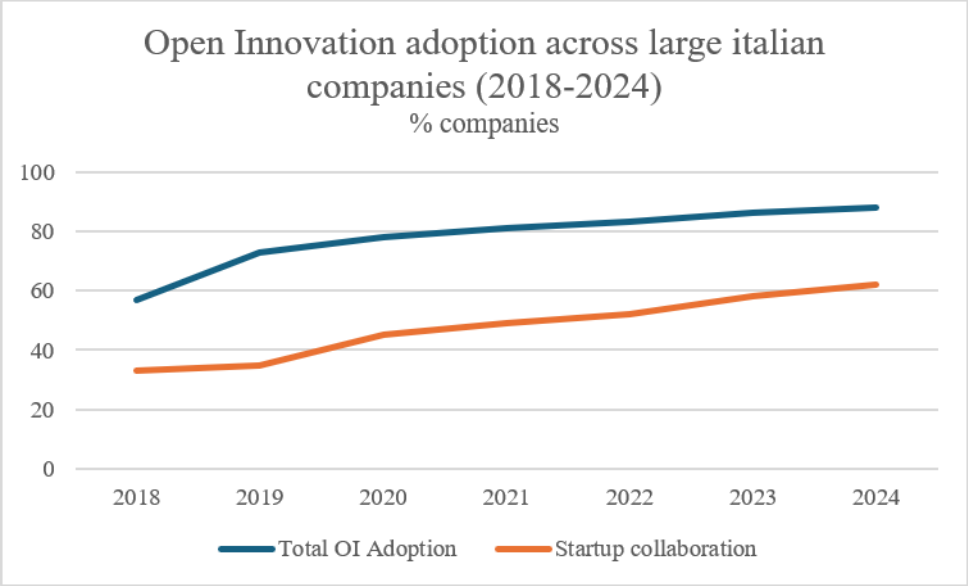
This move from a flow-based definition to a process-based one is not incidental. It tracks a decade in which firms had to turn an abstract principle, managing external knowledge inflows and outflows, into something concrete: structures, budgets, and metrics. Adoption data from large Italian and European firms show how far that translation has come, and where it still falls short. The sections that follow trace both sides of it: how widely the Open Innovation model has taken hold, in terms of adoption, investment, and perceived value, and the three linking dimensions, inbound, outbound, and coupled, through which firms put it into practice.

1.3.1 The growing relevance of Open Innovation size and adoption

Open Innovation has moved from a theoretical proposition to a mainstream managerial practice, and the scale of adoption confirms the erosion of the Closed Innovation paradigm discussed above. Among large Italian firms, adoption grew from 57% in 2018 to 88% in 2024, reaching 98% among firms with more than 1,000 employees (Osservatorio Startup Thinking, 2025). International data point in the same direction: 75% of corporations consider Open Innovation critical to address complex business issues, and 71% plan to increase their investment over the following two years (Capgemini Research Institute, 2023). The convergence between the Italian and the international figures suggests that what is happening in Italy is not a local anomaly but part of a broader shift in how large organizations approach innovation.

Adoption, however, is not the same as maturity, and the data invite a more cautious reading than the headline numbers suggest. The share of large Italian firms with a dedicated budget for Inbound Open Innovation rose from 38% in 2020 to 59% in 2024, yet that budget remains marginal in absolute terms: on average 0.10% of company revenue and 3.9% of the ICT department's budget (Osservatorio Startup Thinking, 2025). A company can report an Open Innovation initiative and still allocate to it a fraction of what it spends on internal IT. The benefits that firms pursue tell a similar story. Exploring new technological trends is the most sought and the most obtained benefit, at 64% and 55% respectively, while increasing revenue sits at the bottom of the list, sought by only 8% of firms and obtained by 13% (Osservatorio Startup Thinking, 2025). Open Innovation, in other words, is still treated primarily as a scouting function rather than as a proven driver of financial performance. This reading is reinforced by how Top Management perceives the phenomenon: only 31% of large Italian

firms consider it a genuine strategic lever, against 58% who see it as something that simply does not hinder adoption elsewhere in the organization (Osservatorio Startup Thinking, 2025).



4 Osservatorio Startup Thinking. (2025). Open Innovation Lookout 2025 – Politecnico di Milano, School of Management.

Structure appears to be the variable that separates firms that extract value from Open Innovation from those that do not. Among European companies and startups surveyed across ten countries, 89% of the organizations that managed their collaborations through a dedicated business unit reported that they always achieved their objectives (Sopra Steria, Ipsos & INSEAD, 2023). This figure should be read with some caution: firms that have already built a dedicated unit are, almost by definition, further along their Open Innovation journey, so the causal direction between structure and success is not fully disentangled by the survey alone. Still, the association is consistent with what the Italian data show about budgets and strategic recognition. Governance and resourcing, not intent, appear to be what turns adoption into outcomes.

A separate question, and one this thesis treats with particular care, is how large the Open Innovation phenomenon actually is in economic terms. The Open Innovation Lookout maps the Italian service-provider ecosystem year over year and estimates the market for Open Innovation services at 902 million euros based on 2024 data, up from 742 million in the 2023 estimate and 695 million in 2022, an acceleration relative to the more modest growth observed the year before (Open Innovation Lookout, 2026). This growth, however, is unevenly distributed: the top five categories of players by revenue, representing 31% of the sample, account for roughly 81% of total market value, while the remaining 69% of players share only 19% (Open Innovation Lookout, 2026)This figure needs to be

handled precisely: it measures the revenue of the service-provider ecosystem, meaning consultancies, accelerators, venture builders, corporate innovation hubs, and similar intermediaries, not the total value that Open Innovation generates across the Italian economy. It sits alongside two much larger, and conceptually distinct, figures: Italy's total intramural R&D expenditure, which reached 29.4 billion euros in 2023 (ISTAT, 2023), and global R&D spending, estimated at 3.1 trillion dollars in PPP terms in the same year (National Science Board & NCSES, using OECD data). These three numbers describe three different layers of the innovation system and should not be added together or used interchangeably. The 902 million euros figure is the most direct proxy for the size of the Italian Open Innovation services market; the other two describe the much broader research and development base within which that market operates.

Taken together, these metrics support a specific reading of the phenomenon rather than a generic claim about its importance. Open Innovation has become a widespread practice among large firms, in Italy and internationally, and firms that formalize it through dedicated structures do report better outcomes. Only 8% of large Italian firms report having a sufficiently structured model to measure the impact of their Open Innovation initiatives, up from just 3% in 2018, even though 60% acknowledge the need to build one (Osservatorio Startup Thinking, 2025). This gap between diffusion and measurement is the empirical starting point for the critical perspective on Innovation Theatre developed later in this thesis (Section 1.8).

This link between structure and results points to a more basic question: through which channels does an organization manage the flows of knowledge across its boundaries? Open Innovation does not operate as a single, undifferentiated activity. It comprises three distinct linking dimensions, each governing a different direction of knowledge exchange, explained in detail in the following paragraphs:

- Inbound process;
- Outbound process;
- Coupled process.

1.3.2 Inbound process

The inbound process (outside in) in Open Innovation enables companies to acquire and integrate external knowledge, technology and ideas to support innovation. Companies therefore draw on external sources of information, such as:

- Universities;
- Research centers;
- Startups;
- Technology suppliers;
- Customers and users' communities.

The main objectives of Inbound process are accelerating innovation, reducing R&D costs, and accessing more quickly and easily to specialized skills not available internally; indeed, this process is the most widespread one in managerial practice, because it expands knowledge base without fully bearing the costs of internal research.

1.3.3 Outbound process

The outbound process (inside out) in Open Innovation enables companies to transfer knowledge or technologies developed internally to the outside world, in different possible ways of commercialization, to capture, in a pecuniary or non-pecuniary way, the value created.

In fact, it can be found that many internally generated innovations don't find direct application in the company's business, often leading to waste of time and to losing investments. This approach can effectively untap technology enabling its usage by other actors, enhancing knowledge through:

- Technological licensing: it is the primary instrument through which a company grants third parties the right to use its intellectual property (IP) in exchange for economic compensation, typically through fees or royalties. This modality of outbound could be used to: enhance market strategies which aim to extend current market positioning and establish industry standards; monetize discoveries that don't fit with current business model; overcome the "Not sold here" syndrome, often due to fears of losing control or creating competition;
- Patents' assignment: it involves the permanent transfer of ownership and intellectual property of a patent. The assignment of patents could be even used to optimize portfolio maintenance costs (legal and renewal fees expenses) for non-strategic assets, or to enable companies without manufacturing capacity to obtain returns, facilitating diffusion of innovations in highly protected sectors with high transaction costs;
- Creation of spin-offs: these are independent legal entities that commercialize technologies developed in a parent company, often thanks to funding of VCs that push innovation out of corporate labs in respect to a determined deadline, or acting as experiments on emerging markets, allowing new learning trajectories for the parent company;

- Commercial partnerships for the dissemination of technologies through joint ventures or strategic alliances, in an elective or non-exclusive way of sharing knowledge.

1.3.4 Coupled process

In 2009, in the article “Open R&D and open innovation: Exploring the phenomenon”, Enkel, Gassmann and Chesbrough introduced in literature the concept of coupled process in Open Innovation, that put the foundations of a hybridization of Open Innovation model. The coupled process of Open Innovation refers to co-creation with primarily complementary partners through alliances, cooperation, and joint ventures, combining outbound and inbound flows, with many external actors such as innovation communities, lead users, Universities and research organizations and partners from other industries.

The degree of participation in coupled processes varies on the speed basis of specific industries. In high-tech sectors such as IT, electronics, and electrical industries, joint R&D projects can account for nearly 50% of a company's total R&D activities; instead in sectors characterized by slower cycles, such as the leather, wood, or printing industries, joint projects typically represent 20% or less of the portfolio (Fine, 1998).

Despite the multiple advantages of this networking model, regarding the increase of innovativeness, giving access to more sources of knowledge and synergies, and the reduction of time to market, coupled processes also carry risks, such as higher coordination costs, loss of control, and increased complexity.

1.4 The Open Innovation Journey

According to the article “The Open Innovation Journey: How firms dynamically implement the emerging innovation management paradigm”, the authors - Chiaroni, Chiesa and Frattini – explored how firms in mature industries put into real practice Open Innovation Model, investigating the “journey” and its common practices from a Closed Innovation Model to an Open Innovation Model.

The process of transition cited is divided into three phases, previously modeled by Lewin (1947):

1. Unfreezing;
2. Moving;
3. Institutionalizing.

The meaning and the goals of each stage of the process are enabled through managerial levers of Open Innovation:

- Networks;
- Organizational structures;
- Evaluation processes;
- Knowledge Management Systems.

These levers are applied dynamically across the three phases to transform the firm's boundaries into a semi-permeable membrane.

1.4.1 Unfreezing

At this stage, companies recognize the limits of the traditional model of closed innovation. This often requires hiring an external manager to act as an innovation champion, bringing new skills and management styles. To signal the start of change without immediately disrupting core processes, new independent units, such as Innovation Offices, are created.

1.4.2 Moving

Companies begin to experiment with new open innovation practices, introducing collaborations with external partners and creating organizational units dedicated to managing relationships with the innovation ecosystem. The change is tested on highly innovative pilot projects, which require skills not present in-house

1.4.3 Institutionalizing

Open innovation is gradually becoming an integral part of business processes. Innovation leadership, initially centered on a single champion, is distributed among multiple figures (e.g., “sector heads”) who coordinate specific research areas. The role of gatekeeper for continuous technology scouting is formalized.

1.4.4 Networks

Networks leverage consists in building and managing collaboration networks with external stakeholders, particularly in scopes different from the core ones.

Partnerships with universities and research centers, collaborations with startups and businesses, engaging with customers, suppliers, and innovation communities, and developing innovation ecosystems to access distributed expertise, should now become more numerous and more in-depth. In the unfreezing phase, there should be a first shift, turning relationships of the innovation "champion" into firm-level networks.

Moreover, usually, in more mature sectors, the depth of these networks is much more important than the breadth, in order to avoid spillover risks and to establish long-term and trusty partnerships.

1.4.5 Organizational Structures

According to the article "The Open Innovation Journey: How firms dynamically implement the emerging innovation management paradigm" and to the book by Chesbrough "Open innovation: The new imperative for creating and profiting from technology" (2003), successful implementation of external knowledge requires dedicated internal structures to integrate external knowledge and facilitate external paths to market.

Nowadays, as highlighted in the article "Open Innovation is dead" (Mind the Bridge, 2025), the role of the Chief Innovation Officer has transitioned from a mid-level "Evangelist" to a strategic orchestrator sitting in the C-suite with real authority over the company's strategy, within an organizational structure that should bridge the gap between traditional R&D or IT departments and Open Innovation tools like Venture Clienting and Venture Building, that will be better explained in the next paragraphs.

1.4.6 Evaluation processes

Since the uncertainty inherent in open systems must be handled, evaluation criteria for collaborative innovation projects started to adapt. A typical evaluation framework describes the following steps, in the article "The Open Innovation Journey: How firms dynamically implement the emerging innovation management paradigm": assessing the strategic potential of partnerships; analyzing the value generated by collaborations; metrics for measuring technological and commercial impact; selection and management processes for open innovation projects.

Moreover, the fundamental book by Chesbrough (2003) already depicted that change of perspective and strategic decision-making process through the metaphor of the transition from “Chess” to “Poker” Logic.

Within the traditional Closed Innovation model, corporations operate under the assumption of high certainty, predictable and bounded environments, like in a game of chess, conversely, Open Innovation demands a “Poker” logic, which acknowledges the inherent high market and technical uncertainty of the modern, globalized business landscape, like in a game of Poker, where players must manage risk, bluffing, and the dynamic assessment of external variables.

1.4.7 Knowledge Management Systems

Knowledge Management systems are the enablers that foster the diffusion and transfer of knowledge both within the firm and with external partners. Some of these are: technological platforms and collaboration tools to manage geographically dispersed teams; Intellectual Property Management, not just as a defensive tool, but as a profit booster, in order to monetize discoveries, shifting R&D mindset from a research cost center, without deadlines regarding execution, to a profit center mindset about R&D, in order to create and, above all, to capture the value created aggressively, also through strict deadlines about development, execution and go-to-market and managing licensing (in and out).

Knowledge Management systems are vital for building absorptive capacity and multiplicative capacity: respectively the ability to identify, select, and connect to external knowledge and what allows for the external exploitation of internal knowledge.

1.5 The role of Business Model in Open Innovation

According to the article by Huizingh (2011), the nature of the interaction between outbound and inbound flows of knowledge and innovation could be divided into pecuniary and non-pecuniary relationships between involved actors.

This framework, originally developed by Dahlander and Gann (2010), categorizes open innovation into four distinct strategies:

- Acquiring strategy;
- Sourcing strategy;
- Selling strategy;
- Revealing strategy.

1.5.1 Acquiring strategy

This strategy occurs in pecuniary inbound flows, by buying expertise or technology from the external environment. Typically, it occurs through market transactions such as in-licensing intellectual property or buying R&D services or through the acquisition of startups and highly technological firms.

This strategy is often used to fill specific technological gaps quickly, also leveraging innovations usually capital backed by external actors, rather than developing that specific innovation internally.

1.5.2 Sourcing strategy

Another inbound strategy theorized is the sourcing strategy, which, unlike acquiring strategy, is not based on financial compensation to the source. Firms, typically, use "sourcing" to scrape the environment and to scan for ideas through crowdsourcing, participating in open-source communities, or trading know-how with competitors.

Sourcing strategy is often used to enrich internal knowledge base, testing future market opportunities or seeking emerging trends, without being financially engaged.

1.5.3 Selling strategy

The pecuniary outbound strategy is called "selling" for its focus on externalizing internal knowledge monetized on a market-based path. Typically, firms tend to sell underutilized pieces of knowledge or technologies, through out-licensing, patents or creating spin-offs with a different business model, to commercialize innovation, avoiding the risk of integration into core business model of the parent firm.

Selling strategy is often used to capture value from "shelved ideas" or discoveries that do not align with the core business but hold significant economic potential for other actors.

1.5.4 Revealing strategy

The last strategy theorized by Dahlander and Gann (2010) consists in the voluntary and intentional disclosure of internal knowledge to external actors, without being paid for it.

This strategy can be classified as a non-pecuniary outbound strategy and includes some practices such as donating IP, publishing research findings, or selective revealing of problems or solutions to attract partners and build ecosystems.

Firms usually adopt this kind of strategy to establish as a first mover industry standards or to signal technology quality to attract the “right” collaborators, despite the lack of monetization.

1.5.5 Strategic consistency

Huizingh highlighted that these four strategies could allow managers to move into performance monitoring about innovation, moving away from innovation “vanity” metrics, such as the number of participated events, PR and articles, and focusing, instead, on business outcomes like revenue growth or Opex costs reduction.

Empirical evidence indicates that firms engage more frequently in inbound activities (acquisition and sourcing) than in outbound ones (selling and revealing). However, Huizingh (2011) underscores that proficiency across all four strategies is paramount for developing a mature Open Innovation capability. Such mastery is a prerequisite for achieving an equilibrium in the relationship between Open Innovation and organizational performance, measuring its effectiveness in financial and non-financial benefits, long-term strategic advantages and intermediate advantages, measuring the real value of innovation; indeed, for instance, excessive openness may incur substantial costs or detract strategic focus from client management and profitability.

Moreover, these strategies must align with the organization's business model to transform latent technological potential into tangible economic value. While the frameworks identified by Huizingh (2011) delineate the nature and direction of knowledge flows, the business model serves as the critical architecture that determines whether these flows will ultimately generate a sustainable economic return, in order to capture all the value generated, focusing more and more on appropriation of profits, rather than innovation protection.

Therefore, according to Chesbrough (2003), the business model must be seen as a selective filter, used by managers as a cognitive map, to decide which is the strategy that has to be adopted, and how to connect technical domain and economic domain of technology; indeed, Chesbrough underlines that technology, in isolation, possesses no inherent economic value, and its potential remains latent until it is commercialized through a specific business model innovation and technology have no economic value if they are not commercialized.

Analyzing again the outcomes of Huizingh's research (2011), "acquiring" and "sourcing" strategies bring external knowledge inward, and the business model is what "unlocks" its financial potential; conversely, "selling" and "revealing" are necessary when a firm holds innovations that do not fit its internal model and must find an external one to be monetized. Another aspect that emerges from Huizingh's research is that also a non-pecuniary strategy like "revealing" can bring financial returns, when based on business models able to capture the value indirectly, for example by gaining a competitive advantage "depreciating" that revealed innovation, to profit from complementary product sales.

In conclusion, a pivotal shift in modern innovation management (the "Age of Results") is the move beyond collaborative invention toward the ability to negotiate and partake in value. The business model defines these mechanisms: it specifies how the company gets paid, its cost structure, and its position within the value network to ensure the firm does not merely "give away" its innovation efforts to other actors in the ecosystem.

1.6 From Value Creation to Value Capture

While Huizingh's strategies describe the paths that knowledge takes, the business model represents the destination port where this knowledge is finally converted into economic value.

In this regard, Chesbrough, Lettl and Ritter (2018) have explored in depth the topic about the conflict between value creation and value capture in Open Innovation Models.

Ensuring that open innovation activities are sustainable and generate a real competitive advantage requires moving beyond the narrow lens of "collaborative inventing" to embrace a perspective centered on value creation and value capture. The conflict generated in this model, between value creation and value capture, has its origins in the "paradox of openness". While value creation requires that firms remain open to various external contributors of knowledge, value capture requires a more protective process to secure economic returns.

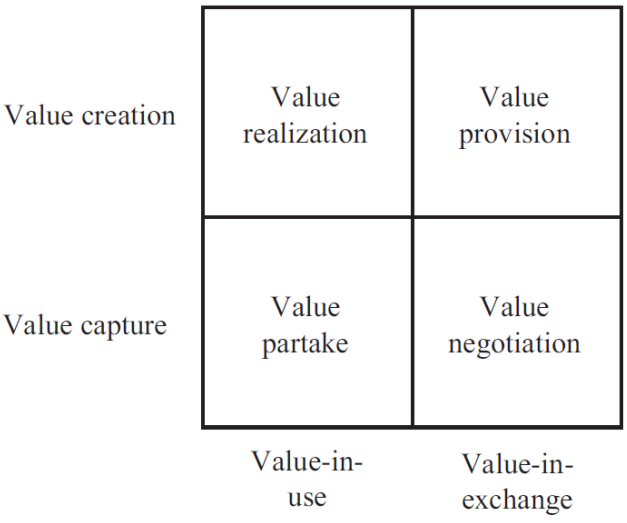
1.6.1 Paradox of openness

Open Innovation literature describes the "paradox of openness" as a tension within the Open Innovation Model, which originates from the fact that opening innovation processes enhances opportunities for value creation, while simultaneously reducing a firm's capacity to appropriate that value. The Open Innovation paradigm unfolds a greater value creation, where collaborative efforts with external

actors enable organizations to access novel competencies and knowledge, accelerate the development of innovations, and expand technological and market opportunities, effectively transforming the surrounding ecosystem into a primary source of innovation and creativity. However, this openness concurrently introduces a higher risk of value dissipation, as sharing knowledge with external partners may give rise to risks of opportunistic appropriation, a loss of control over technology, and severe difficulties in protecting intellectual property, which in certain scenarios allows alternative ecosystem actors to appropriate a disproportionate share of the generated value. Consequently, this dualism generates a fundamental managerial challenge, dictating that firms must establish a precise equilibrium between openness and control by actively managing their specific levels of knowledge sharing, formal collaborative agreements, and strategic value protection mechanisms.

1.6.2 Value in exchange and value in use

The cited article by Chesbrough, Lettl and Ritter (2018) distinguishes two different ways to interpret value, defined by the timing of value creation and capture: value in exchange and value in use. Value in exchange considers value as embodied within the resources at the moment they are transferred between organizational boundaries. Value in exchange, in fact, is based on the perception of the estimated potential benefits of the resources for addressing multiple actors' specific needs. Value in use, instead, is factual, and considers value in outcomes of a process that deploys and consumes resources. The consumed resources allow the process of inventing, developing, producing, and delivering new market offerings that create turnover (e.g., Mizik & Jacobson, 2003; Lepak et al., 2007). The value-in-use is driven by an actor that moves resources toward a valued goal; indeed, value does not arise only from the resource, but from its innovative use and the ability to implement effective value creation processes.



5 Value processes matrix. Chesbrough et al. (2018). Value Creation and Value Capture in Open Innovation.

1.6.3 Value processes matrix

The tension between value creation and the capability to capture it, according to Chesbrough, Lettl and Ritter (2018) can be managed through four value processes that systematize with value perspectives (value in use and value in exchange) in value creation and value capture perspective.

The matrix illustrated in the figure on the left shows these four fundamental processes entailing an organization's Open Innovation capability:

- Value realization: in value creation, it regards the actual deployment of resources to achieve a specific goal, thereby realizing the value potential embedded within them;
- Value provision: in value creation, it regards providing resources to an exchange partner who recognizes their potential future usefulness. These resources may not yet have an identified business model or immediate use, making their valuation uncertain;
- Value partake: in value capture, it occurs when the resource provider monetizes from successful users of the innovation created; given the presence of unmitigated strategic and operational uncertainties, cultivating robust organizational trust between the provider and the user becomes imperative to ensure relational stability;
- Value negotiation: in value capture, it regards securing a suitable return by negotiating access to or ownership over resources. This process is closely linked to the concept of appropriability of innovation; indeed, firms that own innovation can choose to reveal it selectively to protect critical knowledge.

Within this framework, the business model serves as the critical nexus, acting as a filter that unlocks the latent potential of externally acquired resources and facilitates their transformation from value-in-exchange into value-in-use. Absent the dynamic capabilities required to effectively integrate and reconfigure these internal and external competences, the social return on R&D may outpace the private return, thereby rendering the investment unsustainable for the individual firm. Ultimately, the long-term sustainability of the Open Innovation ecosystem hinges upon fairness in value distribution and mutual trust in value partaking as foundational pillars. This underscores that value capture must be designed as an optimization process that balances the focal firm's interests with those of its network partners, rather than a strategy of purely selfish maximization.

1.7 Relevant Open Innovation Methods

Building on the concepts of value creation and capture, recent literature suggests that Open Innovation has evolved beyond the tactical management of inbound and outbound knowledge flows. It is now fundamentally about building a strategic capability to financially leverage external partners, thereby exploiting a powerful R&D multiplier effect.

Through models such as the Venture Client, companies can utilize technological solutions developed by startups that, in 2024 alone, raised over $300 billion in funding from VCs. This mechanism allows

companies to access innovative “firepower” that exceeds the average internal spending capacity of large corporations by about 1.5 times.

In the “Age of Results” established firms are moving away from “Innovation theatre” to focus on hard economic value. This shift is fueled by a radical change in the global financial landscape: the explosion of the venture capital ecosystem into a primary engine of innovation. Consequently, a mature Open Innovation capability allows a firm to treat the global venture capital as a decentralized laboratory, using its own business model as the gear to transform these external, capital-rich discoveries into measurable revenue growth and operational efficiency.

According to recent literature and fundamentals theorized by Chesbrough and Bogers (2013) and Enkel (2009), there are some major Open Innovation methodologies mostly adopted by firms to manage inbound and outbound flows. These can be summarized into three main pillars:

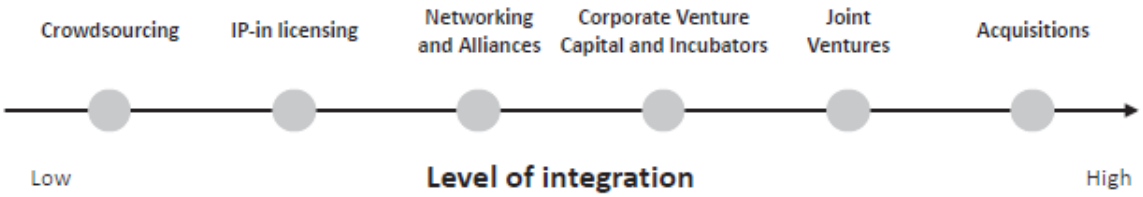
- Venture Client: enterprises buy and tests innovative solutions, directly from external startups or scaleups to integrate them in their processes;
- Venture Builder: enterprises create “from zero” new strategic initiatives, experimental labs, spin-offs or startups to commercialize internal technologies or to explore new markets;
- Corporate Venture Capital (CVC): enterprises make direct investments in external startups to monitor emerging technologies and to shape the future strategy of the firm. It incorporates the knowledge of the external partner into the new business entity, thus merging it with the capabilities of the firm (Dittrich & Duysters, 2007; Chesbrough & Brunswicker, 2013).

1.7.1 Inbound Open Innovation methods

Inbound Open Innovation, as previously mentioned, is the systematic practice of sourcing and leveraging external knowledge to accelerate internal innovation, representing the most widespread application of this paradigm across firms. The adoption of this strategy can be driven by various factors, as outlined in the study by Pinarello et al. (2022), which classifies inbound Open Innovation practices in relation to two key dimensions (Elmquist et al., 2009):

- the locus where the innovation process is realized;
- the degree of collaboration between the firms.

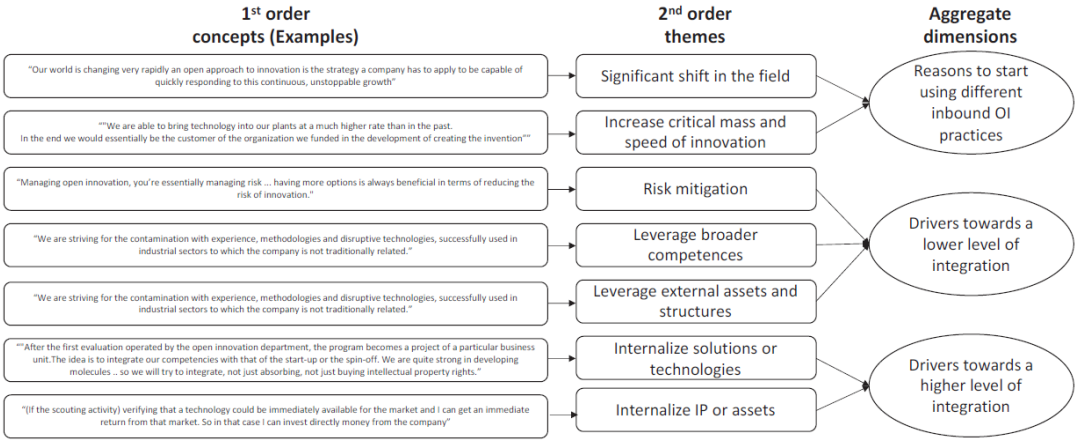
Figure 6 summarizes the main practices presented below, showing a growing level of relative integration in firms’ operations moving from left to right.



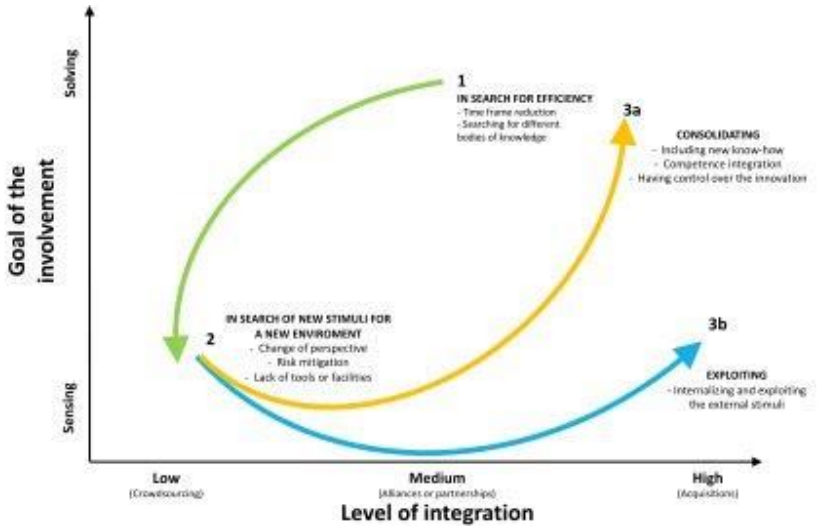
6 Inbound Open Innovation by level of integration. Pinarello et al. (2022). How firms use inbound Open Innovation practices over time: evidence from an exploratory multiple case study analysis.

On the other hand, literature also shows how different goals of innovation can lead to different practices. Inbound Open Innovation can help firms when they stall following the early success and fail to move past ordinary activities, providing new stimuli from the outside. Inbound Open Innovation practices are often used for sensing goals to observe what is happening in different fields (e.g. Herzog, 2008; Grimaldi et al., 2013) or to make the innovation process more efficient (e.g. Chesbrough & Crowther, 2006; Enkel et al., 2009). This second view identifies another peculiarity of inbound Open Innovation practices, by using them as problem-solving approaches, to find solutions to any problems in the innovation process more quickly or to tackle radical discontinuities (Filiou, 2021).

Figure 7 and Figure 8 summarize some explanatory examples of how a context need can entail different goals and drivers and, consequently, how those can determine the choice of inbound Open Innovation strategies accordingly to diverse levels of integration.



7 Drivers of Inbound Open Innovation. Pinarello et al. (2022). How firms use inbound Open Innovation practices over time: evidence from an exploratory multiple case study analysis.



8 Inbound Open Innovation (Integration - Goal Model). Pinarello et al. (2022). How firms use inbound Open Innovation practices over time: evidence from an exploratory multiple case study analysis.

Below is a detailed exploration of inbound Open Innovation methods.

1. Crowdsourcing and Idea Contests

This methodology involves issuing an "open call to action" to a large and diverse group of stakeholders to find solutions for specific challenges. It can use different search approaches, according to Thomas Gegenhuber & Johanna Mair (2024), such as a "command and control" approach, where orchestrators collect submissions and use a jury to choose the best one, and even an "engage and empower" approach, which fosters community-based exploration and iterative problem-solving. Firms, according to Enkel (2009), utilize intermediaries with proprietary tools and platforms to manage the gathering of those "actions", as well as virtual communities and hackathons to aggregate contributions.

Crowdsourcing allows for scanning the problem-solution space for unexpected ideas (Chesbrough 2006, Jeppesen & Lakhani 2010, von Hippel, 2017). More importantly, it mobilizes 'idle' actors, including tapping into their attention, capabilities, networks and resources (Bauer & Gegenhuber, 2015), to engage the social innovation process, as well as to deeply engage with the problem, develop prototypes and explore how to generate an impact. Therefore, it mobilizes also stakeholders who join these initiatives through self-selection, driven by personal identity, concern, or interest in solving a specific social problem rather than purely financial motives.

Majchrzak et al. (2023) theorized the concept of the value of the "crowd". It lies in the crowd's ability to provide access to a vast, distributed network of knowledge and problem-solving capabilities that far exceed the internal resources of any single organization. This concept is rooted in the "Joy's Law",

back to Hayek's view of knowledge (1945): the principle that "most smart people work for someone else", which highlights that useful knowledge for innovation is widely distributed in society. According to Jeppesen and Lakhani (2010), attributing value to the "crowd" allows organizations to tap into "non-obvious" problem solvers, who may possess unique knowledge that traditional internal R&D lacks, by performing a "broadcast search".

Moreover, a critical success factor is incentive design. Research suggests that "one-size-fits-all" rewards are sub-optimal; instead, flexible incentive structures that align with diverse participant motives (intrinsic and extrinsic) lead to higher quality solutions. "Let me choose what I want: The influence of incentive choice flexibility on the quality of crowd-sourcing solutions to innovation problems" by Moghaddam et al. (2023) aims to deepen our understanding on what incentive structures match with participant motives to dedicate resources to crowdsourcing initiatives. While organizations increasingly resort to crowdsourcing to generate solutions for their innovation problems, the quality of these solutions is often low. Accordingly, the authors argue for flexible incentive structures in crowdsourcing, and advise solution-seeking companies and open innovation intermediaries to offer a suite of incentive options, beyond the usual extrinsic rewards. Such an approach allows participants to self-match the incentives with their own motives, thus indirectly prompting participants to pursue their intrinsic motivations.

According to recent studies, the types of incentives adopted in open innovation and crowdsourcing can be categorized into four groups (Chesbrough, Lettl et al., 2018):

- Intrinsic rewards: for instance, the internal satisfaction derived from the activity itself, such as fun, challenging goals, and learning willingness (Chesbrough et al., 2018);
- Prosocial rewards: identification with a project or community, a sense of belonging, and the desire to contribute to a cause or to solve societal problems (Chesbrough et al., 2018; Gegenhuber & Mair, 2024);
- Non-pecuniary extrinsic rewards: external benefits such as gaining reputation, peer recognition, symbolic awards, or signaling excellence to attract future partners (Chesbrough et al., 2018; Dahlander & Gann, 2010);
- Pecuniary extrinsic rewards: direct financial compensations, including monetary prizes in contests, royalties from licensing, or equity in new ventures (Chesbrough et al., 2018; Moghaddam et al., 2023).

2. Lead User as sources of innovation

Developed by Eric von Hippel (1988), this method shifts the locus of innovation from the manufacturer to the user. Lead users are individuals or firms that show two characteristics: they face needs in a marketplace much earlier than the bulk of that market and they have a lot of expectations about a solution in terms of benefits. Lead users, therefore, are considered by firms as vital sources of new products and innovations, and even early testers of a new market exploration.

This method can be enabled by the firm, through a specific process:

- definition of a relevant market trend;
- location of lead users within that trend after an analysis of their characteristics, data and prototypes;
- test of new solutions on ordinary users.

This reliance on lead users comes with a structural cost. The knowledge that makes lead users valuable is largely tacit and experience-based, which makes it hard to translate into specifications an internal R&D team can act on directly, and internal units accustomed to generating their own solutions can resist adopting an externally validated one on those grounds alone.

3. In-licensing

In-licensing belongs to pecuniary inbound strategies, and it occurs when a firm buys the rights to use intellectual property (IP), such as patents, copyrights, or trademarks, developed by external parties (Laursen et al., 2010; Bianchi & Lejarraga, 2016). It is used to fill technical gaps or “blind spots” in a firm's R&D portfolio, allowing the company to maintain market momentum without starting from zero. Moreover, because it relies on pre-existing and proven knowledge, firms can largely reduce R&D costs and their time-to-market. Finally, research indicates that in-licensed projects can have a higher likelihood of termination than internal ones if they fall within knowledge domains that are unfamiliar to the acquiring firm.

The main drawback of in-licensing is the elevated termination risk that arises when the acquired technology falls outside the firm's established knowledge domains. Beyond this risk, the negotiation, drafting, and ongoing monitoring of licensing agreements impose transaction costs that can offset the R&D savings the practice is meant to generate.

4. Partnership with Universities

Collaboration with academic institutions is a cornerstone of the "Triple Helix" model (University-Industry-Government) used to access frontier scientific research (Bertello et al., 2024; Perkmann & Walsh, 2007). In the modern Open Innovation landscape, knowledge is widely distributed, and the rise of excellence in university research means that the internal "knowledge monopolies" once held by large centralized corporate labs have effectively ended (Chesbrough, 2003).

Therefore, universities are often the only partners that can satisfy a firm's need for basic and foundational knowledge, particularly as industry-led R&D has shifted toward more applied technology, leaving a "seed corn" gap in fundamental discovery that only academia can fill (Chesbrough, 2003). Partnerships with these institutions could manifest through funding research programs, by sponsoring graduate students' tuition, establishing joint labs, or even creating scientific committees to validate internal projects in rigorous terms (Chiaroni et al., 2011). Finally, universities are less risky partners than competitors, because of their neutrality in the market field. Competitors, in fact, could take advantage of the knowledge shared through unfair spillovers, avoiding the possibility of long-term exploration, looking for opportunistic benefits (Chiaroni et al., 2011; Chesbrough et al., 2018; Laursen & Salter, 2014).

Despite of its benefits, the neutrality aspect of partnership with Universities creates a timing mismatch. Universities optimize for publication and scientific visibility, while firms need outputs within a commercial timeframe, and any resulting intellectual property typically has to pass through the university's technology transfer office before it can be commercialized, adding a negotiation step the firm does not control.

5. Technological Scouting

Technological scouting is a systematic effort to survey the surrounding knowledge landscape to identify promising discoveries and trends (Chesbrough, 2003; Chesbrough & Bogers, 2013).

Managers typically distinguish between two major goals while they engage in inbound practices: sensing and solving. Scouting is primarily a "sensing" activity: it helps firms move beyond their traditional core activities to identify new stimuli and opportunities that might open new ways for innovation (Pinarello et al., 2022; Teece, 2007). "Solving" activities, instead, leverage external knowledge to reduce costs or to reduce the time-to-market.

To consolidate sensing capability, mature Open Innovation firms often establish specialized units (such as a “Competitors Group” or “Innovation Antennas”) and appoint “Gatekeepers” to manage the interface between the firm and the external environment, scanning the environment constantly, and feeding the internal funnel with distant knowledge that the firm doesn’t traditionally master, therefore making innovation journey visible across the firm (Chiaroni et al., 2011; Pinarello et al., 2022).

By 2025, scouting has become increasingly platform-driven and AI-powered, allowing firms to evaluate thousands of startups and technologies globally every year. Leading corporate innovation practitioners now maintain “Innovation Outposts” in global tech hubs like Silicon Valley and Israel to accelerate startup scouting for venture clienting and investment opportunities. This systematic approach allows organizations to stay plugged into the world's most dynamic sources of new technology and spot emerging trends before they become mainstream (Mind the Bridge, 2025).

6. M&A

Within the framework of inbound Open Innovation (Chesbrough, 2003; Enkel et al., 2009), Mergers and Acquisitions (M&A) represent the practice characterized by the highest level of organizational and operational integration with external knowledge sources (Pinarello et al., 2022). While traditional inbound methods like crowdsourcing or licensing involve localized or pecuniary interactions (Huizingh, 2011), M&A entails “completely embedding” an external entity within the firm’s structure to internalize its specialized competencies, intellectual property, and strategic assets (Pinarello et al., 2022).

From a strategic perspective, firms typically adopt M&A as an inbound practice when an external opportunity, often identified through preliminary sensing activities such as technological scouting or Corporate Venture Capital, proves to be highly consistent with the organization’s core business and requires total control for efficient exploitation (Pinarello et al., 2022). This methodology allows established corporations to rapidly close technical gaps and incorporate innovations that are already capital-backed by the external venture ecosystem, serving as a critical component of the modern “Venture” toolkit (Mind the Bridge, 2025).

Furthermore, M&A can function as a powerful catalyst for radical organizational change; for instance, the acquisition of a large international peer has been shown to act as the “trigger” that forces top management to reorganize internal research activities and transition from a legacy closed model to a formal Open Innovation paradigm (Chiaroni et al., 2011). In the contemporary innovation landscape, M&A remains an essential tool for internalizing solutions and technologies that a firm cannot

effectively develop in-house, though it carries significant risks of "culture clashes" during the integration phase (Pinarello et al., 2022).

By 2025, while total deal volume has fluctuated, M&A has become increasingly strategic and opportunistic, characterized by a "hunt or be hunted" dynamic where corporations seek to acquire high-potential scaleups and startups to maintain market dominance (Mind the Bridge, 2025).

Some limitations occur also while approaching to this inbound practice:

- M&A carries a well-documented risk of culture clashes during post-acquisition integration (Pinarello et al., 2022);
- Its strategic reach is also structurally limited: the practice requires substantial capital commitment and, once executed, offers firms little room to reverse course.

1.7.2 Outbound Open Innovation methods

Outbound Open Innovation, as previously involves the purposive outflow of internal knowledge, ideas, and technologies to the external environment (Chesbrough, 2003; Enkel et al., 2009). This paradigm shift acknowledges that valuable ideas generated within a firm do not necessarily have to reach the market through its own internal channels (Chesbrough, 2003). Instead, when internal discoveries do not align with the firm's current business model or strategic focus, they can be more effectively commercialized by external organizations that possess better-suited assets or market access (Chesbrough & Bogers, 2013; Chiaroni et al., 2011). While research suggests that firms currently perform fewer outbound than inbound activities, these methodologies are essential for monetizing "shelved" knowledge and maximizing the social and private returns on R&D investment (Huizingh, 2011; Pinarello et al., 2022).

Based on the sources provided, some of the primary methodologies for open innovation will be explored below, according to recent literature.

1. Out-licensing

Out-licensing is the primary methodology among outbound Open Innovation practices, and it grants third parties the legal right to use a firm's intellectual property in exchange for financial compensation (Chesbrough, 2003; Enkel et al., 2009). These compensations can include, for instance, up-front fees and ongoing royalties (Chesbrough, 2003; von Hippel, 1988).

The main goal of out-licensing is to capture value from technologies that may remain underutilized because they do not fit the firm's current market, core competencies, or business model (Chesbrough, 2003; Huizingh, 2011).

Rather than allowing these "shelved ideas" to sit idle (Huizingh, 2011), companies can use out-licensing to:

- multiply technology impact by transferring ideas to other environments, taking part in market segments they do not serve directly (Chesbrough, 2003; Pinarello et al., 2022);
- generate new revenue streams transforming intellectual property from a defensive barrier into a "profit booster" (Chesbrough, 2003).

Although out-licensing possesses substantial strategic potential, its implementation remains less prevalent than inbound open innovation practices (Huizingh, 2011).

A primary organizational impediment to outward technology transfer is the "Not Sold Here" (NSH) syndrome (Chesbrough, 2003). This cultural barrier typically manifests within internal commercialization units, which resist the utilization of external channels to market proprietary technologies due to concerns regarding loss of control, intra-firm competition, and the dilution of core intellectual property (Chesbrough, 2003).

However, out-licensing remains less common than inbound practices largely because of the "Not Sold Here" syndrome, a cultural barrier within internal commercialization units that resist external channels for fear of losing control, cannibalizing internal sales, or diluting proprietary intellectual property (Chesbrough, 2003).

2. Creation of Spin-offs

Spin-offs are independent legal entities founded by a parent organization to commercialize technologies, ideas, or intellectual property originated internally (Chesbrough, 2003; Dahlander & Gann, 2010).

The main driver to approach this outbound Open Innovation practice is often the lack of alignment between innovation generated and the firm's current business model and contingencies (Chesbrough, 2003). Therefore, there could occur a latent value that can't be captured by the parent company because innovations may require different addressed markets, value chains or cost structures (Chesbrough, 2003; Chesbrough & Bogers, 2013). Spin-offs serve as "second process" for

commercialization, avoiding rigid constraints of large corporations, to lead to transformation and undergo experimental paths (Chesbrough, 2003).

Mature spin-offs often use Venture Capital Market to validate internal research, by subjecting internal technologies to the scrutiny of external investors (Chesbrough, 2003). To accelerate the development of new technologies, spin-offs are used as a "forcing function".

When a technology is identified as a spin-off candidate, it "starts a clock" for internal business units: if they do not commit to using the technology themselves, the project is moved out of the lab and into the market as a separate entity (Chesbrough, 2003).

Furthermore, spin-offs can increase motivation and staff retention, by creating new career options for research staff, allowing entrepreneurial-minded employees to lead new ventures without leaving the corporate ecosystem entirely (Chesbrough, 2003).

For an Open Innovation paradigm to be fully consolidated, firms must spin-offs into their corporate strategies and investments' evaluations (Chiaroni et al., 2011).

Rather than treating spin-offs as a "failure" of internal commercialization, successful firms view them as a proactive alternative for maximizing the impact of their R&D investments (Chesbrough, 2003; Chiaroni et al., 2011).

The same internal review that decides whether a technology stays in-house or gets spun off is anchored to the parent company's existing markets and business model, so a technology can be judged non-strategic and pushed out even when its value simply falls outside what the parent's resource allocation is built to recognize. Running multiple spin-offs at once also draws management attention and dedicated venture building capacity away from core operations.

3. Selective revealing and donation of patents

Selective revealing is defined by recent literature as the voluntary, purposeful, and intentional disclosure of specific and limited internal resources to external actors (Chesbrough, 2018). It serves as an intellectual property defense strategy, because publishing an innovation establishes a prior art, preventing competitors from patenting and exploiting published innovation (Chesbrough, 2003). Moreover, this practice is a strategic response to the "paradox of openness": the need to share knowledge to create value while simultaneously needing to protect and capture it (Chesbrough, 2018).

Finally, selective revealing is commonly used to create standards and ecosystems, by attracting the "right" partners and signaling them the quality of innovation generated internally, with the purpose of inducing other actors to create and make available complementary assets that could enhance the potential of that innovation (Chesbrough, 2018). Historically, this was crucial for setting industry standards and establishing a company's technology as the market norm.

Instead, donation of patents is about transferring irrevocably and permanently patent ownership to another party, typically universities, non-profit organizations, or public domain (Chesbrough & Bogers, 2013). Donation of patents is typical in the case of large firms that hold non-performing patents, out of the core business, which tends to load excessively the portfolio and the cost structure with renewal fees, legal and bureaucracy expenses (Mind the Bridge, 2025).

Moreover, by donating patents, firms encourage the diffusion of basic and foundational knowledge, which in recent years, is been widely addressed for global grand challenges, defining the concept of Open Social Innovation (Gegenhuber & Mair, 2024).

Finally, as a critical issue, selective revealing exposes the disclosing firm to the risk that competitors free-ride on the released knowledge without reciprocating, a tension inherent to Chesbrough's (2018) paradox of openness: the same disclosure needed to attract complementary partners can be appropriated opportunistically. Patent donation carries a more absolute constraint: the transfer of ownership is permanent and irrevocable, foreclosing any future direct return on the donated asset (Chesbrough & Bogers, 2013).

1.7.3 Coupled Open Innovation methodologies

Unlike pure inbound or outbound strategies, the coupled mode is fundamentally characterized by its interactive and reciprocal nature, relying on a "give and take" dynamic between actors who purposively manage mutual knowledge flows across their organizational boundaries (Chesbrough & Bogers, 2013). Successfully implementing coupled methodologies requires a high level of absorptive capacity to internalize external inputs and multiplicative capacity to externalize internal knowledge for broader market use. Furthermore, as these collaborations often involve conflicting institutional logics, they require robust governance mechanisms based on trust to manage the inherent tensions between cooperation and competition.

The primary coupled Open Innovation methodologies include the following ones.

1. Strategic alliances and Joint Ventures

These represent the most widespread coupled Open Innovation practice in order to jointly develop new technologies, by leveraging complementary assets, and, most importantly, by sharing risks and costs. In high-speed industries, such as high-tech, firms adopt joint R&D processes in up to 50% of all innovation activities (Enkel et al., 2009).

As a danger in adopting strategic alliances and Joint Ventures, partners in an alliance are frequently competitors in adjacent markets, so the same channel that lets firms pool complementary assets also exposes each partner's core knowledge to an organization with an independent commercial agenda. Indeed, sustaining the alliance requires continuous governance to keep proprietary knowledge from flowing further than the partnership intended.

2. Innovation Consortia and Networks

These involve groups of cross-industry organizations that mutually exchange flows of knowledge to address invention and commercialization activities jointly (Chesbrough & Bogers, 2013), by operating on a multi-stakeholder level (universities, suppliers, customers and competitors) to broaden and deepen the acquisition of innovation sources.

For mature industries, leveraging these networks is essential to successfully shift from legacy models into a formalized Open Innovation ecosystem (Chiaroni et al., 2011).

However, multi-stakeholder consortia are also exposed to the risk of ceremonial adoption: organizations can display the formal structures of collaboration to secure external legitimacy while leaving internal routines, budgets, and decision authority unchanged (Gegenhuber & Mair, 2024, citing Pinkse & Marino, 2024).

3. Digital Platforms and Users Communities

Modern coupled innovation increasingly relies on digital platforms that provide a shared space for multiple innovators to interact, customize products, and implement information flows (Bertello et al., 2024). These ecosystems facilitate value co-creation by allowing firms to coordinate with a disintegrated network of stakeholders, including citizens and users, to address “wicked” societal challenges (Gegenhuber & Mair, 2024).

As a critical success requirement, platform owners have to balance the openness needed to attract external contributors against the control needed to capture the value those contributors generate. When a platform tightens its rules to protect its own commercial interests, the community that has been producing value for it can read the change as a breach of the terms it joined under, and the resulting friction can undermine the ecosystem the platform depends on.

1.8 The limits of Open Innovation and Innovation Theatre

1.8.1 Innovation Theatre

Innovation Theatre is defined as the way firms put into practice just visible and communicable aspects of Open Innovation, such as hackathons, accelerators, startup announcements, without transforming firm's internal routines, budget allocations or decision-making authorities (Mind the Bridge, 2025). This phenomenon is also described with the logic of ceremonial adoption and decoupling, where organizations display formal structures of openness in response to external legitimacy pressures (Gegenhuber & Mair, 2024, citing Pinkse & Marino, 2024). Innovation Theatre initiatives serve as symbols of conformity to an unwritten rule of "being open", regardless of whether firms effectively generate measurable innovation outcomes or not. This framing in ceremonial adoption and decoupling, because of institutional pressures, situates Innovation Theatre within a broader neo-institutionalist logic of decoupling, whereby organizations adopt visible structures to secure legitimacy from external audiences (regulators, investors, media, industry peers).

Dabić et al. (2023) describe how Open Innovation can lead to a "status quo" in terms of value creation, or even at worst, to the co-destruction of value, which is coherent to the concept that a visible initiative may coexist with stagnant, steady and even negative substantive returns. The article Mind the Bridge (2025) captures this dynamic through the term "innovation cosplay," describing it as "a symbolic exercise that will inevitably fade as the buzzwords lose their shine and the hype recedes" (p. 23).

In the recent literature about Open Innovation the critique about the gap between formal adoption and substantial integration into the firm's innovation process is recurring.

Gegenhuber and Mair (2024) further argue that this raises an accountability problem: research should "critically observe Open Social Innovation phenomena and dissect how actors deploy governance mechanisms to enable or prevent such practices" (Gegenhuber & Mair, 2024). This call for scrutiny of governance mechanisms is directly relevant to the discussion developed later in this chapter regarding the organizational placement and authority of the Open Innovation function.

The risk of ceremonial adoption is particularly relevant concerning Open Social Innovation, where firms engage external stakeholders to address social or ecological "grand challenges" such as climate change or inequality (Gegenhuber & Mair, 2024). Chesbrough and Di Minin (2014) originally defined Open Social Innovation as "the application of either inbound or outbound innovation strategies, along with innovation in the associated business model of the organization, to social challenges" (cited in Gegenhuber & Mair, 2024, p. 134). This definition already presupposes that genuine Open Social Innovation requires business-model innovation, not merely communicative or symbolic engagement with social causes.

Gegenhuber and Mair (2024) trace an evolution from an organization-centric conception of Open Social Innovation, where a single firm opens its boundaries to external contributors while keeping full control of the process, toward a cross-sectoral, multi-stakeholder conception that requires concerted collaboration among business, government, and civil society actors across the whole innovation process, from diagnosing societal challenges to scaling solutions and generating measurable impact. This shift occurs because "wicked" social and ecological problems simply cannot be addressed through an organization-centric, open-systems lens alone (Gegenhuber & Mair, 2024, drawing on Mair & Seelos, 2021). When a firm keeps an organization-centric posture while framing its initiatives in the language of societal impact, the decoupling risk described above turns into something more specific: greenwashing, environmental or social innovation programs that generate reputational capital without touching the underlying business model or the resources committed to it.

A related distinction runs through this literature, between the symbolic value an Open Innovation initiative generates (reputation, legitimacy, peer recognition) and its operative value (revenue growth, cost reduction, strategic advantage). Dabić et al. (2023) warn that Open Innovation "alongside huge opportunities, also comes with a dark side" (p. 2). They never use the phrase "innovation theatre," but a status quo outcome, resources spent, innovation performance unchanged, is exactly what the theatre metaphor describes: activity without value.

Industry analyses have since made this distinction explicit. Mind the Bridge (2025), in its report "Open Innovation Is Dead, Long Live Innovation" argues that legitimacy can no longer rest on visibility alone: "companies no longer feel the need to show they engage with startups. What they care about is value... revenue, margins, strategic impact" (p. 3). The phrase comes from industry practice rather than peer-reviewed research, but it maps neatly onto the academic notion of ceremonial adoption, and it fits the broader claim that Open Innovation structures can outlive their original legitimacy-seeking purpose and simply persist as facades.

Mind the Bridge (2025) also proposes a periodization, "The Ages of Open Innovation", that helps explain how innovation theatre came to be measured, and why that measurement logic is now under pressure. An early "Age of Marketing" judged success by visibility: number of initiatives, PR outcomes, events held, proofs of concept launched (Figure 9). An "Age of Collaboration" followed, still oriented towards reputation and recognition as an Open Innovation unit, still counting activity (number of investments) rather than results. Only in the current "Age of Results" do the KPIs shift toward something substantive: revenue from innovative products and services, OPEX reduction, exits and financial returns. Under the earlier logic, an accelerator program could count as a success purely by the number of startups it met or events it ran, whatever happened afterward. Mind the Bridge (2025) sums up the transition bluntly: "less Innovation Theatre (good news) and fewer resources (bad news)" (p. 3), a phrasing that suggests the retreat of purely symbolic initiatives is happening alongside, and partly because of, budget cuts rather than a voluntary maturing of practice.

	THE AGE OF MARKETING	**THE AGE OF COLLABORATION**	**THE AGE OF RESULTS**
GOALS	BE VISIBLE AS COMPANY *THE MORE THE BETTER*	BE VISIBLE AS OPEN INNOVATION UNIT *GAIN REPUTATION*	PRODUCE REVENUE AND REDUCE COSTS *INCREASE TOP LINE AND MARGINS*
KPIs	• NUMBER OF INITIATIVES • PR OUTCOMES • NUMBER OF EVENTS	• NUMBER OF POCs • NUMBER OF INVESTMENTS	• REVENUE FROM INNOVATIVE PRODUCTS/SERVICES • OPEX REDUCTION • NUMBER OF EXITS & RETURNS
INDUSTRY STANDARDS	BLACK BOX	EXPERIMENTATIONS	BEST PRACTICES

9 Open Innovation Ages, Mind the Bridge (2025)

There is also quantitative evidence of this erosion. Since 2018, "more than one-third of corporate innovation leaders have shut down or restructured their accelerator programs" (Mind the Bridge,

2025, p. 15), a sign that the traditional cohort-based accelerator, arguably the single most communicable Open Innovation tool, has lost much of its stand-alone legitimacy. Of the programs that survived, roughly 90% have been repositioned as "highly selective fast tracks for corporate venture clienting" rather than broad cohorts (Mind the Bridge, 2025, p. 15): what remains has been redesigned around operational integration with procurement and business units, not around external communication.

A second indicator concerns the difficulty of turning a pilot into an actual deployment. Venture Client initiatives face "the frequently reported risk of stalling (88% of cases) between Proof of Concept (PoC) and deployment" (Mind the Bridge, 2025, p. 16). This single statistic locates, quite precisely, where symbolic activity and substantive activity part ways: firms generate large numbers of proofs of concept, an easy thing to report, and only a fraction of them ever reach industrial scale. Mind the Bridge (2025) calls this the "Innovation-to-Impact Gap": "the risk that just a small percentage of industrial innovative deployments translate into scalable, materially impactful businesses" (p. 16). It is, in effect, an empirical version of the decoupling argument made earlier (Gegenhuber & Mair, 2024, citing Pinkse & Marino, 2024): experimentation and value capture pull apart.

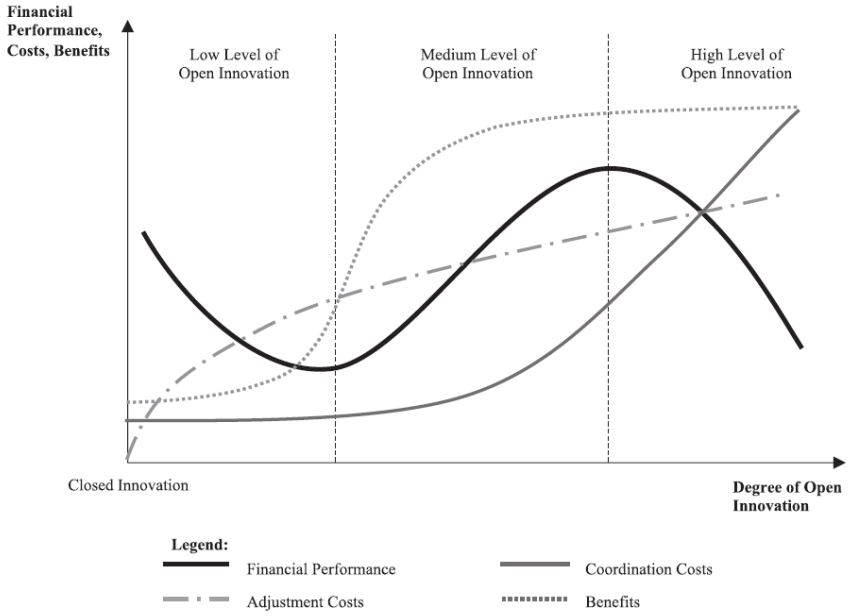
Theoretically, Gegenhuber and Mair (2024), through their reading of Pinkse and Marino (2024), place innovation theatre within the logic of ceremonial adoption and decoupling, a risk that becomes sharper in Open Social Innovation initiatives, where it takes the specific form of greenwashing (Chesbrough & Di Minin, 2014, as cited in Gegenhuber & Mair, 2024). Academically, closer to firm performance, Dabić et al. (2023) describe the same risk in economic terms, stagnant or even negative value creation. And from industry practice, Mind the Bridge (2025) supplies both a periodization of evaluative logics and hard numbers, accelerator closures since 2018, persistent PoC-to-deployment stalling, that back up, at market level, what the academic literature had already flagged.

1.8.2 The limits of Open Innovation

Openness has a cost side that the earlier, more optimistic Open Innovation literature tended to underplay. Three problems particularly define its limits: diminishing returns, the false promise of crowdsourcing, and the paradox of sharing knowledge while trying to protect it.

The relationship between openness and financial performance is not linear. Dabić et al. (2023) report that "a recent study revealed an S-shaped relationship between open innovation and financial performance, implying that the benefits of open innovation will not always outweigh the costs" (p. 1, citing Schäper et al., 2023). Benefits accumulate only up to a point; past it, coordination and integration

costs start eating into the value created. Schäper et al. (2023), as summarized by Dabić et al. (2023), go further, arguing that "medium levels of openness are ideal, and that under certain conditions closed innovation will even be more beneficial... than low levels of openness" (p. 6). That is a genuinely uncomfortable finding for anyone who assumes more openness is always better: firms either extreme, too closed or too open, can underperform relative to firms that calibrate. Dabić et al. (2023) trace the underlying idea back to Laursen and Salter (2006) and their work on "decreasing returns to openness" (p. 2), with cost-increasing mechanisms documented by Faems et al. (2010), Greco et al. (2018), García-Quevedo et al. (2018), and Mention (2011), as cited in Dabić et al. (2023).



10 The open innovation–financial performance relationship. Schaper et al. (2023).

Audretsch and Belitski (2023) explain why this happens through a transaction-cost lens. Collaboration "includes resource redeployment and relocation, along with the use of time and effort... in addition to operational, technological, cognitive, cultural and regulatory barriers" (p. 2), and "may shift resources and focus away from experimentation and in-house innovation, preventing internal investment in R&D and training" (p. 2, citing Mention, 2011; Barham et al., 2020). External collaboration is not a costless substitute for internal R&D; it competes for the same scarce attention and money, and too much of it can crowd out the internal capabilities needed to make external knowledge usable in the first place. Audretsch and Belitski (2023) also point to a cognitive bias behind this: "collaborators may experience information asymmetry... but they often underestimate collaboration costs" (p. 2, citing Simon, 1976), which is one reason firms keep expanding Open Innovation programs even when the coordination costs involved are, in practice, barely quantified. Their empirical results show, too, that this is not uniform across contexts: "limits to open innovation differ across knowledge-

intense sectors and at different geographic dimensions, with creative sectors experiencing the greatest limits to knowledge collaboration in both national and international markets" (p. 1). The S-curve is probably steeper, and its inflection point earlier, in sectors where knowledge is highly appropriable and hard to codify.

Contests, hackathons, and crowdsourcing platforms are among the most visible Open Innovation tools, which is exactly why they are prone to becoming theatre. But their capacity to produce anything substantive depends on organizational conditions that are often missing. Moghaddam et al. (2023), as reported by Dabić et al. (2023), find that "organizations increasingly resort to crowdsourcing to generate solutions for their innovation problems, [yet] the quality of these solutions is often low" (p. 4). The cause, in their account, is a mismatch: "the lack of knowledge about what really motivates problem solvers" pushes firms toward a "one-size-fits-all" incentive structure that ignores how heterogeneous crowd participants' motivations actually are. Get incentive design wrong, and contests attract people chasing the prize rather than the problem, which degrades solution quality and reinforces the perception that open formats simply don't pay off.

A related failure shows up in research-industry collaboration. Puliga et al. (2023), studied by Dabić et al. (2023) through a polar-sample case comparison of CERN and its supplier companies, identify the main "drivers of failure" as "focalization and exclusion, short term orientation, competence standby, and passive and indirect participation" (p. 3). Even in an environment as technically capable as CERN's "Big Science" setting, collaboration fails for organizational and behavioural reasons, narrow problem framing, short-termism, passive engagement, not for lack of technical competence.

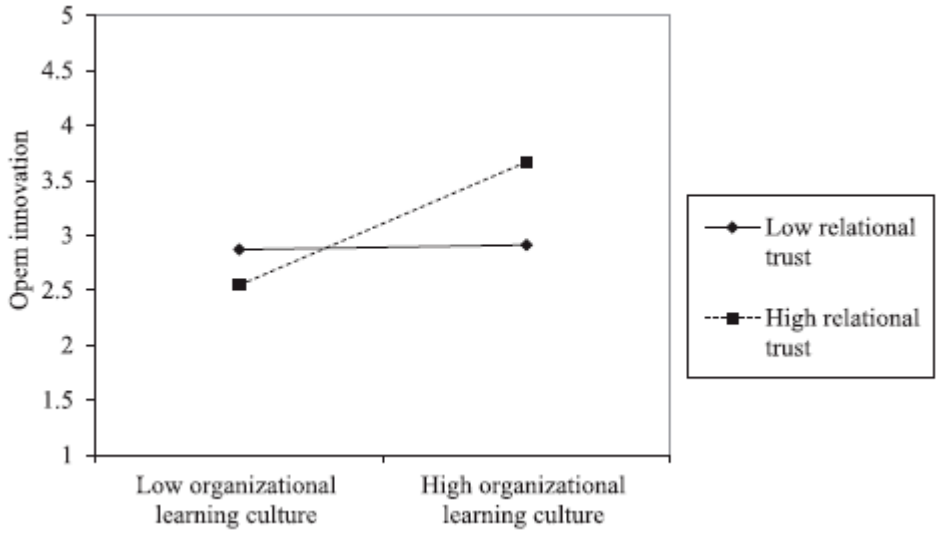
Mind the Bridge (2025) quantifies exactly this pattern: of "1,000-2,500 startups screened" annually by a typical corporate Venture Client function, only "200+" make it to further evaluation, "25-50" become "startup PoCs and pilots," "20+" turn into "long term collaborations," and just "1-3+" ever reach "impactful deployment" (p. 16). Organizations can generate a large volume of prototypes, all easily reported as proof of an "open" culture, while only a sliver of that activity gets absorbed into anything industrial.

The third limit is the tension between sharing enough knowledge to make collaboration worthwhile and protecting enough of it to keep a return. Dabić et al. (2023) locate this in an established stream: Laursen and Salter's (2014) "paradox of openness: appropriability, external search and collaboration" and Bogers's (2011) earlier "open innovation paradox: knowledge sharing and protection in R&D collaborations" (p. 6). Both point to the same tension: firms need to share valuable knowledge to make collaboration worth a partner's while, and that same act of sharing exposes them to the risk that

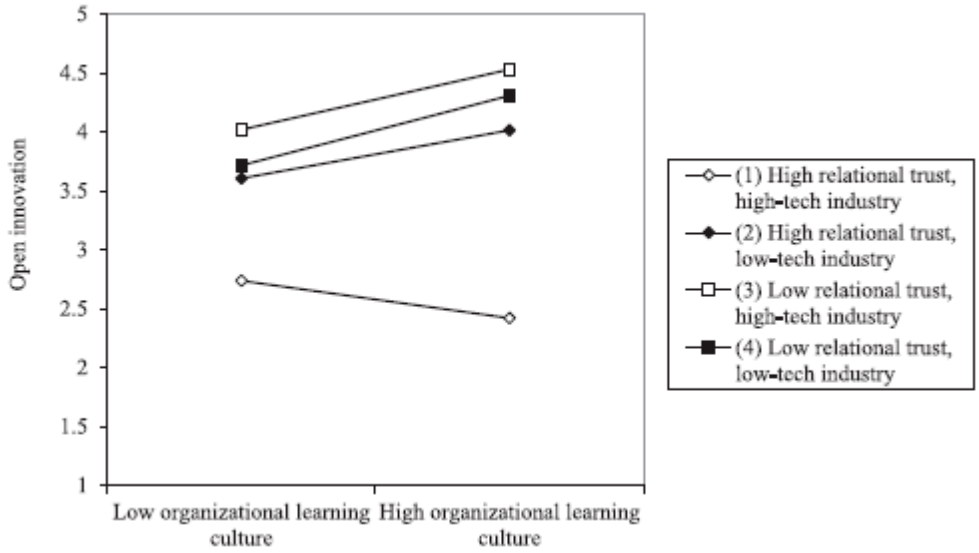
the partner will appropriate it, especially where intellectual property protection is weak or trust is thin. Stefan et al. (2022), cited in Dabić et al. (2023), add a dimension usually left out of the purely economic account: “the dark side of open innovation: individual affective responses as hidden tolls of the paradox of openness” (p. 6). Managing openness and protection day to day is not just a strategic calculation about appropriable rents; it can generate frustration, anxiety, a sense of losing control, and these are real costs, felt by the people doing the collaborating, not just line items on a balance sheet.

Zahoor and Adomako (2023) add an environmental dimension to this same tension, one that runs against the usual assumption that turbulent markets push firms toward openness. Testing survey data from 209 emerging-market SMEs in the UAE, they find that “environmental dynamism is negatively related to open innovation” (p. 3). The mechanism: “the frequent shifts in technology, competition, and demand make it difficult for ESMEs to adapt their alliance tasks and thus reduce the relational rents for OI” (p. 10, citing Schilling, 2015). Under high dynamism, “coordination [becomes] highly demanding” (p. 3), and alliance partners become “more likely to violate their alliance agreements and seek private benefits” (p. 3, citing Zhang et al., 2010). Turbulence, in other words, raises the potential value of external knowledge and the risk of partner opportunism at the same time, and the second effect can win.

Zahoor and Adomako (2023) find that organizational learning culture mediates it: dynamism is “positively and significantly related to organizational learning culture”, and that learning culture is itself “positively and significantly related to OI” (p. 8). Firms that respond to turbulence by investing in internal learning routines can turn environmental pressure into a driver of openness rather than an obstacle to it, which is the same absorptive-capacity logic discussed in the next section. The mediated effect is stronger under high relational trust, and stronger still for low-technology firms and medium-sized firms than for high-tech or small ones (p. 9), because low-tech sectors, with less codifiable knowledge and weaker contractual protection, “need greater relational norms... to maximize their OI given the challenges they face and their low R&D capability” (p. 9, citing Mina et al., 2014). Dynamic environments, then, are not automatically good or bad for openness: the outcome depends on a firm's internal learning capability and the quality of its partnerships.



11 Two-way interaction among organizational learning culture and open innovation. Zahoor and Adomako (2023).



12 Three-way interaction among organizational learning culture, relational trust, and industry type. Zahoor and Adomako (2023).

A structurally similar problem, on a different timescale, is what Chesbrough (2003) called the "silicon paradox": the observation, attributed to David Liddle, that "the companies most able to conduct research are the least able to profit from it" (Chesbrough, 2003). Firms with strong dominant business models tend to filter emerging technologies through the lens of that model, and technologies that don't fit its logic get read as distractions rather than opportunities, a bias Chesbrough (2003) traces to the concept of dominant logic and its associated cognitive filters. One consequence, documented in the same source through Lucent's experience with its New Ventures Group, is a systematic build-up of "false negatives": projects judged unpromising at the time that later prove valuable once pursued outside the firm, by spin-offs or by competitors. An organization with no mechanism to revisit these

early judgements loses, permanently, platforms it might otherwise have grown into future businesses. Mind the Bridge (2025) gives this pattern a contemporary scale: of the companies on the Fortune Global 500 list in 2000, only 38% remained there by 2025 (p. 5), meaning 62% had been acquired, liquidated, or otherwise dropped off the index. Firms that cut long-term R&D to protect short-term EBITDA, while sitting on their own unexploited breakthroughs, are, on this reading, quietly institutionalising their own decline.

1.8.3 Organizational Barriers: NIH, NSH, and the Absorptive Capacity Gap

The "not invented here" (NIH) syndrome, R&D's resistance to externally sourced technology, is well known. Less discussed, but just as damaging, is its commercial mirror image: "not sold here" (NSH). Marzi et al. (2023), as reported by Dabić et al. (2023), find that Open Innovation adoption in SMEs "frequently hinges on how well it is seen by senior management teams," who must weigh "the benefits of boundary-spanning against the difficulties of inter-organizational arrangements and knowledge transfer" (p. 4), using dual-process theory to explain how managers assess "the not invented here (NIH) and not-shared-here (NSH) syndromes" (p. 4). Dabić et al. (2023) confirm, in their conclusion, that both "have high potential to impact open innovation adoption negatively" (p. 6).

This connects directly to the theatre problem discussed earlier. When sales, marketing, or business-unit functions see an external solution as a threat to their control over customers, channels, or revenue, they can block its adoption regardless of merit. The result is exactly the mismatch Gegenhuber and Mair (2024) describe: the externally visible layer of Open Innovation activity, partnerships announced, POCs launched, keeps running even while the commercial organization quietly stalls or refuses the very solutions that activity was supposed to deliver.

A second barrier is whether the firm can actually recognize, absorb, and use knowledge coming from outside (absorptive capacity). Audretsch and Belitski (2023) note that "open innovation scholars have only recently demonstrated that there are risks relating to a lack of internal investment in absorptive capacity" (citing Denicolai et al., 2016): external collaboration is no substitute for a firm's own capacity to make sense of what it acquires.

Zahoor and Adomako (2023) ground this in Cohen and Levinthal's (1990) original formulation, that "a firm without a prior technological knowledge base in a particular field may not be able to acquire one readily" (p. 138, as cited in Zahoor & Adomako, 2023, p. 4), and argue that firms need an organizational learning culture, "the sourcing, acquisition, creation, and internalization of knowledge" (p. 3), to convert what they source externally into anything usable. Without that internal infrastructure,

Open Innovation risks staying purely cosmetic: a firm can mobilise external knowledge through accelerators, hackathons, or venture clienting and still have no routine capable of turning it into a product, a process, or a change in the business model.

Poorly designed incentive structures compound both problems above. As already noted, Moghaddam et al. (2023), cited in Dabić et al. (2023), trace low-quality crowdsourced solutions to a mismatch between incentive design and participant motivation, and recommend moving away from "one-size-fits-all" rewards toward "a suite of incentive options, beyond the usual extrinsic rewards" (p. 5). Get this wrong, and even a well-attended Open Innovation initiative selects for participants chasing the prize rather than the problem, further reinforcing the sense, both inside and outside the firm, that open formats don't deliver.

Where it all shows up: the PoC-to-deployment stall. NSH resistance, weak absorptive capacity, and misaligned incentives together produce the empirical pattern already introduced above: 88% of Venture Client initiatives stall between POC and deployment (Mind the Bridge, 2025, p. 16). Mind the Bridge's own funnel data show the attrition step by step: from "1,000-2,500 startups screened" down to "200+" filtered, "25-50" pilots, "20+" long-term collaborations, and only "1-3+" reaching real deployment (p. 16), an "Innovation-to-Impact Gap" in the report's own terms. The early attrition, screened to filtered, reflects weak absorptive capacity and poor governance; the later attrition, pilot to deployment, reflects NSH resistance: even a technically validated pilot can be blocked at the last step if the business unit responsible for scaling it refuses to cede control over the customer relationship, the production line, or the revenue it generates.

1.8.4 From Evangelist to Orchestrator

The limits of a powerless mid-level function. One structural reason innovation theatre persists is simply where the Open Innovation function sits in the org chart. Historically, "few companies had a Chief Innovation Officer; more companies had ahead of innovation whose role was typically buried two or three levels below the CEO, leading a small team with a modest budget" (Mind the Bridge, 2025, p. 9). Under that setup, "the job was mostly about creating enabling conditions: evangelizing internally about the opportunity to innovate with atypical partners such as startups and scaleups" (p. 9). A function whose mandate stops at persuasion, rather than extending to resource allocation or strategic decisions, is built to produce visible activity, events, pilots, partnership announcements, without the authority to force any of it into core business processes. The "evangelist" can raise awareness; they cannot overrule the resistance described above as the NSH syndrome.

Mind the Bridge (2025) frames the present moment as “a make-or-break moment: either Open Innovation steps out of its current niche and moves to the center of corporate strategy, driving also R&D and IT, or it will gradually fade as the communication buzz and hype vanish” (p. 10). The prescription is organizational: “the Open Innovation unit - and its leader - must evolve from an ancillary, mid-level function led by a passionate (but often unheard) 'Evangelist' into a relevant C-level role with real authority and say over strategy” (p. 10), summed up in the report's own line: “organization charts don't lie. Innovation can't sit in the basement anymore” (p. 9).

Where the old “Evangelist” role was confined to culture and internal advocacy, the modern Chief Innovation Officer is “expected to originate new business and improve margins through cost savings and operational efficiency; to shape and steer the evolution of corporate strategy; and to bring R&D into the world of open, collaborative innovation” (Mind the Bridge, 2025, p. 9). Top-line growth, bottom-line efficiency, strategic direction, that is a direct response to the “Age of Results” logic from Section 1.8.1: a function judged on revenue, margin, and strategic impact needs the authority to match, since a unit with no budgetary or decision-making power over R&D and business-unit priorities cannot reasonably be held accountable for outcomes it doesn't control.

Mind the Bridge (2025) flags one complication in this evolution: the arrival of a parallel C-suite role, the Chief AI Officer, whose rise is “raising a deeper organizational question... where should the CIO sit, and how should the power balance between CIO, CAIO, and CTO be redesigned to truly lead transformation?” (p. 9). Upgrading the innovation function, in other words, is not just about granting more authority to what already exists; it also means renegotiating overlapping mandates across several C-level roles at once.

Integrating R&D and IT. The report identifies the persistent gap between internal R&D and external-facing Open Innovation as the remaining obstacle. Leading firms “have mastered how to connect with startup ecosystems... and have learned to activate their employee base through widespread intrapreneurship programs, [but] the real bottleneck remains bridging R&D (and IT) with Open Innovation. This integration is still in its early days” (Mind the Bridge, 2025, p. 8), and “fast-tracking R&D through Venture Clienting and Venture Building is the core challenge that will make the difference” (p. 8). C-level authority, on this reading, is not an end in itself but a precondition: only a function with real say over both the external apparatus and the internal R&D organization can force the two to work as one engine instead of two loosely connected silos, an argument taken further in Section 1.8.6 through the case of Eni.

1.8.5 The Survival Paradox: Budget Cuts and the Fading of Open Innovation

Firms often cut innovation budgets, open or internal, to protect short-term financial metrics. Mind the Bridge (2025) treats this as a genuine paradox rather than ordinary belt-tightening: “innovation (including Open Innovation) is more than ever an essential component of corporate growth and long-term value creation” (p. 3), even as the visible signs multiply, fewer accelerators, “close to zero sponsorships in support of startup programs,” “fewer job postings for open innovation roles” (p. 3).

The report is careful to separate two readings of this retreat, only one of which is good news. If “'burying' Open Innovation simply means innovation has finally become mainstream, embedded in corporate strategy, with the Chief Innovation Officer holding real power in the C-Suite, then fine: R.I.P. Open Innovation. Mission accomplished” (p. 3). But if firms are “cutting innovation budgets - open or not - just to boost declining EBITDA in the short term, then they are planning a much bigger funeral than the one for Open Innovation” (p. 3), a point the report drives home with a blunt formula: “no innovation, no company survival. No survival, no party” (p. 3).

That distinction is relevant for the argument of this chapter, because the disappearance of “Open Innovation” as a distinct managerial label is ambiguous on its own. Consistent with the benign reading, Mind the Bridge (2025) argues that this fading might itself be a sign of success: if the organizational upgrade discussed above happens, “we will stop talking about Open Innovation altogether - because it will simply become the way companies operate, fully embedded in culture, processes, and organizational design (as it already is in big tech and in much of corporate America)” (p. 10). If it doesn't happen, “the Open Innovation 'building' will soon implode, losing relevance quickly-and the company won't be far behind” (p. 10).

Telling these two scenarios apart, genuine embedding versus quiet collapse of ceremonial structures, is precisely the accountability problem Gegenhuber and Mair (2024) raise when they call for research that “critically observe[s] OSI phenomena and dissect[s] how actors deploy governance mechanisms to enable or prevent such practices.”

1.8.6 Strategies to Overcome Innovation Theatre

Formal structures alone don't explain whether Open Innovation is substantive or theatrical; individual managers' cognition is fundamental. Dabić et al. (2023) explicitly endorse this micro foundations’ view, calling for research that applies “the logic of micro foundations, in which... individual-level attributes aggregate up to organizational-level outcomes (Felin et al., 2015),” on the grounds that “it is specifically lower-level issues that may be the hampering factor for achieving higher-level

outcomes" (p. 6). Marzi et al. (2023), reported in Dabić et al. (2023), give this a concrete empirical form, examining "the decision-making processes leading to the willingness or reluctance to adopt Open Innovation in SMEs" and finding that "managerial cognitive configurations play an active role" (p. 3). Using dual-process theory, distinguishing intuitive from deliberate cognition, they map "different managerial decisional paths associated with willingness or reluctance to adopt Open Innovation" (p. 3). Overcoming theatre, then, is not purely a matter of redesigning the org chart, as Section 1.8.4 discussed; it also depends on the dispositions of the people making day-to-day calls about whether to engage with, or resist, external ideas.

Therefore, Dabić et al. (2023) treat this as an open methodological problem: "the available techniques and methods for measuring efficacy, effectiveness and efficiency of open innovation initiatives need to be improved" (p. 6). Mind the Bridge (2025) gives this concern an empirical shape through its "Ages of Open Innovation" framework, moving evaluation away from counts, events, POCs, investments, toward outcomes: revenue, OPEX reduction, exits. The two sources, one academic, one practitioner, arrive at the same conclusion from different directions: overcoming theatre means giving up metrics that reward visibility in favour of metrics that reward value capture, even though the latter are considerably harder to build and to attribute causally.

A third response addresses the R&D Open Innovation silo directly. Mind the Bridge (2025) describes a "market-driven 'dual' model" built on four steps: market assessment to spot external opportunity, value-chain and technology assessment to identify co-development partners, co-financing with VCs or other corporates to de-risk projects, and R&D monetization across both internal and external markets, with IP rights "shifting to new co-shared models" (p. 13). Eni illustrates the shift concretely. Its R&D had traditionally been "very strong and successful on the research side (up to TRL 4-5)" with development "focused internally" and monetization coming "from internal deployment" (Mind the Bridge, 2025, p. 4). Under its "Dual Innovation Model," Eni reassessed roughly 3,500 IP rights: about 700 were "dismissed or licensed to third parties," another 700 "transferred to Eniverse" to build new ventures (p. 4), and today "85% of R&D investment is directed toward new areas... while only 15% remains in traditional domains" (p. 4). This is what turning R&D from a cost center into a permanent industrial capability looks like in practice, echoing the same shift described for A2A Life Ventures elsewhere in the report (p. 1).

Mind the Bridge (2025) also replaces the old checklist approach to Open Innovation, listing tools like accelerators, CVC, and venture builders, with a consolidated framework: three "Venture Pillars" resting on three "Foundational Areas" (p. 6). The pillars are Venture Client ("sourcing, testing and deploying external innovation coming from startups and scaleups"), Venture Builder ("creating new

strategic initiatives from scratch"), and Corporate Venture Capital ("looking beyond the core business and shaping the future company strategy") (p. 7), resting on Startup Ecosystems, Open R&D and IT, and Intrapreneurship (p. 7).

The three pillars are not equally mature. Venture Clienting has become "a de facto established practice," with standardized scouting and POCs, summarized as "not anymore a black box" (p. 8, Figure 7). Venture Building is riskier: there's "a growing consensus that innovation needs a 'factory'," but "the heterogeneity of the solutions corporates must build makes the 'building' exercise extremely challenging, hard to get right, seldom successful, and rarely repeatable at scale," summarized as "difficult to standardize" (p. 8). Corporate Venture Capital is the least stable, prone to "roller-coaster behavior" as corporates "start, invest, and build momentum... but at the first governance change, many raise their foot off the pedal, or pull the brakes entirely," summed up simply as "rollercoasting" (p. 8). A firm claiming to practice Open Innovation through the mere co-presence of all three pillars might in fact be leaning almost entirely on the safest one, Venture Clienting, while using the other two mostly as symbolic proof of a broader commitment it isn't really pursuing. Telling genuine multi-pillar integration apart from a symbolic name-check of the full toolkit is itself a useful test for distinguishing substance from theatre.

Finally, Mind the Bridge (2025) points to hybridization, combining multiple instruments and extending intrapreneurial participation beyond isolated units, as the direction leading firms are converging on. Its case studies show "hybridization... becoming the new norm" at Decathlon and Estabanell, with Zurich "pioneering entirely new models" of integration (p. 23), and the trend reaches intrapreneurship itself: "one in four modern intrapreneurship programs now adopts an open model, integrating external ideas and talent by involving entrepreneurs, startups, researchers, and academics from outside the organization" (p. 12).

Put together, the strategies in this section, individual cognitive change, outcome-based measurement, R&D-market integration, and a non-symbolic use of the Venture Pillars, point toward one underlying shift: the gradual dissolution of "Open Innovation" as a separately labelled function, folded instead into the ordinary strategic and operational life of the firm. That is exactly the transformation Mind the Bridge (2025) anticipates in describing Open Innovation's maturity as fading (Section 1.8.5), and it is the substantive counterpart, real integration into business as usual, to the merely ceremonial form of adoption examined throughout this chapter.

2. Empirical Open Innovation case studies

2.1 Maize: Open Innovation Enabler

The previous chapter examined the evolution of Open Innovation from its original formulation to the most recent contributions addressing value creation, value capture and the organizational challenges associated with opening innovation processes. While recent literature consistently recognizes Open Innovation as a powerful strategic paradigm, it also highlights a recurring gap between theory and practice. Companies increasingly embrace collaboration with startups, universities and innovation ecosystems, yet many initiatives struggle to generate measurable business outcomes. As previously mentioned, recent studies describe this phenomenon through concepts such as Innovation Theatre, ceremonial adoption and the growing difficulty of transforming experimentation into scalable business value.

This observation naturally raises a practical question. If the theoretical foundations of Open Innovation are now well established, what differentiates organizations capable of translating openness into competitive advantage from those that remain trapped in pilot projects, startup events and PoC activities? In other words, what organizational mechanisms enable firms to move from collaborative experimentation to tangible business transformation?

To address this question, this dissertation complemented the theoretical discussion with an empirical perspective based on the case of Maize. Rather than representing a successful example of Open Innovation itself, Maize represents an organization whose core business consists of designing, facilitating and implementing Open Innovation initiatives for large corporations. As such, it provides an appropriate empirical setting to observe how the principles discussed in academic literature are operationalized in real corporate contexts.

This choice is also motivated by the author's direct professional experience. During the preparation of this dissertation, the author collaborated with Maize as part of his current role as a Business Consultant within Jakala, gaining exposure to projects involving corporate innovation, startup scouting and the development of innovation strategies for large corporations. While this chapter does not aim to evaluate Maize as a company, this proximity provides privileged access to understand how Open Innovation methodologies are structured and executed beyond the theoretical models described in the literature review.

From this perspective, Maize can be interpreted as an intermediary within contemporary innovation ecosystems. Instead of generating innovation exclusively through internal R&D activities, it operates

at the intersection between corporations, startups, entrepreneurs, investors, technology providers and research organizations, helping firms to identify external opportunities while simultaneously designing the internal conditions required to transform those opportunities into business initiatives. This role closely reflects the evolution of Open Innovation itself, which has progressively shifted from simply accessing external knowledge toward orchestrating distributed capabilities and integrating them into coherent business strategies.

Unlike many traditional innovation consulting firms, Maize adopts an end-to-end approach that extends well beyond technology scouting. Its activities encompass strategic foresight, innovation strategy, venture building, startup discovery, service and product design, experimentation and organizational transformation. These capabilities are combined to accompany organizations throughout the entire innovation journey, from the identification of emerging market opportunities to the implementation and scaling of new ventures and business models. Rather than considering innovation as a sequence of isolated initiatives, Maize approaches it as a continuous organizational capability that requires alignment between strategy, governance, execution and business objectives.

This positioning resonates with several themes discussed throughout the previous chapter. Chiaroni et al. (2011) argue that implementing Open Innovation requires radical organizational changes rather than the simple adoption of external collaborations. Similarly, Chesbrough (2003) emphasized that technological opportunities generate economic value only when embedded within an appropriate business model, while Chesbrough, Lettl and Ritter (2018) further demonstrated that long term competitive advantage depends not only on creating value through collaboration but also on developing mechanisms capable of capturing that value.

The practical relevance of these arguments becomes particularly evident when considering the growing criticism surrounding Innovation Theatre. As discussed previously, organizations often invest considerable resources in highly visible innovation initiatives (accelerators, hackathons, startup competitions or PoC programs) that generate legitimacy and external visibility but rarely produce scalable economic impact. The challenge, therefore, is no longer how to start innovation initiatives, but how to integrate them into corporate decision-making processes, allocate ownership across business units and ensure that experimentation ultimately translates into measurable business results.

Within this context, the Maize case offers an opportunity to observe how these implementation challenges are addressed in practice. Rather than focusing exclusively on idea generation or startup engagement, the company's methodology explicitly emphasizes execution, organizational alignment and business transformation. Innovation is therefore treated as a multidisciplinary process requiring

the simultaneous coordination of strategic vision, technological capabilities, organizational design and market validation. This perspective is particularly relevant given the evolution of Open Innovation toward what recent industry analyses define as the Age of Results, where the success of innovation initiatives is increasingly assessed through business impact rather than the number of collaborative activities performed.

Accordingly, the following sections do not seek to validate or challenge the theoretical framework developed in this dissertation. Instead, they use the Maize experience as an empirical lens through which the theoretical concepts discussed in literature can be observed in action. The objective is to understand how contemporary Open Innovation practices are translated into concrete projects, organizational processes and managerial decisions, ultimately providing a bridge between academic research and managerial practice.

2.2 Maize: adaptive Open Innovation Framework

A recurring observation within Maize's practitioner perspective on Open Innovation is that initiatives fail to scale not because ideas are scarce or startups are weak, but because no business unit ever takes ownership of the transition from experimentation to industrialization. Business units operate against short-term KPIs and already allocated budgets, and an innovation project arriving at the point of potential scaling must compete with commitments that were set months earlier. Without a business owner accountable for the profit and loss statement, a project remains an initiative that belongs to no one and therefore loses priority. This observation is worth stating before turning to Maize's own methodology, because it sets the standard against which that methodology can be read: does the framework simply produce more polished proof-of-concept work, or does it build the organizational frame that determines whether a project survives contact with a business unit? The following sections describe how Maize structures its Open Innovation offering and then return to this question directly.

2.2.1 A three-stage architecture: from scenario to scale

Maize describes its methodology as one built to design complete, end-to-end innovative solutions for both the internal organization and the external market. The approach rests on three sequential blocks. The first, scenario creation, is concerned with uncovering opportunities and emerging directions of change; Maize frames this stage as a navigation exercise between heuristics and algorithms, between intuition and logic, between inductive and deductive analysis. The second block, solution building, is where an idea becomes a concrete, testable asset through agile and collaborative methods. The third

block, large-scale transformation, addresses the organizational challenge of evolving beyond the boundaries of a single business function, emphasizing the interdependencies between the different elements of an organization rather than treating scale-up as a simple extension of a pilot.

What distinguishes this architecture from a conventional funnel model is the explicit framing of the third stage as a systemic problem rather than a logistical one. Maize states that the challenge of transformation consists in innovating through a systemic approach that overcomes the traditional boundaries of the organization, which places the emphasis on organizational boundaries rather than on the quality of the underlying technology or business idea. This framing converges directly with the broader practitioner claim that the execution gap is a matter of transferring responsibility and organizational priority rather than creativity or technology. Both converge on the same structural boundary between an innovation unit that can experiment and a business unit that owns the market.

2.2.2 The Innovation Engine: a modular and repeatable cycle

Beneath this three-block architecture, Maize operationalizes its methodology through a modular and replicable method, structured as a five-stage cycle:

1. Discovery
2. Opportunity Areas;
3. Action Plan;
4. Decision Making and Go to Market;
5. Scale Up.

Each stage is paired with a defined output:

- Discovery produces an innovation strategy and a governance structure;
- The Opportunity Areas stage generates an opportunity pipeline;
- The Action Plan stage defines the scope of Open Innovation activity, prioritized opportunities, key performance indicators, and a map of the external ecosystem;
- The Decision Making and Go to Market stage generates insights and test results together with concrete Open Innovation projects;
- The Scale Up stage closes the loop by producing learnings that feed back into process refinement, explicitly framed as process fine tuning and repetition.

Two features of this cycle merit attention. First, the loop is designed to close on itself: learnings generated at scale-up are meant to refine the discovery phase of the next cycle, which positions the

methodology as a continuous capability rather than a one-off project sequence. Second, the cycle assigns business unit needs a place in the diagram from the very first stage, alongside strategy and governance. In other words, Maize's own model does not treat the business unit as a downstream recipient of a finished solution; it treats business unit requirements as an input that shapes the discovery phase itself. This design choice can be read as a direct methodological response to the very problem raised earlier, namely that business units are consulted, if at all, only once a solution has already been built around assumptions that were never validated against operational priorities.

2.2.3 Governance as a foundational output

The positioning of governance within the Innovation Engine deserves separate treatment because it speaks directly to one of the most developed themes in the practitioner perspective on Open Innovation. Governance is described as the principal field of evolution for corporates today, with the argument that the problem companies face is no longer a shortage of ideas but the absence of a clear decisional infrastructure capable of bringing initiatives to regime. This perspective traces an organizational trajectory in which corporates moved from ad hoc, reputation-driven programs, through a first wave of dedicated innovation teams and managers, toward a current phase in which cross-functional models and innovation managers embedded within business units are being tested as a way to reduce fragmentation.

Maize's methodology anticipates this trajectory rather than following it. Governance appears as a named output of the very first stage of the Innovation Engine, alongside the innovation strategy itself, rather than as a corrective measure introduced once earlier initiatives have already stalled. This sequencing analytically suggests that Maize's consulting framework is built around the premise that governance design is a precondition for scaling, not a lesson learned after failed attempts at scaling. The broader practitioner argument, that consulting adds the most value when it builds durable internal capability rather than substituting for it on a permanent basis, is consistent with a methodology that treats governance construction as a deliverable of its own, separate from scouting or proof-of-concept work, rather than as an implicit side effect of running enough pilots.

2.2.4 A differentiated toolkit of project formats

Maize's methodology is not a single linear process applied uniformly to every client as it is supported by a defined set of modular project formats that can be combined depending on the maturity of the client organization and the nature of the opportunity. The company lists idea crowdsourcing, startup

scouting, PoC, corporate accelerators, sandbox environments, corporate hackathons, business sprints, talent programs, internal calls for ideas, business tests, corporate business labs, intrapreneurship programs, and venture building as the constituent activities of its Open Innovation offering. Each format addresses a different combination of internal versus external orientation and exploratory versus commitment-heavy engagement. Idea crowdsourcing and internal calls for ideas mobilize the existing workforce to respond to a defined brief. Startup scouting and proof-of-concept work search externally for solutions that already exist and test their technical and operational fit. Corporate business labs provide a physical or virtual space in which external actors can interact directly with the organization. Venture building goes furthest, entering a new market horizon by creating a newly incorporated venture to explore and exploit an opportunity, typically once a business test has already de-risked the underlying hypothesis.

The case portfolio that Maize presents alongside this taxonomy illustrates how these formats are combined in practice rather than deployed in isolation. In one engagement with a large pharmaceutical company, idea crowdsourcing was combined with scouting and proof-of-concept work, screening dozens of startups against a specific patient-need brief and running several parallel proofs of concept to gather real market data. In a manufacturing sector engagement, the process moved through strategy definition, co-founder recruitment, and general project management toward a full venture-building outcome, kept separate from the client's core business. In an insurance sector engagement, governance and value-proposition definition were combined with a large-scale scouting effort across more than a hundred startups against several separate briefs, followed by multiple parallel proofs of concept run with different business units simultaneously. In a real estate services engagement, venture building was again applied, moving from an innovation engine defining strategy and governance through startup due diligence to a full new-venture strategy encompassing business modelling and go-to-market planning. What these cases share, beyond the specific format applied, is that none of them stops at scouting or at a single PoC; each one is described through to a governance, staffing, or commercialization decision, which is precisely the transition point identified earlier as the most common location of failure in less structured programs.

2.2.5 Buy, Make, or Invest: formalizing the scale-up decision

The final structural element worth examining is the explicit categorization of strategic objectives that closes Maize's methodology:

- Buy or partnerships: scaling a solution by collaborating with the external partner already identified during the scouting phase;
- Make: autonomous development of the solution when collaboration with an external partner is not viable, for instance because the initiative is strategically sensitive or involves proprietary data;
- Invest: a possible equity investment in the capital of the startup that has been identified.

This categorization functions, in effect, as a decision gate rather than as a passive label applied after the fact. By forcing a choice among three qualitatively different commitment levels, the framework converts the vague question of what happens next into a specific organizational and financial decision that must be made explicitly, presumably by someone with the authority to make it.

This is directly relevant to the diagnosis of the execution gap outlined earlier, which centred on the absence of budget allocated for the phase following PoC and the absence of a business owner with decision-making power over commercialization.

A framework that requires an explicit buy, make, or invest decision at the end of the cycle is, at minimum, structured to surface that decision rather than let it default by inaction. Whether Maize's engagements actually secure the budget and business ownership that constitute the true bottleneck is a separate empirical question, one that the case material reviewed here does not fully resolve. This is worth flagging as an open point for the discussion section of this chapter, because it marks the boundary between what Maize's documented methodology guarantees on paper and what its own practitioners suggest still depends on the client's governance maturity.

2.2.6 Reading the framework against the execution gap

Taken together, the three-stage architecture, the modular Innovation Engine cycle, the early positioning of governance as a defined output, the differentiated toolkit of project formats, and the closing buy, make, or invest decision gate can be read as a coherent methodological response to the specific failure mode described above as the execution gap. That gap is located precisely at the transition between PoC and integration into the core business and framed as neither a creative nor a technological problem but an organizational one: a transfer-of-responsibility problem. Maize's methodology addresses each side of that transfer point directly. On one side, it embeds business unit needs and governance design into the earliest stage of the cycle, rather than treating them as afterthoughts once a pilot has already produced results. On the other side, it forces an explicit strategic decision, buy, make, or invest, at the point where many less structured programs simply stop, having exhausted their

scouting and proof-of-concept budget without ever converting a validated pilot into an operational or commercial commitment.

At the same time, the available evidence does not allow this chapter to claim that Maize's framework fully closes the accountability gap identified above. The methodology structures the decision; it does not guarantee that a business unit accepts to effectively activate that decision once it is made. This distinction between structuring a transition and resolving the accountability problem underlying it will be developed further in the discussion, where the Maize case is set against the broader corpus of Open Innovation literature reviewed in the preceding chapters of this thesis.

2.3 Maize: examples of Innovation Theatre failures

Three projects in the experience of Maize never reached a documented point of continuation, and reading them together, rather than one at a time, is where the pattern actually surfaces. The first was a luxury goods client's scouting program, run across two cycles and five areas of interest, that screened more than 400 companies, held four internal working sessions and two technology workshops, launched two pilots, and closed with one startup left in an ongoing but otherwise undefined collaboration. The second was a supply-chain traceability project for an accessories manufacturer, built around a sharply defined need, verifying the provenance of leather through blockchain, that scouted 150 startups, brought ten into connection calls, shortlisted four for a discovery workshop, and selected one for a pilot whose outcome is not known. The third, still running, was a research program for a publishing client exploring new revenue models for a media sector in structural decline; of the three macro-trends it identified, one, a social-first media strategy built around a possible acquisition or partnership, sits explicitly in what the client itself calls stand-by, waiting on a proposal that has not yet gone to ownership. Individually, each of these looks like a different kind of setback: a program that never consolidated, a pilot that went quiet, a strategy stuck in limbo. Read together, they converge on a smaller set of structural absences that this thesis treats as the operational signature of Innovation Theatre.

The first and clearest of these absences is a missing owner. None of the three cases documents a business-unit sponsor, an innovation committee, or any other named body holding authority over what happens once scouting produces a shortlist. This stands in direct contrast to the governance structures documented in the success cases discussed in this chapter, where an extended executive committee, a formally constituted innovation committee, or an internal sponsor with budget authority appears at the exact point where the case set's failed or stalled projects go silent. The absence is not merely

stylistic; it is functional. A shortlist without an owner has nowhere to go once the shortlisting itself is finished, because no one inside the client's organization has been given the mandate, or the accountability, to decide what happens next. Ownership does not need to be senior to be effective, but it does need to exist.

The second absence is a missing second touchpoint. Every one of these three programs structures itself as a single forward-moving sequence: identify a need, scout, shortlist, select, pilot. What none of them documents is a return trip, a moment where the outcome of the pilot phase gets carried back to a decision-making body distinct from the team that ran the scouting. The luxury goods program ends with "one startup still collaborating", a phrase that describes a relationship, not a decision. The traceability pilot simply stops being mentioned. The publishing client's social-first media trend is the partial exception that proves the point: it names the missing touchpoint explicitly, describing itself as waiting for a proposal to reach the people who own the authority in the company.

A third feature, less structural than the first two but still recurring, is single-cycle design. Two of the three programs, the luxury goods scouting effort and the traceability pilot, were run as one-off initiatives rather than as editions of a recurring program. This feature removes a mechanism that this thesis's success cases repeatedly show working in their favour: the chance for a second cycle to correct what the first one got wrong on governance, ownership, or budget definition. A program that runs only once cannot learn from its own stall in the way a multi-edition program can. The publishing client's initiative is explicitly ongoing, but its own social-first media trend shows that ongoing status is not, by itself, sufficient protection against the same stalling mechanism appearing inside a single strand of an continuing program, especially if the object of the program is development around issues that don't belong to the core business, and therefore not so relevant by the company commissioning the program, that just probably found an experimental field to find out some side opportunities.

Taken together, these three absences, no named owner, no second decision touchpoint, and typically no recurring cycle to correct course, constitute a reasonably specific diagnostic profile for what this thesis calls Innovation Theatre in its stalled rather than its purely ceremonial form. The distinction is worth making precisely. A purely ceremonial program produces activity with no intention of ever reaching deployment, a performance staged for its own sake. What these three cases show is something closer to a program built with a plausible intention to deploy, that nonetheless stalls at the exact point where intention would need to convert into an organizational decision, because nobody was ever positioned to make that decision. The luxury goods case fails on breadth without depth: extensive scouting and multiple pilots that never resolve into a documented commercial or strategic outcome. The traceability case fails at the latest and narrowest point of the three: a single, well-defined need, a

rigorous funnel down to one selected startup, and then nothing, which is precisely the shape the literature on the innovation-to-impact gap predicts when a technically successful pilot meets no downstream decision structure. The publishing case, still open, is the most instructive of the three not because its outcome is worse but because it is the only one that lets the researcher see the blocking mechanism naming itself in real time, rather than having to infer it retrospectively from an outcome that simply never arrives. None of this can be stated with certainty on the basis of the documentary material alone; each of these interpretations rests on an absence in the record, and an absence is suggestive, rather than conclusive. Confirming whether ownership was genuinely never assigned, or whether it existed but went undocumented, is exactly the kind of question that this thesis continues to investigate in the following chapters.

2.4 Maize: examples of Open Innovation success cases

2.4.1 Case 1: Insurance (Venture Client program, second edition)

The insurance client ran its second Open Innovation cycle as a five-stage sequence: needs analysis, brief definition, startup scouting, PoC design, and PoC execution.

The program did not start by scouting startups and then figuring out where they might fit. It started inside the client's own organization, mapping needs before looking outward for solutions.

Seven strategic workshops, run separately with different business units, surfaced more than one hundred distinct challenges. One hundred challenges show themselves not as a wishlist assembled by one enthusiastic innovation manager, but as the product of structured engagement across multiple parts of the business, which gives the resulting priorities a broader organizational mandate than a single sponsor could provide alone.

From that pool of a hundred-plus challenges, the team narrowed to three formal briefs. A program that tries to address a hundred needs at once dilutes attention and budget across too many fronts hindering an effective delivery. Three briefs are few enough to resource properly and broad enough to reflect real organizational diversity rather than one department's pet project. Only after this internal narrowing did the program turn outward: an open call for startups, backed by active scouting and paid promotion, drew 226 applications from 42 countries. Screening and onboarding cut that pool down to five startups, working across Digital Health, ESG Reporting, Insurtech, and Fintech.

The three briefs the program settled on were not abstract labels. Each one came with a stated operational problem and a list of the kind of solution the client was actually willing to test.

The first brief, framed as intelligent process innovation, targeted internal efficiency directly: automating manual work in underwriting, claims, and back-office functions, extracting and validating documents automatically instead of by hand, consolidating data scattered across departments, and building fraud-detection and claims-steering analytics.

The second brief, next-gen customer engagement, went after a different problem entirely: using AI to segment customers and predict their needs or health risks, building self-service tools such as virtual assistants, and giving agents real-time visibility into the customer journey instead of the fragmented view most insurers work with.

The third brief, pioneering the future of insurance, was the most product-facing of the briefs: dynamic pricing and risk models, telematics and sensor-based monitoring paired with predictive discounts, preventive health offerings, and new products aimed specifically at underserved segments such as older customers and immigrants, groups a standard insurance product line typically does not serve well. Naming the target segments explicitly is worth noting, because it shows the brief was not generic and vague and it was built around gaps the client had already identified in its own product portfolio.

The selection process itself ran through more steps than the internal case study describes. After the open call closed, the innovation team and Maize jointly screened every application and produced a shortlist. Shortlisted startups then went through a deep-dive meeting to explore where their solution might effectively connect to the client's operations, not just whether it sounded promising on paper. From there, a jury made up of the client's own C-level executives together with Maize made the call on which startups would move forward to an in-person workshop in Headquarters, where the feasibility of an actual PoC got tested directly with the relevant business unit before anyone signed off on a final selection. That is four distinct filtering stages, screening, deep-dive, jury decision, feasibility workshop, before a startup could reach the PoC phase proper, and it is a considerably layered process.

On the concrete outcome, sources give slightly different slices of the same picture. The case study, covering the second edition specifically, documents 226 applications resulting in five selected startups working in Digital Health, ESG Reporting, Insurtech, and Fintech. The whole 2 years program gives the cumulative figure across the first two editions combined: more than 400 applications from 42 countries, narrowed down to ten selected startups, some of which turned into actual partnerships.

Two further details are worth folding in because they sharpen the picture of how committed the program actually is, financially and structurally. Selected startups receive a direct financial contribution toward PoC development, up to €15,000 depending on the solution, alongside logistical support and access to technical perks through Maize's own accelerator network. The program takes no equity in

participating companies, since it is explicitly framed as PoC-focused rather than investment-focused, even if investment opportunities can still arise afterward through contact with the corporate venture fund, which lines up with what the program's declared connection to that fund. Once selected, startups move through a fixed sequence: a collaboration exploration meeting in Headquarters to assess PoC feasibility with the actual business unit, a remote kick-off defining the specific activities to be run, the PoC execution itself, a halfway checkpoint to adjust course if results are off track, and a final meeting where results go in front of the jury and next steps for the partnership get defined. The program runs 6 to 9 months depending on the PoC.

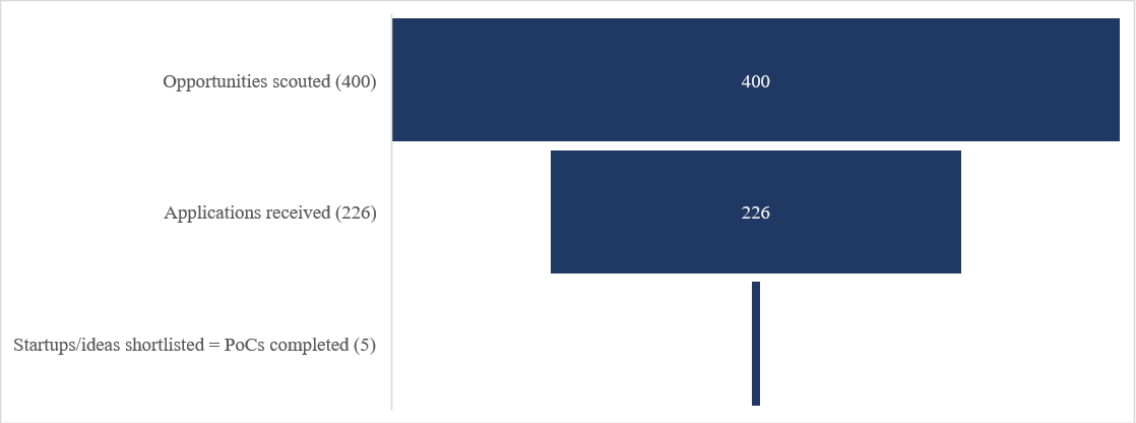
The methodological detail that deserves the closest attention is what happened at the PoC design stage, because this is where many Open Innovation programs quietly lose rigor. Instead of running a single generic pilot for each startup, the team split the testing logic into two distinct types. Some PoCs were built to validate if the technology did work, if did it perform as claimed, and if did it integrate with existing systems. Others were built to validate a market opportunity, analyzing if there was real demand, if the business actually would adopt it, and if did the value proposition hold up outside a demo environment. For each PoC, the team wrote down a specific research question and a specific risk assumption to test and treated technology risk and market risk as two separate variables rather than bundling them into one vague verdict of “the pilot worked” or “the pilot didn't work”.

This separation solves a problem that shows up constantly in Open Innovation practice: a startup can pass a technology test cleanly and still have no viable market inside the client's organization, or it can hit real demand and interest while the underlying technology still needs work. Collapsing both into a single “pass or fail” pilot hides which of the two is actually the obstacle, and that ambiguity is actually one of the factors that allow a project to drift indefinitely without anyone being able to say precisely why it stalled. By separating the two upfront, the program gave itself the ability to make a much sharper decision at the end: scale the technology and keep refining the business case, or set aside the technology and look for a different market application, or drop it outright because both tests failed. None of those three decisions is possible with equal clarity from an undifferentiated pilot.

Business-unit owners were brought into this design step directly, not consulted afterward on a finished plan. That single detail changes who is accountable for the outcome. When a business-unit owner co-designs the risk assumption being tested, that person has already committed intellectually to the criteria for success before seeing the result, which makes it much harder to dismiss an inconvenient outcome after the fact or to claim, after a positive result, that ownership belongs to someone else.

This case earns its success classification on three separate grounds, and it is worth keeping them separate rather than treating “success” as one undifferentiated label:

1. Completion: all five PoCs reached the end of their testing cycle;
2. Escalation: results were presented to an extended executive committee, meaning the program built in a formal moment where senior leadership, not just the innovation function, reviewed outcomes and could act on them;
3. Scalability: the client kept working with some of the selected startups after the program's official funding period ended.



13 Open innovation funnel of the Insurance company case, from opportunity scouting to PoCs completion. Own data elaboration.

That third point is the rarest of the three across the case set. Plenty of Open Innovation programs can point to a completed pilot and a nice final presentation; far fewer can point to a relationship that outlived the program's own calendar, because that requires someone inside the client organization to take on budget responsibility once the initial sponsorship structure disappears.

There are other three meaningful aspects about the scalability and, from Maize’s perspective, upselling of the program that emphasize added value and specialized capabilities brought by Maize:

- the program has since run a third edition, meaning the client kept investing after two prior cycles rather than treating Open Innovation as a one-off experiment;
- across the first two editions combined, the program drew more than 400 applications and produced ten selected startups in total;
- the current edition explicitly offers a paid PoC to participating startups, along with a stated connection to the client's own corporate venture capital fund.

That last aspect is analytically interesting in this case, because it is a rare instance of a Venture Client mechanism being formally wired to a Corporate Venture Capital mechanism, rather than the two pillars operating as separate, disconnected tracks.

2.4.2 Case 2: Real Estate and Alternative Asset Management (holistic, multi-year program)

This case sets itself apart from the first one in a fundamental way: the deliverable was never a startup partnership or a completed pilot.

The brief was to build an internal capability: the client's own ability to identify and launch new business models on its own, sustained over a program that ran more than 24 months.

That framing adapted starting with the methodology itself, which was not organized as a single linear stage from idea to launch but as three stages running iteratively, each with its own logic and its own timeline.

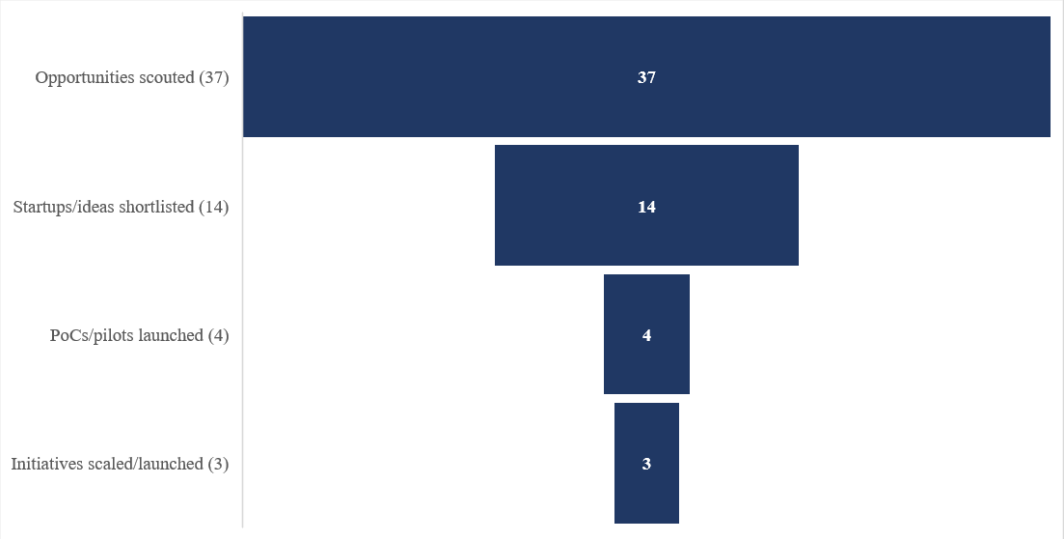
The first stage, called “Set-up”, is worth explaining deeply, because it inverts the usual order of operations. Most innovation programs start by collecting ideas and, only later, build the governance to sort through them. This program did the opposite: before a single idea was formally collected, the team built the governance structure that would eventually process it. That meant defining how ideas would enter the funnel, what gates they would need to pass through, and who would sit on the evaluation committees responsible for deciding what moved forward. Building governance first is slower and less visible in the short term, since there is nothing to show a sponsor in month one beyond an organizational chart and a set of decision rules. But it removes a failure mode that shows up constantly elsewhere in this case set: an initiative reaching a decision point with no one clearly holding the authority and accountability to take decisions.

The second stage, called “Execute”, is where the actual funnel ran once the governance from Set-up stage was in place. Ideas judged to have high potential by the innovation committee were routed down one of three paths, depending on their maturity and the internal capacity available to support them: some were accelerated directly by Maize, some were accelerated jointly by Maize and the business together, and some were handed entirely by the business autonomously, with methodological support available on request, rather than imposed by default. That three-way routing is itself a methodological choice worth underlining, because it treats acceleration capacity as a scarce, allocable resource rather than assuming every idea deserves the same intensity of external support. An idea that the business can clearly run itself does not need the same handholding as one requiring specialized methodology the internal team has not yet built.

Alongside the ideas generated internally, the program also ran a parallel observatory function, tracking external technologies, solutions, and trends independently of whatever the business would propose. This protects the funnel from a common blind spot: relying only on internally generated ideas means the program can only ever be as innovative as the people already inside the organization, whose thinking is naturally anchored to what they already know. An external observatory function feeds in possibilities nobody inside the company was positioned to imagine on their own.

The third stage, called “Mobilise”, targeted the workforce directly, and this is the stage that most clearly signals the program's real ambition was cultural, not just operational. A purpose-built business game trained more than 200 employees in lean startup and business design methods, with 84 percent of participants rating their engagement at 7 or above on a 10-point scale, a genuinely strong result for what is essentially a corporate training exercise. Beyond the business game, the program ran topic-specific idea-generation workshops for a targeted audience and a broader e-learning track open to anyone in the company with general interest in innovation topics. Three different formats, three different levels of commitment required, aimed at three different segments of the workforce: this again reflects a program built for durability rather than for a single cohort of enthusiastic early adopters who move on once the novelty fades.

Overall, the documented funnel numbers of the entire program are 37 opportunities identified, 14 accelerated, 4 reaching pilot stage, and 3 ultimately launched, alongside roughly 4,000 hours of voluntary training logged across the full program.



14 Open innovation funnel of the Real Estate company case, from opportunity scouting to PoCs completion. Own data elaboration.

Read in isolation, a drop from 37 to 3 looks drastic, and by the standards of Case 1's much tighter funnel it is. But comparing the two funnels directly misses the point of what each program was optimizing for. Case 1 was optimizing for a small number of well-tested external partnerships within a fixed calendar year. This case was optimizing for an organization's durable capacity to keep generating and filtering its own opportunities along time, with the funnel numbers functioning as evidence that the capability works, not as the primary product being delivered. The case study itself frames the intended outcome as the client ending up with its own permanent innovation path, an outcome that by definition outlives the engagement, unlike a completed PoC, which is finished the moment the testing period ends.

That distinction is why this case belongs in the success cluster on different grounds than Case 1, and why the two should not be folded into one generic definition of what “success” means across this thesis. Case 1 succeeds because specific, discrete tests were completed and some led to continued partnerships. This case succeeds because a governance structure and a trained workforce were still standing, and presumably still operating, after the initial engagement ended. One is a success measured in outcomes; the other is a success measured in installed capacity.

2.4.3 Case 3: Pharmaceutical (customer-research-driven innovation journey)

This third case starts from a genuinely different point than the other two, and the difference is worth stating before getting into the phases. There was no predefined technology brief here, and there was no startup-scouting funnel. The brief was open-ended by design: the objective was to empirically identify the authentic requirements of the client's customers, allowing any potential solution to emerge organically from research field rather than from a predetermined hypothesis about the results. Within a sample in which the remaining two cases were predicated on prior organizational assumptions - namely, the requisite acquisition of a technology partner or an internal capability - this case originated from a state of fundamental uncertainty: the specific, granular operational challenges experienced by the cardiologists, diabetologists, and pharmacists within the client's service ecosystem.

The methodology ran across three phases, and each one builds directly on the output of the one before it, which is itself a deliberate structural choice worth noting. In the first phase, the team built customer archetypes from the client's own database, using that data to guide who should be recruited for the next step rather than recruiting an arbitrary or convenience sample. On that basis, more than 30 clinicians were interviewed remotely across Italy, covering their daily practice, the tools they actually use, their ongoing education experiences, and their own views on where innovation is needed in their

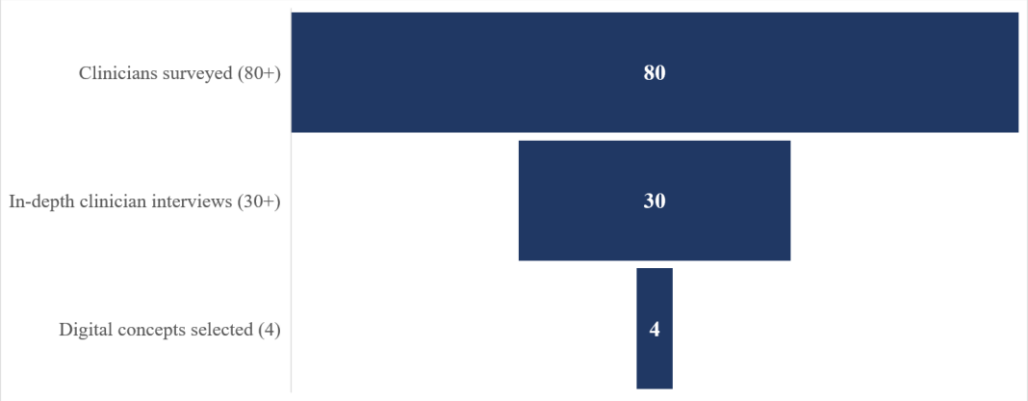
field. Running remote interviews at this scale, more than 30 individual conversations, is a substantial qualitative research investment on its own, and it produces a very different kind of insight than a survey would: interviews surface the reasoning behind a stated need, not just the need itself. In parallel with these interviews, a survey reached more than 80 additional clinicians specifically to quantify what the interviews had already surfaced. That parallel step addresses a standard weakness of qualitative research: rich, specific insight from a small number of interviews can be idiosyncratic, reflecting the particular experience of the people interviewed rather than a pattern shared across the profession. Running a quantitative survey against a larger group to test whether the interview findings actually generalize is exactly the check that prevents the whole project from being built on a handful of unusually vocal opinions.

The second phase took the enriched, validated picture of needs from the first phase and put it directly in front of a subset of the same clinicians in a two-day workshop. This is the detail that most sharply distinguishes this case's methodology from a conventional research and design handoff. In many innovation processes, researchers gather insight and then hand a report to a separate design or product team, who translate it into concepts without the original research subjects in the room. Here, the same clinicians who supplied the pain points in phase one came back to actively generate ideas in phase two, working directly from the opportunity areas the research had identified. That continuity means the ideas being generated are already filtered through the judgment of the people who will eventually have to use or endorse the resulting solution, rather than being a designer's or a consultant's interpretation of what those people probably meant.

The third phase repeated that same move once more: the ideas generated in the workshop were prioritized and refined with the clinicians again, not handed off to an internal team to finalize alone. The output was four digital solution concepts built on artificial intelligence and machine learning, with visual mockups produced specifically to support internal evaluation discussions within the client's own innovation team.

The recurring pattern across all three phases, worth naming explicitly because it is the single most distinctive methodological feature of this case, is that the same group of clinicians moves from research subject, to workshop co-creator, to concept reviewer, without the relationship being handed off to a new group or a different function at any stage. Each phase deepens the same relationship rather than starting a fresh one, and that continuity is what the underlying logic of the case rests on: the people validating the final four concepts are the exact people who supplied the original pain points those concepts are meant to solve, which closes a loop that many innovation processes leave open.

The success classification for this case rests on different evidence than either of the other two, and this difference deserves to be stated as clearly as the earlier two distinctions. Indeed, the project won Best Project in its category at a major national digital health award, judged by an independent panel of subject experts against three explicit criteria: idea, action, and results. Every other success claim in this case set, including the completed PoCs in Case 1 and the launched initiatives in Case 2, rests on the client's or Maize's own reporting. This one rests on a third party with no stake in the outcome, which gives it a different evidentiary weight even though it says nothing, on its own, about commercial or operational impact.



15 Open innovation funnel of the Pharmaceutical company case, from Clinicians surveys to concepts selection. Own data elaboration.

3. Research gap and practitioner analytical framework

3.1 Open Innovation and Innovation Theatre Research Gap

The literature reviewed in Chapter 1 converges on a single, recurring finding: firms know how to start Open Innovation initiatives, and a large share of them do not know how to carry those initiatives past the PoC stage. Mind the Bridge (2025) quantifies this directly, reporting that 88% of Venture Client initiatives stall between PoC and deployment, a pattern the report itself labels an "Innovation-to-Impact Gap" (p. 16). Dabić et al. (2023) describe the same failure from an academic vantage point, warning that Open Innovation can produce a status quo outcome, or in some cases a "co-destruction of value," when the collaborative process does not translate into an operative result. Gegenhuber and Mair (2024) add a third layer, arguing that visible structures of openness can persist as ceremonial artifacts long after they have stopped generating any return, a decoupling between what an organization displays and what it actually does. Three sources, one practitioner report and two academic streams, converge on the same failure. That convergence is itself evidence that the problem sits at the structural level of how Open Innovation is organized, rather than at the level of individual project execution.

The gap concerns who runs an Open Innovation initiative day to day and who ultimately decides whether it receives the resources to continue. These are frequently two different people inside the client organization. The individual who manages the relationship with an intermediary such as Maize, who follows a PoC through its iterations and who develops a working understanding of what the initiative could deliver, is rarely the same person who controls the budget required to scale it. Dabić et al. (2023) point to this exact deficiency when they note that current techniques for measuring the effectiveness and efficiency of Open Innovation initiatives remain underdeveloped, a gap that becomes concrete the moment a project needs a resourcing decision from someone who did not participate in building the case for it. Chapter 2 identified the same pattern in the Maize cases: none of the four cases examined there, specifies who inside the client organization held budget authority once a Buy, Make, or Invest recommendation was reached.

The consequence is not simply a delay. It is a value-transmission problem. The referent who has lived through the experimentation phase has built conviction about the initiative's worth through direct exposure to it. The budget owner has not had that exposure, and evaluates the initiative on the basis of a report or a recommendation rather than on the accumulated experience that produced it. Where no shared framework exists to translate that experience into terms the budget owner can act on, the

initiative stalls in a state that is neither approved nor rejected, waiting for a decision-maker who lacks the basis to make one.

This value-transmission problem also has a cognitive dimension. Marzi et al. (2023) show that managerial cognitive configurations, examined through a dual-process framework distinguishing intuitive from deliberate reasoning, play an active role in whether a firm engages with Open Innovation at all. Applied here, their finding suggests that the budget owner's reluctance to act on a referent's recommendation is not necessarily a failure of information transfer alone. It may reflect a difference in cognitive mode between the two roles. The referent, immersed in the iterative and often ambiguous process of experimentation, is likely to reason through a more intuitive, exploratory mode consistent with what the experimentation itself required. The budget owner, evaluating a discrete resourcing decision against competing claims on the same capital, is more likely to reason through a deliberate, criteria-based mode that treats an intuitive recommendation as insufficiently substantiated. A shared framework capable of addressing this gap would therefore need to do more than formalize a channel of communication. It would need to translate the referent's experiential knowledge into the criteria-based form the budget owner's cognitive mode requires, a translation problem the current literature identifies in general terms without describing what such a translation would look like in practice. This is the gap this thesis works with: not just an absence of accountability in the sense of unclear ownership, but an absence of a shared framework capable of preventing this stall and of increasing the probability that a PoC converts into a genuine Open Innovation project rather than remaining suspended.

Framed this way, the referent-to-budget owner discrepancy explains part of why initiatives stall, but treating it as the whole explanation would repeat the same error the literature makes when it treats the stall itself as a single event rather than a process. Mind the Bridge (2025) measures how often initiatives fail to convert. Dabić et al. (2023) and Gegenhuber & Mair (2024) name the failure and locate it structurally. None of the three examines the stall from the inside, as a sequence of decisions, actors and near-abandonment moments that together determine which side of the PoC-to-deployment threshold an initiative ends up on. Chapter 2's reconstruction of the Maize case material ran into this same boundary directly. The six cases documented record whether an initiative scaled or stalled.

This thesis narrows its empirical scope accordingly. An earlier line of inquiry considered whether the choice among Venture Client, Venture Building and Corporate Venture Capital, the three Venture Pillars described earlier, might itself explain the stall. That question remains real, but it sits upstream of the failure this thesis investigates: a firm can select the pillar best suited to its strategic position and its initiative can still stall once experimentation is over, because pillar choice does not determine what

happens inside the organization once a PoC concludes. The gap this thesis pursues empirically is narrower and, for that reason, more tractable: the deep, largely qualitative variables that intervene between a completed PoC and a market-facing outcome, and the ways these variables combine, case by case, to produce either continuation or abandonment. The referent-to-budget owner discrepancy already described is one of these variables. It is not the whole of the phenomenon.

Six specific research gaps in the current body of work follow from this narrower framing, and each becomes an object of empirical analysis in the chapters that follows.

The first gap is the one already introduced: the referent-to-budget owner discrepancy is named by Dabić et al. (2023) and Gegenhuber & Mair (2024) but never operationalized as a variable that can be observed, compared, and traced across cases. Under what conditions the discrepancy appears, whether it is present from the outset of a program or emerges only once a PoC concludes, and whether its presence reliably distinguishes stalled initiatives from successful ones, remain open questions.

The second gap concerns governance mechanisms that exist on paper but are never exercised in practice. Gegenhuber & Mair's (2024) account of ceremonial adoption has so far been applied to entire Open Innovation programs rather than to the specific mechanisms, escalation committees, decision gates, steering structures, meant to move an initiative from experimentation to deployment. Whether a declared escalation mechanism is actually activated when an initiative reaches a decision point, and what distinguishes cases where it is activated from cases where it is bypassed, has not been examined empirically.

The third gap concerns the comparative method itself. Open Innovation case literature, including the practitioner material this thesis draws on most heavily, is structurally biased toward successful cases: intermediaries publish the initiatives that worked and rarely document, in comparable detail, the ones that did not. This produces a body of evidence that describes what successful initiatives look like but cannot say, with any confidence, what actually distinguishes them from initiatives that stalled under superficially similar conditions, because the comparison case is missing from the record.

The fourth gap concerns time. The literature records that a stall occurs and how frequently, but treats the interval between PoC completion and a funding decision as a black box rather than as a period with its own internal events. Practitioner material developed for the empirical chapters of this thesis points to the existence of near-abandonment moments within this interval, points at which an initiative could plausibly have been dropped and was not. What intervenes at these moments, and whether a recognizable pattern of rescue exists across cases, is a question the literature has not yet asked in these terms.

The fifth gap concerns the intermediary's own position once a PoC concludes. The literature examines intermediaries such as Maize primarily as facilitators of the scouting and selection phases of an Open Innovation program. Their role, and their exit, once selection gives way to governance and funding decisions internal to the client organization, is comparatively unexamined, despite the plausibility that a client's continued dependence on an external facilitator, or its absence, shapes whether internal governance can sustain an initiative once the intermediary steps back.

The sixth gap concerns the explicitness of success criteria. Dabić et al. (2023) identify the general absence of adequate measurement techniques in Open Innovation, but the question this thesis pursues is narrower: whether initiatives that define financial, operational, or strategic success criteria before a PoC begins are more likely to secure funding once that PoC concludes, compared to initiatives where evaluation remains qualitative and discretionary throughout.

3.2 Objectives of the empirical research

The empirical chapters, Chapter 3 in its methodological and analytical components and Chapter 4 in its results, pursue a single general objective with three interdependent components, corresponding to the three research questions introduced below.

The objective is to reconstruct, through a structured comparison of successful and stalled Open Innovation initiatives drawn from Maize's own portfolio, the combination of governance, relational, and evaluative variables that determines whether an initiative survives the transition from experimentation to market deployment.

This objective is to discover through empirical research some qualitative and comparative aspects that could be triggers for future statistical research on representative samples. It does not seek statistical generalization, a standard the Maize cases sample this thesis works with was never designed to meet, but seeks instead to build an empirically grounded, internally consistent account of the stall phenomenon, specific enough to be tested against further cases or in quantitative statistical terms in future research, and detailed enough to distinguish among mechanisms the literature currently treats as one.

3.3 Research questions

The empirical work is organized around three research questions, each aggregating a cluster of the gaps identified above rather than treating them as separate lines of inquiry.

First research question: Comparing successful and stalled or failed initiatives within the same intermediary's portfolio, what are the deep-rooted organizational and relational factors, and how do they interact over time, that explain why an Open Innovation initiative either overcomes or remains trapped in the transition from experimentation to market deployment?

The first research question functions as the central question of the empirical chapters and is addressed through direct comparison of matched cases rather than through the analysis of successful cases alone. It incorporates the temporal dimension of the fourth gap, since accounting for near-abandonment moments and what resolves them requires treating the post-PoC interval as a sequence of events rather than a single outcome, and it incorporates the intermediary's own position after PoC completion, the fifth gap, as one of the factors this comparison is positioned to surface.

Second research question: How does the design and actual functioning of governance, the timing of budget ownership definition, the sequencing of governance relative to the innovation funnel, and whether formal escalation mechanisms are genuinely activated rather than merely declared, affect an initiative's probability of reaching scale-up?

The second research question addresses the second gap and returns to the gap discussed at the opening of this section, but reframes budget ownership timing as one dimension of a broader governance architecture rather than as an isolated variable. It asks whether the formal structure of governance, as designed, corresponds to the governance an initiative actually experiences once it reaches a decision point, drawing on the categorical governance variables recorded in the below discussed empirical research, addressing whether declared committees and escalation points functioned as described or were bypassed in practice.

Third research question: How does the discrepancy between the internal referent managing the initiative and the actual budget owner combine with sponsor seniority, business unit involvement, and the explicitness of shared success criteria and measurable outcomes to shape the budget owner's decision to fund or abandon scale-up?

The third research question returns the referent-to-budget owner discrepancy to the center of the analysis, but as one input among several rather than as an isolated cause, addressing the first and sixth gaps together.

Sponsor seniority and business unit involvement condition how much organizational weight a referent's recommendation carries independent of formal budget authority, and the explicitness of success criteria and the relevance of measurable outcomes condition whether that recommendation can be evaluated on shared terms once it reaches the budget owner.

The third research question asks whether these factors interact in a recognizable pattern across cases, drawing on the graduated Likert-scale variables in the cross-case matrix and on the cross-case interview questions, explained below, concerning what, in practitioners' direct experience, actually persuades a budget owner to invest once a PoC has concluded.

3.4 Methods

Two sources of evidence support this thesis' objective directly and aim to answer the research questions mentioned in the previous section.

The first source is a structured cross-case history matrix, populated for Maize projects, recording governance variables in categorical form (whether a budget owner was identified from the outset, whether an escalation mechanism exists and was actually used, whether governance was defined before or after the collection of ideas) and in graduated form (sponsor seniority, business unit involvement, budget clarity, escalation robustness, and innovation team autonomy, each scored on a five-point scale by the project leader responsible for the engagement).

The second is a semi-structured interview protocol built specifically to probe the mechanisms identified as missing from the literature: the decision process behind scale-up, the identity and timing of budget ownership, the reasons initiatives accelerated but not scaled were deprioritized, the presence and outcome of near-abandonment moments, and, for the unsuccessful cases specifically, the point at which a project stopped and whether sponsor seniority or budget-definition timing differed systematically from the successful cases.

3.4.1 Significance and delimitations

Taken together, the three research questions reframe the stall between experimentation and deployment as a process with identifiable, comparable components rather than as an undifferentiated failure mode. This reframing is the specific contribution this thesis makes to the literature reviewed in Chapter 1: not a new claim that the stall exists, a point already well established, but a structured account of its internal logics, built from matched cases rather than from success stories alone.

Two delimitations qualify this contribution and are stated in the following paragaphs.

First, the sample of cases, populated through a combination of internal case study material, publicly available project descriptions, and practitioner interviews and in depth analysis with Maize's project

leader as an integration, does not support statistical inference, a limitation the methodological notes accompanying the cross-case matrix state explicitly and which this thesis honours throughout the empirical chapters. The findings should be read as pattern identification within a bounded, purposively selected sample, not as claims generalizable beyond Maize's own portfolio.

Second, the graduated governance and outcome variables recorded in the matrix, sponsor seniority, business unit involvement, budget clarity, and the project leader's own perception of success, are explicitly perceptual judgments made by a single respondent per case rather than independently validated measures.

3.5 Qualitative analytical framework

The comparison this chapter runs is built to work with the data gathered from the cross-case matrix analysis. Section 3.4.1 already stated that the research works purposively on a selected pool of selected projects, several graduated variables recorded by Maize Project Leaders, as drivers and empirical signs of a phenomenon rather than representative research with statistical inference.

Cross-case matrix builds a structured way to read qualitative signals that a purely quantitative dataset could miss. Corporate Open Innovation projects rarely fail or succeed for a single visible reason; they fail or succeed through a combination of governance choices, perceptions and outcomes. In fact, this framework breaks the phenomenon down into layers (categorical facts, graded perceptions, funnel counts, triangulated outcomes) so that each layer can act as a proxy, a signal the thesis can read on its own and then cross-check against the others. The depth of the research comes precisely from refusing to collapse everything into one success or failure column.

A project can look successful on paper and still carry a weak governance structure underneath, or the reverse; catching that requires variables built to expose the gap, not just describe the surface. This is why both categorical and graded governance fields are involved in the framework and why the outcome block sits next to a subjective perception score.

The result is not a checklist but a clustering instrument: diverse cases that differ wildly in scale and context become comparable because the variables were designed from the start to normalize for that difference and still preserve the qualitative nuance that a case study demands.

Variable	Input type	Methodological note
Budget owner post-PoC	Closed dropdown (internal innovation team / business unit / dedicated central fund / none identified / not known)	Identifies who holds the budget to proceed after the PoC (Note metodologiche, "Legenda dei campi")
Owner defined from the outset	Closed dropdown (Yes / No / Partial)	Records whether the budget/initiative owner was already defined when the programme started
Formal escalation point	Closed dropdown (Present / Absent)	Records the existence of a formal body or moment (committee, steering group, gate) for bringing decisions forward
Escalation point description	Free text	Open text describing which body, at what frequency, and with what decision-making power
Sponsor involved in selection	Closed dropdown (Yes / No)	Records whether the internal sponsor actively took part in selecting startups/ideas
Mechanism concretely activated	Closed dropdown (Yes / No / Not known)	Distinguishes a governance mechanism that was actually used from one that was only declared on paper
Governance defined before or after idea collection	Closed dropdown (Before / After / Contextual)	Records when rules, stages and gates were set relative to idea/startup collection
Internal sponsor seniority (1-5)	Likert scale 1-5 (perceptual judgment)	Anchors: 1 = no sponsor identified, 5 = CEO/Board (Legenda scale Likert); a subjective judgment given by the project leader, not an objective measure
Business unit involvement (1-5)	Likert scale 1-5 (perceptual judgment)	Anchors: 1 = none, 5 = full and continuous
Budget clarity/formalization (1-5)	Likert scale 1-5 (perceptual judgment)	Anchors: 1 = absent, 5 = fully defined and binding
Escalation mechanism robustness (1-5)	Likert scale 1-5 (perceptual judgment)	Anchors: 1 = absent, 5 = structured and recurring
Innovation team decision-making autonomy (1-5)	Likert scale 1-5 (perceptual judgment)	Anchors: 1 = none, 5 = full
Post-PoC outcome	Closed dropdown (Continued / Suspended / Discontinued / Not known)	Records the status of the path after the PoC
Commercial collaborations active today	Free text	Open text on which relationships with startups or initiatives are active at the time of recording
External validation	Closed dropdown (Yes / No)	Records the presence of external evidence (published case study, award, citation, referenceable client)
Success/failure classification	Closed dropdown (Success / Failure / Partial / In progress)	Synthetic judgment on the case; must always be justified in the Classification rationale field
Consistency of validated solution with initial needs (1-5)	Likert scale 1-5 (perceptual judgment)	The provided methodological notes and legend do not document a specific definition for this field; input type inferred from column format
Consistency of validated solution with selected briefs (1-5)	Likert scale 1-5 (perceptual judgment)	The provided methodological notes and legend do not document a specific definition for this field; input type inferred from column format
Project leader's perceived success (1-5)	Likert scale 1-5 (perceptual judgment)	Anchors: 1 = clear failure, 5 = full success
Estimated probability of future scale-up (1-5)	Likert scale 1-5 (perceptual judgment)	Anchors: 1 = very low, 5 = very high; estimate for the following 12-24 months
Classification rationale	Free text	Open text with the evidence supporting the assigned classification
Source	Closed dropdown (Internal case study / Public website / Project leader interview / Combination)	Records the prevailing origin of the row's information
Response collection date	Date (dd/mm/yyyy)	Date on which the data was collected or updated
Confidence level	Closed dropdown (High / Medium / Low)	High = documented data; Medium = partially documented; Low = reconstructed from memory or incomplete
Project leader's notes	Free text	Qualitative annotations, context details and points to verify in interview
Funnel maturity cluster	Formula-driven output (not manually entered)	Most advanced stage reached by the case: scouting/selection only, up to PoC/pilot, up to scale-up; conventional threshold, not manual input
Project duration cluster	Formula-driven output (not manually entered)	Duration class: short (<12 months), medium (12-18), long (>18); conventional threshold, not manual input
Maize project leader	Free text (name)	Name of the Maize project leader/referent, source of the interview answers for that row
Maize project leader's comment	Free text	This field is not documented in the provided methodological notes or legend; input type inferred from column format

16 Table of variables used to record the governance and outcome data for each Maize case, including input type and methodological notes. Own elaboration.

Building this instrument required more than a single data collection round, and it will help to work with each variable in respect to specific context and projects.

Those analyzed variables could function as a set of binary or near-binary facts and merely generic and descriptive if looked as stand-alone values. However, these variables do not aim to measure how well a governance structure perform, but they record whether that structure exists at all, to investigate whether mere descriptive variables can be analyzed in correlation from each other.

Budget owner post-PoC, budget owner defined from the outset, formal escalation point, escalation point descriptions, sponsors involved in selection, mechanisms concretely activated, and Governance defined before or after idea collection record whether a named owner was already in place at the start, and whether the mechanism was genuinely used rather than only declared. This distinction matters for a thesis examining governance in Open Innovation initiatives, since the absence of a structure and the presence of a weak or unused structure produce very different implications for the case.

Internal sponsor seniority, business unit involvement, budget formalization, escalation mechanism robustness and Innovation Team decision-making autonomy answer a different question. These five scores grade the strength of the same governance elements that the categorical variables already confirmed to exist or not. A project can show a formal escalation point marked as present while receiving a low score on Escalation mechanism robustness, and this combination becomes a relevant finding on its own. It points to a governance element that exists formally without carrying real weight in practice. These five outcomes come directly from project leader interviews and represent perceptions rather than objective measurements on purpose, aiming to express practitioner insights by an insider rather than looking at the phenomenon in theoretical terms.

Post-PoC outcome, commercial collaborations active today, external validation, and success classification describe the documented result of each project. Classification rationale sits alongside success classification and requires the assigned judgment to be justified with concrete evidence rather than left as a bare label. Project leader's perceived success in a Likert scale and estimated probability of future scale-up then place a subjective view of the outcome next to the documented one, which allows the analysis to compare a formal classification against the personal assessment of the person who ran the project, even if that perspective is still fundamental. Where the two align, that alignment reinforces the classification. Where they diverge, the divergence itself becomes worth investigating.

Consistency of validated solution with initial needs and consistency of validated solution with selected briefs check whether the solution that eventually passed validation still matched what the project set out to address. A high score on success classification combined with a low score on either

consistency variable would suggest that a project delivered a working outcome that had drifted from its original purpose, which is a pattern this framework is specifically designed to catch.

Funnel maturity cluster and Project duration cluster group cases according to how far each project progressed and how long it ran. Neither variable is filled in manually. Both are derived from conventional thresholds applied consistently across all cases, and their purpose is to let projects of very different scale and length sit in comparable categories without treating those thresholds as anything more than the analytical convention they are.

Maize project leader and Maize project leader's comment identify the person responsible for each case and capture any additional observation that person chose to add beyond the structured fields. These two variables anchor every judgment in the matrix to a named source, which matters given how much of the governance and outcome data depends on interview testimony rather than documentary evidence.

None of this data could have been collected in a single stage. The categorical and outcome variables could largely be pre-filled from the direct study of the case, but the governance perception scores and the consistency scores depended entirely on direct conversation with each project leader, since no document could substitute for a person's judgment on how strong an escalation mechanism actually was or how autonomous the innovation team really felt. Several interviews were carried out for each case, and follow-up exchanges were required once initial responses raised further questions or needed clarification on specific wording. This repeated contact was necessary because Open Innovation projects rarely follow identical dynamics even when grouped under the same methodology, and a single interview session tends to capture the general shape of a project while missing the particular circumstances that explain why governance held, weakened, or never developed in that specific case. The follow-up rounds were where those particular circumstances surfaced, and they account for the level of contextual detail found in both the Likert scores and the free text fields such as Escalation point description and Classification rationale.

Taken together, these variables were not designed to produce a single success score. They were designed to expose where formal governance structure, subjective perception, and documented outcome align or diverge across a small number of cases, and that alignment or divergence is the actual signal the framework was built to surface.

Two further sources feed the comparison alongside the matrix. The first is the set of thematic responses collected from Maize's project leader in the semi-structured interview described in section 3.4. These responses synthesized into observations spanning governance, budget flow, success criteria, post-PoC outcomes, and the pattern common to the unsuccessful cases.

These responses interpret the matrix. Where the matrix records that a governance element exists, was activated or received a given score, the interviews explain why the project leader assigned that value and how the initiative behaved when a decision came due.

The second source is the documentary material on the Maize cases reconstructed in Chapter 2, which includes internal case studies, funnel data and public project descriptions. This material ties the categorical and outcome variables to observable records and lets the perceptual scores be read against a documented result. When the documents and the interview testimony diverge, the divergence is treated as a finding and examined in line with the alignment and divergence logic described above.

The matrix, the interviews and the documentary record are used together to triangulate each claim. A single respondent supplies both the graded variables and the interview responses for each case, so triangulation reduces the risk of perceptual bias but does not remove it.

4. Research results

4.1 Analysis of framework findings

This chapter puts the cross-case matrix and the interview material described in section 3.4 to work against the three research questions established in Chapter 3, taking each question as the organizing unit of the discussion rather than proceeding column by column through the matrix itself.

The matrix carries the comparative weight across the fourteen initiatives that make up the sample, recording where governance was formalized and where it was not, while the interviews carry the reasoning behind those records, explaining why a particular score, classification, or funnel count landed where it did rather than elsewhere. Neither source stands in for the other in what follows, and a claim resting on a graded variable alone receives the same scrutiny as one resting only on a project leader's recollection of a single meeting.

Each of the three sections below states, before any finding is presented, which cases and which columns of the matrix ground the argument being made, so a reader can trace every claim back to section 3.4 without taking the link between evidence and interpretation on faith. The ordering by research question rather than by matrix structure follows directly from the objective stated in section 3.2, since a column-by-column reading would flatten three distinct mechanisms into a single descriptive pass over the same fourteen rows.

Before turning to each research question individually, one general observation about the sample as a whole is worth stating, because it conditions how every subsequent claim in this chapter should be read. Of the selected initiatives recorded, five reached a documented and closed outcome that this thesis treats as full success, six closed with partial outcomes, and three remain formally ongoing at the time of writing, without having produced either a clear commercial or organizational result or a clear closure. No case in the portfolio carries the classification of outright failure. The coding protocol offered that option and the project leader never selected it, which deserves registering before the analysis begins, since a portfolio where nothing is ever recorded as having failed is a portfolio where the stall has no formal name. External validation points the same way, because all fourteen rows record it as present, including every case that produced no business result at all. Nonetheless, this thesis classifies initiatives that remain in a state of prolonged stall or partial completion under the broader label of failure, regardless of Maize's own coding choices.

This distribution is not balanced by design, since Maize's own portfolio was not built for research purposes, and the sample accordingly should not be read as representative of Open Innovation

practice more broadly. What it does offer, and what this chapter exploits deliberately, is enough internal variation, in sector, in methodology, in scale, and in outcome, to compare initiatives against each other on shared terms rather than to generalize beyond this specific set of projects.

A further point about the sample deserves stating before the first research question is addressed, since it bears on how several of the selected cases should be read throughout this chapter. Not every initiative in the portfolio was designed to traverse the full funnel from scouting to market deployment, and treating all initiatives as variations on a single template would misread what several of them were actually built to accomplish. The project leader's own notes on individual cases make this explicit rather than leaving it for the analysis to infer. The initiative with the pharmaceutical company is described as a prototyping exercise rather than a program built around external startups, the real estate company business game as an education initiative rather than a scouting or ideation funnel, and a collaboration as a partnership of a fashion company with an academic institution following a logic distinct from the rest of the portfolio. None of these cases scores well against funnel completion metrics for the simple reason that funnel completion was never their objective, and reading their governance and outcome variables against the same yardstick used for a Venture Client program would attribute a shortfall to programs that delivered exactly what they were designed to deliver.

4.1.1 What separates initiatives that overcome the stall from those that remain trapped in it

The first research question asks what deep-rooted organizational and relational factors distinguish initiatives that complete the transition from experimentation to market deployment from those that remain caught between the two, and how these factors interact over time rather than at a single decision point. The most direct way to test this empirically is to compare the graduated governance scores, sponsor seniority, business unit involvement, and innovation team autonomy, across the initiatives classified as full successes against those classified as partial or total failures.

The result cuts against the intuitive expectation that stronger governance, expressed as a higher composite score, should track more closely with a completed outcome. Indeed, the average composite governance score among the five successful initiatives sits at roughly three and a half on the five-point scale; the average among the six “partial failure” initiatives sets itself within a few decimal points of the same figure. Sponsor seniority alone shows almost no separation between the two groups, and business unit involvement shows even less: some of the highest business-unit-involvement scores recorded anywhere in the sample belong to initiatives that never converted into a documented commercial or organizational outcome, including one intrapreneurship-oriented program that

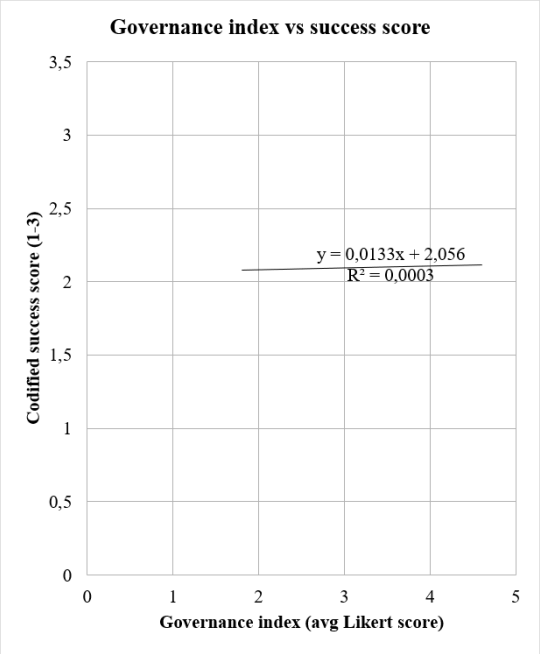
logged very high internal engagement and participation figures without ever producing a traceable business result.

This non-result matters more than a clean separation would have, because it rules out the simplest possible explanation of the stall, the idea that governance intensity, treated as a single undifferentiated quantity, is what determines whether an initiative survives. If that were the mechanism at work, the graded scores would cluster cleanly by outcome, and across this sample they do not. What actually separates the two groups is not how much governance the project leader perceived, but what shape that governance took, and in particular whether it gave the initiative somewhere identifiable to go once testing concluded. The two most fully documented successful initiatives in the portfolio illustrate this with clarity, precisely because their governance structures differ from each other almost completely while both nonetheless work.

In the first of these, a Venture Client program in the insurance sector, recorded in the matrix across its first two editions and now running a third that falls outside this sample, the governance structure built a return trip into the process by design. Results from completed PoCs were carried, as a matter of standard procedure rather than exception, to an extended executive committee distinct from the innovation team that had run the scouting and selection work.

The body reviewing outcomes was not the same body that had produced them, which meant the initiative always had somewhere structurally separate to be evaluated once the experimentation phase closed. In the second, a multi-year holistic innovation program in the real estate sector, the sequencing was inverted more radically still.

Before a single opportunity had been formally collected, the team had already built the governance structure that would eventually process it, defining how ideas would enter the funnel, which gates they would need to clear, and who would sit on the committees responsible for deciding what advanced. Neither of these design choices shows up as a distinctive number in the graduated Likert scores; both programs score only moderately on the composite governance index, roughly in the middle of the full sample's range.



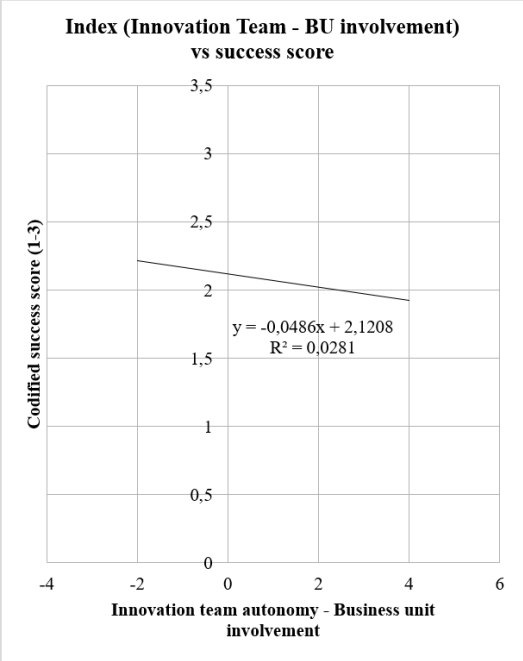
17 Scatter plot of the governance index (average Likert score of governance v) against the codified success score across the Maize cases, with linear trend line ($R^2 = 0.0003$), indicating no meaningful correlation between the two variables. Own data elaboration.

What distinguishes them is not visible in the score at all. It is visible in the sequencing and in the destination the process was built to reach, a dimension the graded variables, by construction, were never designed to capture on their own. According to follow-up interviews with the project leader, while reviewing the lack of correlation between governance "quantity" and probability of initiative's success, the evidence reveals that success is not about the quantity of governance implemented, but rather the quality of the relationships. The reason many successful projects often stall and fail to deliver results comes down to the quality of the relationships established both with the program set by Maize itself, and with the technical assistance selected by the program. Consequently, the true quality of success is intrinsically tied to the quality of the governance applied and the relationships forged between all parties.

The initiatives that stalled share no single governance profile, and the two clearest cases of arrested progress differ from one another as sharply as the two successful cases do. Both record a formal escalation point, an internal sponsor who took part in selection, and a mechanism the project leader confirms was concretely activated. Neither stalled for want of a named body.

This structural reading is directly confirmed in the interview with the project leader, who identifies the common thread across every underperforming initiative in the portfolio not as a shortage of ideas or a weak pipeline but as a lack of grip on internal stakeholders, particularly on the business side, so that the initiative remains, in practice, a project that belongs to the innovation function alone rather

than one with an operational sponsor prepared to defend it once a resourcing decision is actually required.



18 Scatter plot of the innovation team autonomy minus business unit involvement index against the codified success score across the Maize cases, with linear trend line ($R^2 = 0.0281$), indicating a negative relationship. Own data elaboration.

The temporal dimension the first research question explicitly raises, whether a recognizable pattern of near-abandonment and recovery exists across the sample, surfaces most clearly not through a documented sequence of crisis-and-rescue moments but through a single behavioural signal the project leader identifies as the earliest and most dependable indicator available while a PoC is still running: the degree of engagement shown by the business referents the innovation team has brought into the process.

Where those referents remain actively engaged through the testing period, the initiative tends to reach an explicit decision by the end of it, positive or negative, largely independent of how the technical results themselves land. Where their engagement visibly fades partway through, the initiative tends instead to drift into the undecided middle ground that, months later, becomes almost indistinguishable from outright failure, not because a negative decision was ever made but because no one inside the client organization remained close enough to the initiative to close it formally in either direction. This single signal, because it is observable while the process is still unfolding rather than only inferable afterward from the outcome, does more analytical work in this sample than any of the graded governance scores considered individually, and it reframes the stall itself as something closer to a slow loss of attention than to a deliberate rejection.

A further pattern, that complicates any negative reading of the initiatives that did not convert into a launched result, concerns what happens to the individuals who pass through these programs rather than to the initiatives themselves. The project leader notes, drawing on direct observation across more than one client relationship, that the competencies built during an engagement rarely stay confined to whichever specific opportunities happen to get launched. Individuals on the business side who participate directly in scouting, workshops, or PoC design frequently carry a more entrepreneurial posture back into the rest of the organization, becoming, in more than one documented instance, the sponsors of further initiatives that originate entirely outside the program that first exposed them to the methodology.

This observation suggests that measuring the stall exclusively at the level of individual initiatives risks underestimating what these programs transfer into an organization even when their headline projects do not convert, a possibility this chapter returns to directly in the discussion of open research opportunities below.

4.1.2 Governance design, the timing of budget ownership, and the gap between declared and exercised mechanisms

The second research question asks how the design and actual functioning of governance together affect an initiative's probability of reaching scale-up. The categorical variable recording whether a budget owner was identified from the very outset of a program, rather than only once a pilot concluded or, in some cases, not at all, offers the single sharpest lens available on this question across the full selected-case sample.

Two initiatives in the portfolio record no identified budget owner at any point in their documented history, an agricultural supply-chain program run for a consumer goods client and a multi-partner public-sector ecosystem initiative spanning several regions. Both remain formally ongoing, and neither has produced the kind of decision, positive or negative, that would allow it to be closed in either direction. The absence of an identified owner appears, in both instances, to produce a state closer to indefinite suspension than to the abrupt stop the two clearest failure cases show, which can lead to loss of efficiency in time and energy spending by all the parties involved. Some initiatives stop, others simply never reach the point where stopping or continuing becomes a question anyone is positioned to answer.

Where a budget owner does exist, the timing of that definition relative to the innovation funnel appears to matter considerably more than its mere eventual presence. The real estate holistic program

discussed above remains the only initiative in the entire sample where a dedicated central fund, rather than an individual business unit inheriting responsibility case by case, was named as budget owner from the very beginning, before any opportunity had been formally collected. Four of the five successful initiatives record an owner already defined at the outset, so what sets the real estate case apart is the kind of owner that was named. Three of the remaining four name a business unit, which commits to a specific pilot once that pilot exists and carries no standing obligation toward the program itself, and the fourth records only partial definition at launch. A business unit that accepts one experiment has not thereby accepted the next one, and no case in the sample shows such a commitment extending forward on its own. The project leader's own account of this dynamic frames it as the central structural bottleneck of the model as a whole, rather than as a peculiarity of any single case: the innovation function almost always retains a clear and largely uncontested mandate to fund experimentation itself, since PoC budgets are comparatively small and politically uncontroversial, but scale-up requires a business unit to commit its own budget and to take on the operational management the initiative will need going forward, and that second, larger commitment is where initiatives most often either find a lasting destination or fail to. Financing the test, in this framing, was never the real constraint anywhere in the sample, but financing what comes after it, and finding someone willing to be accountable for that spending, is a real constraint.

The distinction the second research question draws between a declared escalation mechanism and one genuinely exercised is visible less in whether a committee exists than in how governance decisions actually get made when they need to be made.

The project leader draws a structural distinction here that recurs across the interview material. Indeed, where the innovation function operates purely as a facilitator, bringing opportunities to the organization without itself controlling resources, the final call on scale-up rests with whoever does control the budget, an extended executive committee in the insurance case, a chief operating or chief executive officer in the real estate case. Where the innovation function instead coincides directly with the eventual budget owner, as in a pharmaceutical customer-research initiative discussed further below, the relevant business function decides directly, without any handoff to a separate innovation committee at all, because there was never a separate body to hand the decision to.

Both patterns, particularly, actually produce a positive outcome in this sample, which suggests that the second research question's underlying premise, for which genuine activation matters more than declared structure, keeps its relevance even when the shape that the activation takes varies considerably from one initiative to the others.

What appears to matter consistently is not whether a body exists under a recognizable governance label, but whether some specific, identifiable actor with real authority over resources is positioned to receive the initiative once experimentation has run its course and is expected to act on what is going to be chosen.

The steep attrition this chapter has traced, from several hundred scouted opportunities down to a handful of completed pilots and a single surviving collaboration, deserves a different reading than the one the raw percentages invite on their own. A conversion rate under one percent looks, at first glance, like evidence that something in the process failed to hold, yet the project leader's own account frames the funnel as built to discard the great majority of what enters it, precisely because scouting at scale is what makes the eventual shortlist worth trusting.

Read against that design intent, the gap between opportunities scouted and initiatives launched carries no negative signal by itself, and treating a wide funnel with a narrow output as a symptom risks to mistake the instrument's ordinary operation for a defect specific to the case at hand.

What should draw attention instead is whether the conversion rate a given program actually produces matches the rate its own design anticipated, since a funnel built for broad scouting and heavy selection will always report a low percentage, while a narrower, more targeted search that still converts poorly points to a different and more diagnostic problem.

The real estate case, where thirty-seven opportunities produced three launched initiatives inside a program explicitly conceived to scout widely and select hard, illustrates the distinction this chapter treats as central from this point forward, and the low percentages recorded elsewhere in the sample should be read with the same caution before being taken as evidence of anything having gone wrong.

4.1.3 The referent-to-budget owner discrepancy, sponsor seniority, and the explicitness of success criteria

The third research question returns to the discrepancy between the internal referent who manages an initiative on a day-to-day basis and the actual budget owner who eventually decides its fate, asking specifically how that discrepancy combines with sponsor seniority, business unit involvement, and the explicitness of shared, measurable success criteria to shape the final funding decision.

The project leader's account of how Maize itself defines and evaluates success of an Open Innovation program across its client portfolio, provides an unusually direct empirical answer to the explicitness component of this question.

Success criteria, according to this framework, are established before a PoC begins in nearly every initiative in the portfolio, and they are consistently structured around the same underlying dimensions regardless of client, sector, or methodology:

- strategic alignment between a proposed solution and the client's stated priorities;
- business value that solution is realistically expected to generate;
- operational and technical feasibility given the client's existing constraints;
- quality and credibility of the external partner proposing it;
- clarity of the proof of concept itself in terms of its stated objectives and measurable outcomes.

Criteria	1 - Very Weak	2 - Weak	3 - Acceptable	4 - Strong	5 - Excellent
Strategic Alignment Degree of alignment of the solution with the insurance company's strategic objectives, innovation priorities, and areas of interest.	No clear link to insurance company priorities	Limited link, no clear impact	Fits an identified priority	Strong fit with current priorities	Exceptional fit, direct impact
Business Value Potential of the solution to generate tangible benefits for the organisation, namely through value creation, efficiency, growth, or improvement of the customer experience.	Very low or undemonstrated benefit	Benefit limited or poorly quantified	Plausible case, some uncertainties	Significant, clearly justifiable value	High, material and proven value
Feasibility Potential for integrating the solution and its value proposition within the context of the insurance company, taking into account operational, technological, regulatory, and organisational aspects.	Very difficult; critical dependencies	Major obstacles to execution	Possible, with relevant challenges	Realistic, with manageable risks	Straightforward, few barriers
Startup Quality Experience, skills, execution capacity, and commitment of the founding team or those responsible for the solution.	Low maturity, limited experience	Relevant team or solution weaknesses	Adequate competencies to execute	Strong team, proven delivery track	Exceptional team, strong credibility
Proposed PoC Clarity, relevance, and potential of the proposed Proof of Concept (PoC) to validate the solution and demonstrate results in a real context.	Unclear objectives and metrics	Significant gaps in definition	Clear objectives and outcomes	Structured, with an execution plan	Exemplary, objective value metrics

19 Validated Maize Grid of success criteria in Open Innovation Programs.

What makes the framing of criteria analytically significant for the third research question is that it is confirmed as a general evaluative practice applied across the portfolio for each initiative, and, for that reason, it can produce almost generalizable and measurable results.

The relative weight assigned to each of these five dimensions is not constant across the sample, however, and this variability is itself one of the more informative findings this chapter can offer. In the pharmaceutical customer-research case, a program built entirely around empirically identifying the authentic needs of practicing clinicians rather than around a predefined technology brief, the dominant criterion by a considerable margin was the strategic and mission-aligned dimension, framed explicitly around genuine clinical support for the physicians involved rather than any near-term financial return.

In several of the other initiatives, particularly those where the innovation function does not itself coincide with the eventual budget owner, the business-value dimension carries disproportionately more weight by default, less because it was formally declared more important and more because it is the criterion the decision-maker is best equipped, cognitively and organizationally, to evaluate without additional translation.

The interviews to the project leader summarize what actually triggers investment once a PoC has concluded positively underscores this same asymmetry from a different angle. A well-quantified business case, on its own, rarely persuades a budget owner to commit further resources. What moves the decision, in the project leader's account, is whether the underlying problem is perceived as urgent and already aligned with what the business considers a live priority. A technically sound, well-documented pilot addressing a problem the business does not yet treat as pressing can sit unconverted for considerably longer than a less polished pilot addressing a problem everyone inside the organization already agrees needs solving.

This same logic extends the point raised earlier about program heterogeneity within the sample and gives it a criterion-based explanation rather than a purely descriptive one. Where strategic alignment, the first of the five success dimensions the project leader names, carries the dominant weight in how a program's success is judged, a full funnel through to a launched initiative becomes less central to that judgment than a well-quantified business case would suggest on its own. The pharmaceutical packaging manufacturer, the real estate company's business game, the cross-border public-sector initiative, and the fashion group's academic collaboration discussed above illustrate the same pattern from the outcome side, since each records a positive or largely positive classification despite little or no funnel progression, and each does so because the underlying engagement was evaluated against strategic fit and organizational urgency rather than against a scouting-to-launch metric that its own design was never meant to produce. Business urgency, in this sense, operates as a criterion sitting upstream of the funnel itself, because it can validate a program's contribution to the client organization independently of how far, or whether, that program was ever meant to travel through the stages this chapter otherwise uses for comparison.

The referent, on corporate side, immersed in the iterative and often genuinely ambiguous process of experimentation, accumulates a form of conviction about an initiative's worth built through sustained, direct exposure to it, exposure the eventual budget owner has typically not had.

Where sponsor seniority is high and business unit involvement has been present from an early stage in the process, this gap narrows considerably, because the eventual decision-maker has usually been

part of the process at some point rather than only a late recipient of someone else's finished recommendation. Where sponsor seniority is low or business unit involvement remains thin throughout, the referent is left to translate an experiential judgment into a form the budget owner can act on with no accumulated context of their own to draw on, which is precisely the translation problem this thesis set out, from its opening chapters, to examine empirically rather than only to name in the abstract.

The relationship between Maize and the external partners or startups, that introduce solutions to the corporate, follows a closely related logic once a PoC concludes, and it deserves separate mention here because it bears directly on how the referent-to-budget owner gap actually resolves in practice. The project leader observes that Maize's own grip on a startup relationship loosens naturally as soon as ownership passes to a different internal function inside the client organization, since a functionally new relationship effectively has to be built from that point forward. Indeed, Maize is not always structurally positioned to sustain unless the client already has a managed-service or technology-support capability ready to absorb the handoff.

Where such a capability exists, as in the real estate case, where a third-party service provider was explicitly engaged to manage the scale-up phase, the transition from intermediary-led experimentation to internally owned deployment can happen fluently. Instead, where that capability is not present, this same handoff point appears to lose the organizational momentum it had built during the PoC itself.

The loosening of grip described above is not confined to the intermediary's side of the relationship and treating it as such would leave out a dynamic the project leader identifies as running in the opposite direction as well. Startups engage with these programs for reasons that extend well beyond the specific proof of concept on the table, since access to a client organization's network and exposure to operational contexts larger than their own routinely rank among the outcomes a young company values most from the relationship.

That same appetite for scale and visibility coexists with a limited tolerance for the pace at which corporate decision-making tends to move once a pilot concludes, and a startup that experiences the post-PoC interval as prolonged and inconclusive on the client side can disengage well before any formal decision, positive or negative, has been reached.

The erosion documented earlier in this chapter does not run in a single direction from the intermediary toward the client alone, and Maize's own positioning in the relationship reflects an awareness of that risk, since the project leader frames the intermediary's task at this stage as sustaining and preparing

the relationship for continuation beyond the current engagement, rather than treating its responsibility as ending once a given pilot is judged complete.

4.2 Open points and new research opportunities

The cross-case comparison developed in this thesis draws on fourteen initiatives from a single intermediary's client portfolio, examined through a multiple case study design chosen to trace how governance, budget ownership, and sponsorship mechanisms interact within each initiative rather than to measure how often they recur across a wider population. That choice of depth over breadth carries a specific consequence: the patterns identified describe how these mechanisms function in the cases studied, not how frequently they occur elsewhere, and the associations discussed below should be read as internally consistent rather than externally generalizable.

Testing these same variables correlations through statistical inference on a wider, more representative sample is accordingly the next step and would help separate which of them carry a consistent relationship with the probability of reaching deployment from which describe only the specific portfolio, sector mix, and single intermediary examined here. The qualitative material already shows initiatives with an engaged sponsor and an activated escalation mechanism stalling for reasons the categorical variables never captured, namely a lack of grip on internal stakeholders on the business side, but what quantitative validation could add is a way of specifying under which conditions, sector, organizational structure, initiative type, sponsor seniority, or budget ownership timing, a given mechanism actually predicts a different outcome.

Another future research direction could develop and test metrics able to separate funnel stages explicitly, distinguishing the potential value assessed ex ante under the business value criterion from the value-in-use that Chesbrough, Lettl and Ritter (2018) locate at the point where resources are actually deployed and consumed, and asking empirically how often, and under which governance conditions, an initiative that scores well on activity-based indicators is also adopted by a business unit and produces fitting value that unit records as its own. The same measurement gap applies to the individual-level competency transfer the project leader describes, business-side participants who go on to sponsor unrelated initiatives after an initiative ends, a form of value this portfolio's initiative-level classification has no category for and that a funnel-stage metric would need to accommodate rather than discard as noise.

The third open point follows directly from the budget ownership findings and concerns how value generated inside an innovation function becomes value a business unit is prepared to fund, staff, and

be accountable for. The categorical variable recording whether a budget owner existed from the outset is the sharpest lens the matrix offers on this question, and it separates presence from timing.

Whether a central innovation fund, an early-committed business unit, or direct integration of the innovation function into the budget-owning unit converts Open Innovation output into business-unit-held value more reliably, and whether the answer depends on sector, initiative type, or the scale of investment a given scale-up requires, is a question the empirical sample analyzed in previous sectors can pose but not answer.

Testing it would also require examining incentive and KPI design at business-unit level directly, since the referent-to-budget-owner discrepancy documented in the interviews describes a cognitive and organizational asymmetry rather than a simple information gap. Narrowing that gap through governance design alone, without addressing what a business unit is measured and rewarded for, may leave the underlying translation problem largely in place.

5. Main synthetic outcomes and thesis conclusions

At the end of the thesis work, the following paragraph aims to summarize the main outcomes and how the thesis contributes to the academic literature about Open Innovation and Innovation Theatre, closing with a critical assessment of the phenomenon itself.

This thesis opens with a critical review of the literature, tracing the journey from the Closed Innovation Model to the Open Innovation Model, and closes with an empirical analysis built on Maize's Open Innovation initiatives and its modular framework, offering a practitioner's view of the stall phenomenon that occurs between solutioning and market deployment. The research responds to a recurring observation in both the literature and the field, where Open Innovation initiatives frequently collapse into Innovation Theatre, generating visible activity without distributing the value created into the market. Rather than treating this outcome as a given, the thesis sets out to identify why so many initiatives that begin with PoCs but never convert into deployed, market-facing value.

Closed Innovation rested on the single premise that internal R&D was the only defensible source of advantage, intellectual property kept inside the firm, product development run that starts to finish behind closed doors (Chesbrough, 2003). That premise held only as long as talent, capital and knowledge stayed locked within the firm's own walls, and it stopped holding once they did not. Talent mobility, the rise of venture capital from roughly $700 million invested in the US in 1980 to more than $250 billion by 2021, external buyers for shelved ideas, suppliers closing the technical gap that used to justify doing everything in-house converged on the outcome that a firm could no longer fund and staff an entire innovation cycle alone. Open Innovation arrived as the answer to that constraint. Chesbrough et al. (2006) defined it around flow, purposive inflows and outflows of knowledge. Seven years later, Chesbrough and Bogers (2013) redefined it around process and tied it to the business model directly, a change that marks the point where openness stopped being a principle that firms could nod along to and became something they had to build, with budgets, structures and metrics attached.

Adoption figures confirm the construction happened fast: 57% to 88% among large Italian firms between 2018 and 2024 (Osservatorio Startup Thinking, 2025), 75% of international corporations calling Open Innovation critical to solving complex business problems (Capgemini Research Institute, 2023). However, maturity moved at a different pace, since the dedicated inbound budget behind those same Italian firms still averages 0.10% of revenue, and only 31% of top management treats the practice as a genuine strategic lever rather than something that simply does not obstruct adoption elsewhere in the organization.

The transition from Closed to Open Innovation is rarely just about simply deciding to be more open, but, rather, it is about reframing risk itself, moving from a model built on certainty and control to one built on managing variables the firm cannot fully see or govern. Once that reframing happens, the real question stops being whether to open up and becomes what actually converts an open relationship into captured value, and the answer the literature converges on is the business model. The business model is the mechanism that decides whether external knowledge stays a possibility on paper or turns into something the firm can monetize.

The same openness that creates value also makes that value harder to keep. A firm that shares enough to attract partners, ideas, and external energy is exposing itself to the risk that someone else captures the return. This is the paradox this thesis treats as its real analytical core: value promised at the moment of exchange is not the same as value realized once something is actually built, deployed, and used. Initiatives can look successful by every early signal, an engaged partner, a working prototype, a compelling pitch, and still never cross into the second kind of value. The gap between the two is where Innovation Theatre lives.

Read as a whole, the history this thesis reconstructs moves in cycle rather than in a straight line toward a better model. Every dominant paradigm looks sound at the point of adoption, gets stress-tested against real outcomes, and eventually draws the same kind of scrutiny it once aimed at the paradigm it replaced.

Inside that cycle sits a narrower, more specific problem, and it is the one this thesis is actually built to address. Every generation of metrics used to judge Open Innovation, from counting events to counting revenue, shares that it can be measured what already happened. Nothing in the evolution of measurability asks whether an initiative is heading toward success while it can still be redirected, only whether it succeeded once the outcome is already fixed. In a competitive environment where speed decides outcomes, that is not a minor gap. An organization that only diagnoses stall after the stall has already occurred has not a lever left to pull.

This is the interpretive thread this thesis follows into its empirical chapter: if Open Innovation keeps getting measured after the fact, the real opportunity is not another retrospective framework, but a working example of what a real-time signal actually looks like inside a portfolio of initiatives.

To test this hypothesis with empirical data, the research compared, across the selected initiatives in Maize's portfolio, the composite governance score, the closest proxy in this sample to the structural checklists most Open Innovation frameworks assume, but carrying essentially no relationship with outcome. Indeed, it is empirically shown, to a limited extent to the sample of initiatives analyzed, that

the “quantity” of governance structures does not affect directly the success of an Open Innovation initiative.

What the project leader identified instead, consistently across the interview material, was a single behavioural signal available while a PoC is still running, that was based on how engaged the business-side referents stay through the testing period. Where that engagement holds, the initiative reaches an explicit decision, positive or negative, by the end of the pilot. Where it fades, the initiative drifts into an undecided middle ground that becomes indistinguishable from failure months later, not because anyone rejected it but because nobody stayed close enough to close it formally.

A second variable reinforces the same story from a different angle. The gap between innovation team autonomy and business unit involvement correlates negatively with success, meaning initiatives run in relative isolation from the business side, even though they are well governed formally, are the ones most likely to drift.

Both signals share the property that they are observable in real time, and not only inferable afterward from a closed file.

This thesis set out to compare a sample of cases and explain why some crossed the threshold from experimentation to deployment and some did not, and along the way it produced a working, evidenced answer to the exact measurement problem the literature review leaves open, business referent engagement functioning as a leading and measurable indicator of stall, together with shared assessment of success criteria, measurable while the initiative can still be saved rather than only after it cannot.

Taken together, these findings answer the research questions this thesis opened.

Innovation Theatre, on this empirical evidence, is sometimes a problem of governance that exists formally but is not activated at the moment it is needed, but, primarily, the problem is about a business side that disengages before anyone holding budget authority notices.

Firms fighting the stall by adding committees, checkpoints and escalation paths are treating a symptom rather than the mechanism behind it. What worked in Maize's successful cases was governance built to reach somewhere specific once the pilot ended, and a business referent close enough to the work to still be paying attention when the funding decision came due.

Extending Chesbrough's own metaphor, every firm in this field has learned to sit at the poker table. This thesis suggests the game is decided less by the rulebook a firm brings and more by whether someone stays at the table, watching closely, after the cards are already dealt. That sustained attention,

more than any scorecard, is the leading indicator the literature has been asking for, and this thesis found it already working, in some cases inside a real portfolio of initiatives.

The theoretical architecture of Open Innovation is, at this point, well built. What remains open, and what this thesis has flagged rather than resolved, is not another refinement of the model itself but the harder task of making it measurable in practice and transferable into everyday business decisions. The research avenues this thesis has pointed toward throughout its chapters share that same ambition. Open Innovation, then, must be tracked, tested, and trusted the way any other driver of business performance already is, so that the value it promises on paper finally shows up, reliably, in the market.

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Declaration of the use of Artificial Intelligence (AI) tools

The undersigned *Ludovico Tecchiati*, student number *891344*, enrolled at Ca' Foscari in the Master's Degree in International Management, author of the final paper/thesis *Beyond Innovation Theatre: A Multiple Case Study on the Roots of the Open Innovation Stall*, supervisor *Vladi Finotto*, aware of the sanctions provided for by art. 76 of the Consolidated Law, Presidential Decree 28/12/2000 n. 445, and of the forfeiture of benefits provided for by art. 75 of the same Consolidated Law in the event of false or misleading declarations, under his/her personal responsibility pursuant to articles 46 and 47 of Presidential Decree 28/12/2000 n. 445,

DECLARE

that I have used generative artificial intelligence technologies to support various aspects of the research and writing of my final thesis/dissertation.

The free versions of ChatGPT, Claude AI and Perplexity AI were used. These tools were used to:

- improve the grammar and linguistic register of my text;
- review and optimize the texts to improve clarity and coherence;
- support the translation of the paper into English;
- support the academic literature research through Deep Research in Perplexity AI.

I declare that the intellectual and scientific contribution to this thesis remains entirely my own. I independently defined the research problem, formulated the research questions, conducted the thematic analysis, and interpreted the empirical results. All output generated by the artificial intelligence tool has been rigorously reviewed, verified for accuracy, and modified where necessary. Artificial intelligence was not used to falsify or invent data and results, or generate unverified references, and all cited sources have been personally checked and verified.

FURTHER DECLARES

that all material generated by the AI has been carefully verified, reviewed, and edited by the author, who assumes full responsibility for the quality, accuracy, and scientific integrity of the work.