OPEN INNOVATION AND CROWD SOURCING
Open Source

- Early Internet applications
- Computer programming code that is available to anyone
- Makes it easy for many people to create new programs
- Hard to protect copyrights
- Example: Linux
Innovation

• Process of creating new (or changed) products and services
• May be new
  – Invention
  – Production process
  – Business model or strategy
  – Market for existing products or services
Private Sector Innovation

• Traditionally a closed process:
Open Innovation

• Given the name by Henry Chesbrough in 2006
• Opening the R&D “funnel” to
  – Suppliers
  – Customers
  – Competitors
  – Other interested parties
• Easier for nonprofits and governments to adopt
• Made easier through new technology
Open Innovation

Research projects

Boundary of the firm

New Market

Current Market
Crowd Sourcing

- Using a group to “vote” on something
- Examples:
  - DonorsChoose.org
  - Google Map of Sandy uses official and nonofficial sources
  - Kickstarter.com
  - Kiva: Loans That Change Lives
Using Open Innovation in a Nonprofit or Government

• Work with the people you serve early in a project
• Allow them to contribute ideas along the way
• Show them how the end will work
• Don’t worry about mistakes
• When everything is public, share everything that works with anyone who wants to know
Principles of an Open Organization

• Community
• Transparency
• Meritocracy
• Rapid prototyping
• Sharing
AN EXERCISE IN OPEN INNOVATION AND CROWD SOURCING:

Let’s Talk About ACDS