

# A Profile of Open Innovation Managers in Multinational Companies

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## Executive summary

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### Why we wrote this report

Open innovation is widely used in large companies and we know increasingly more about how to manage this process. In contrast, we know virtually nothing about the managers and practitioners who are driving open innovation in large companies. Who are the managers operating in open innovation teams or units? What is their profile? How long do they stay in an open innovation job, and what is their tenure in the company? Where did they work before their open innovation job, and more interestingly, where do they go afterwards? Do they leave or do they stay in the company? Are they promoted and what is the likelihood of a promotion if they leave the company? We try to answer these questions based on an investigation of open innovation managers on LinkedIn.


### Method

We traced open innovation managers in leading multinational companies. The managers were responsible for open innovation in one of the selected companies for the period 2010-2012. Focusing on a specific period was necessary to obtain a reasonable estimation of the time these managers were responsible for open innovation and to understand what they do after their open innovation job. This process led to a sample of 158 managers.

### Findings

Although our work is exploratory, we reached some interesting conclusions:

- Based on LinkedIn data, we find that only a small minority of the multinationals we investigated have ten or more open innovation managers. The majority have fewer than five, showing that a relatively small team can manage open innovation – even in the companies with revenues exceeding \$5 billion.
- Open innovation managers have relatively long tenure in the company (an average of 15 years). A possible explanation is that open innovation managers must know the company very well to understand the business needs. Additionally, these managers must have a strong reputation and/or seniority so that their colleagues take them seriously.
- Open innovation managers stay an average of seven years in the job. This is an under-estimation, as many managers were still working in their open innovation jobs when we collected the data. Open innovation management is not a transitory job for most managers and requires long-term commitment. The longer they stay in the job, the smaller the chance that they switch to other companies.
- Open innovation is traditionally linked to R&D activities. However, we find that only 40% of open innovation managers in the sampled multinationals have an R&D background. Most managers come from other functions and divisions in the



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company. Open innovation management teams need people with very diverse backgrounds. This is unsurprising since companies need a variety of skills to successfully launch a new product or business. Companies such as P&G have two types open innovation teams: one is technology focused (and moves the project to a proof-of-concept stage), and the second team focuses on new business development and is composed of people with diverse, non-technical backgrounds.

- The current study focuses on what managers do after the 2010-2012 period. Remarkably, 59% are still working in open innovation in the same company, another 13% switched to another job in the company. Of the managers who left the company: 11% stayed in open innovation, and 17% worked in a different job. In short, these figures confirm: (a) most managers stay for many years in open innovation; and (b) that leaving the company reduces the likelihood that they stay in open innovation.
- The tenure and number of years in open innovation depends on whether they leave the company, or whether they stay in an open innovation job. Tenure is high in all cases (>15 years) except for managers that leave the company and have no ambition to stay in open innovation in their new job. We also find that managers who have been working a short time in open innovation tend to move to other jobs (in the same or another company). This observation shows that highly specialised (and older or senior) open innovation managers with considerable tenure and many years of service in open innovation tend to stay in open innovation jobs, while younger managers with less open innovation experience stay for between two and four years in the job, and then choose another job in the same or another company.
- When open innovation managers leave the company, two out of three change jobs: 27% become consultants and 5% work in open innovation services. Most managers find a new job in a non-competing company (44%), while 24% join a competing company.
- We found little evidence for dissemination of good practices through hiring open innovation managers from other companies: only 3% of the sampled managers worked in 2016 in another company as open innovation managers, and only half of this group worked in a competing company.
- We also find that leaving the company increases the likelihood of promotion. But this conclusion does not apply in the same way for all circumstances:
  - The chances of promotion are always significantly lower when managers stay in open innovation, than when they obtain a different job. This holds irrespective of whether they stay or leave the company.
  - When open innovation managers stay in the open innovation field, promotion is slightly more likely than for those who leave the company (29% compared to 22% for those who stay).
  - When open innovation managers start a different job, promotion is more likely (67%) for those who stay in the company, than for those who leave the firm (56%).



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## About the study

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We know a lot about open innovation but virtually nothing about the managers and practitioners who are driving open innovation in large companies

Over the last fifteen years, large firms have been opening their innovation processes and open innovation has become a widely used and discussed phenomenon in both Europe and America.<sup>1</sup> Companies use open innovation to gain a better understanding of new technological and market developments outside their organisation, combining these external capabilities with their own internal innovation resources. In this way, open innovation-enabled companies benefit from new ideas, reduce risk, increase speed of innovation, and leverage scarce resources.

The benefits and potential risks of open innovation have been well documented in the academic and professional literature on innovation management. Yet there is virtually no information on *who is managing open innovation activities in large companies*. An increasing number of large companies have created *open innovation teams* and team members have specific tasks in driving open innovation. Firms implementing open innovation organise their open innovation teams in various organisational structures: the organisation can be formal or informal, centralised or decentralised. The most commonly observed organisational construct is that of a central open innovation team.<sup>2</sup>


An open innovation team has a range of tasks to fulfil: firstly, open innovation team members provide ‘training and mentoring’ to develop capabilities. They provide the necessary open innovation skills and training to other managers in the company.<sup>3</sup> Secondly, they provide strategic linkages to legal and IP expertise in the company. In other words, they try to create a space where scientists can safely and freely interact with other experts. They create a legal umbrella protecting scientists and researchers in their interaction with universities, research

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<sup>1</sup> Chesbrough, H. and Brunswicker, S. (2014). *A Fad or a Phenomenon? The Adoption of Open Innovation Practices in Large Firms*, **Research-technology Management**, March-April, 16-25.

<sup>2</sup> Mortara and Minshall (2011). *How do large multinational companies implement open innovation?* **Technovation** 31, 586-597.

<sup>3</sup> Golightly, J. (2012). *Realising the value of open innovation*. Big Innovation Centre  
Mortara, L., & Minshall, T. (2011). *How do large multinational companies implement open innovation?* **Technovation**, 31, 586-597.



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labs, or start-ups.<sup>4</sup> Thirdly, they are heavily involved in technology scouting. Fourthly, the team develops tools and processes so managers can work with outside partners in a fluid and productive way: setting up, for example, small intrapreneurial and cross-functional teams that are empowered to do ‘everything’ providing they achieve their targets. They must support internal openness and develop an internal language for open innovation.<sup>5</sup> They must guarantee continual support to open innovation implementation from the top of the firm. Finally, the team must provide a ‘friendly’ point of contact and a navigable route into the company.<sup>6</sup>

An unanswered question remains: ***which type of managers are working in these open innovation teams in large companies?*** Although an increasing number of managers include the words ‘open innovation’ in their job title or job description, this report is, to our knowledge, the first that describes the profiles and careers of open innovation managers. A quick search on LinkedIn (8 October, 2016) shows that there were 1049 managers worldwide with ‘open innovation’ in their job title. This figure slightly over-represents open innovation practitioners because 86 of the managers are management consultants and 20 work in higher education. Yet, 943 managers who have ‘open innovation’ in their job title is an impressive figure. The industries with the most ‘open innovation’ job title are: (91) consumer goods, (45) pharmaceuticals, (45) telecommunications, (34) chemicals, (27) computer software, (26) food & beverages, (22) consumer electronics, (20) banking, (18) biotechnology, (18) financial services, and (16) automotive. However, this number under-represents the number of people working in open innovation teams. In contrast, a search in LinkedIn based on the term ‘open innovation’ results in 337,309 hits. This number of course over-estimates the number people in companies whose *job* is related to open innovation activities. Finding managers in LinkedIn whose job is essentially related to open innovation thus requires some manual selection.

LinkedIn contains a wealth of information about jobs and career paths, but the online platform is not designed to reveal open innovation team members at the push of a button. People working in open innovation teams may have various job titles of which ‘open innovation’ is just one. Job descriptions including the term ‘open innovation’ are casting the net too widely because many employees who are not working in open innovation teams are still affected by open innovation activities. Finding open innovation team members requires a carefully designed two-stage approach: firstly, our search in LinkedIn was broad enough to probably capture all employees working in an open innovation team. Secondly, we read all selected LinkedIn pages and manually filtered the real open innovation team jobs from other jobs that were wrongfully included in the sample.

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<sup>4</sup> Minshall, L., Mortara, J., Napp, I., & Slacik, T. (2009). *How to implement open innovation: Lessons from studying large multinational companies*. Centre for Technology Management, Institute for Manufacturing.

<sup>5</sup> Minshall et al. (2009). *Ibid.*  
Mortara et al. (2011). *Ibid.*

<sup>6</sup> Golightly, J. (2012). *Ibid.*

## How did we set up the study?

To study the profile of open innovation managers we used LinkedIn profiles of managers working in large multinational companies in industries that are well known for their early adoption of open innovation.<sup>7</sup> We selected companies applying the following criteria:

- Large manufacturing multinationals, defined as having a global presence with yearly revenues of at least a \$5 billion.
- Owners of large recognisable brands
- Ample experience in open innovation, defined by having staff with open innovation responsibilities

When we applied these criteria, we ended up with 32 companies in FMCG (fast moving consumer goods), or companies who sold to consumers (B2C), such as consumer technology companies, consumer chemical companies, and several conglomerates with major company and/or product brands.<sup>8</sup> To understand their profiles over a long period, we focused on managers who have been in their respective open innovation positions for at least the period 2010-2012. The study includes company profiles and open innovation practitioner backgrounds (educational and professional). By doing so, we can identify where open innovation managers in large companies come from, how long they are active in an open innovation team, and what they do professionally once they leave that position.

## Searching open innovation managers on LinkedIn


We began our search for open innovation managers with LinkedIn, using terms such as open innovation, external innovation, alliances, collaborative innovation, and crowdsourcing. We came across 398 employees who we deemed to be practitioners of open innovation in large companies in the 32 large multinational firms. We decreased our sample size to 158 individuals to capture those managers who were effectively working in open innovation between 2010 and 2012. We chose these years to give enough time to follow their career trajectory after 2012.

Our research consisted of five main phases: preparation; data collection; data cleaning; data analysis; and conclusions.

### **Preparation**

<sup>7</sup> Huston, L and Sakkab, N. (2006). *Connect and Develop: Inside Procter & Gamble's new model for innovation*, *Harvard Business Review*, March.  
Huston, L. and Sakkab, N. (2015). *Implementing open innovation*, *Research-Technology Management*, 50 (2), 21-25.  
Dodgson, M., Gann, D. and Salter, A. (2006). *The role of technology in the shift towards open innovation: the case of Procter & Gamble*, *R&D Management*, 36(3), 333-346.

<sup>8</sup> The 32 companies are: AkzoNobel, 3M, AB Inbev, Avon, Beiersdorf, Cadbury, CISCO, Clorox, Coca-Cola, Danone, DSM, Ericsson, Ferrero, General Mills, HP, Kelloggs, Kimberly-Clark, Kraft, LEGO, L'Oreal, Microsoft, Mondelez, Nestle, P&G, Pepsi, Philips, Reckitt Benckiser, Samsung, SC Johnson, Shell, Telefonica, Unilever.



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The preparation defined which companies to include and what information was needed. Only the 32 companies who met our criteria for large multinationals with open innovation employees were selected for research.

We went through the following process to find the open innovation managers:

- Open innovation position (job level) in 2010-2012. This is the reference position to determine which OI professionals were included in our data. We only considered open innovation managers who worked for one of the 32 selected companies at some point between 2010 and 2012.
- Length of time spent in open innovation position(s) until October 2016. This number is the aggregate number of years that the OI professional has spent in an open innovation role.
- The department in which the open innovation manager worked or type of work prior to holding an open innovation position.
- Tenure in the company (in October 2016).
- If applicable, new position/title, new company, type of new company, and if the new company is a competitor to the company where the open innovation manager worked in 2010-2012. If the open innovation professional does not stay in the same position, we investigate their new destination.
- Age of the open innovation manager in October 2016 (this is an estimate using the graduation year).

### ***Data collection***

The data was gathered in October 2016 using the advanced LinkedIn Search for persons. The overall search criterion was that one of the 32 selected companies must be the current or previous place of employment. Additionally, relevant search terms related to open innovation were included (specifically: open innovation, external technology sourcing, customer-centred innovation, collaborative innovation, and crowd-sourcing). From this outset, the individual profile was manually reviewed to determine its relevance. This evaluation was performed considering relevant criteria as defined in Figure 1 below. From this initial search, we selected 398 people who were open innovation managers working in one of the selected companies.

### ***Data cleaning***

Data cleaning was handled in the database. The first focus was to make sure that the person in question had worked in an open innovation position during the years 2010-2012 (the reference position). As shown in Figure 1 below, the initial pool of open innovation professionals was filtered again using two criteria, if the manager was working in open innovation during the reference period; and if they could be identified as open innovation managers. After applying these two filters, we had a final data sample of 158 people. Only five companies had ten or more open innovation managers, while the majority (23 out of 32) had less than five open

innovation managers. This shows that relatively small teams can manage open innovation – even in large manufacturing companies.

Figure 1 shows the data collection and search process.

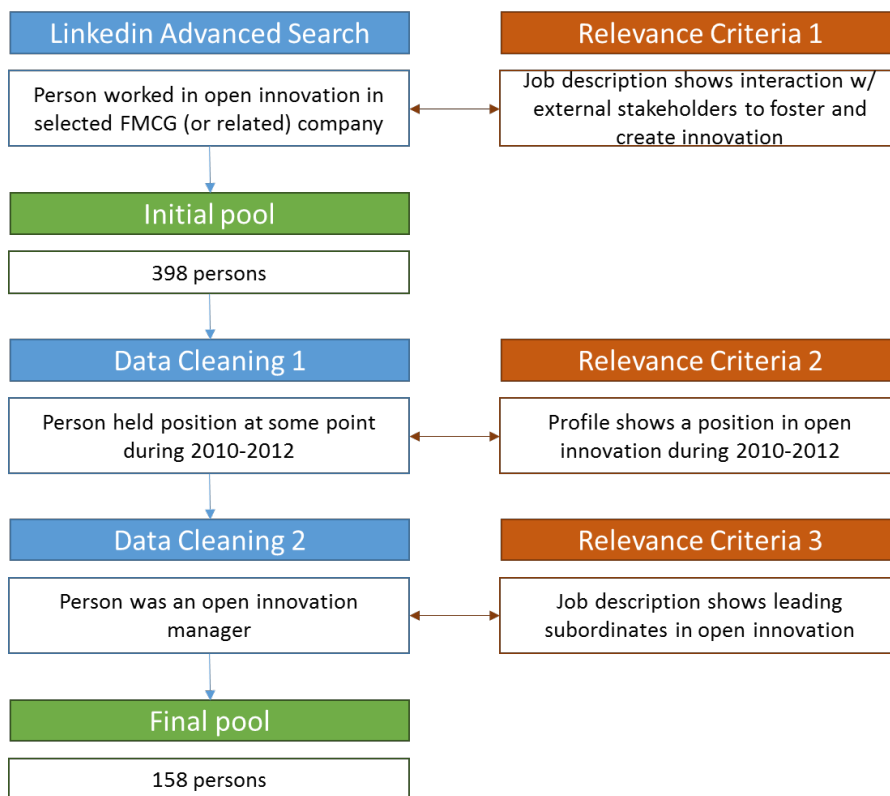


Figure 1: Search process for open innovation managers





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## What is the profile of the open innovation manager?

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### Background of an open innovation manager

The average age of an open innovation manager in our sample is 43 (as of October 2016). Figure 2 shows the age distribution: very few open innovation managers are younger than 35. Most are mid-aged with almost equal percentages for the age categories from 36-40 up to 50-55. Some open innovation managers are older, and the figures suggest that some are retiring from the company in that job position – so, for some managers it is a ‘fin de carrière’ job.

The average tenure at the company where the manager was employed in 2010-2012 is 15 years – this relatively long tenure is unsurprising given the average age of an open innovation manager. Figure 3 shows the distribution of tenure of our sample in their companies. Most managers had already worked (by October 2016) between 6 and 20 years in the company. Only a few had worked 5 years or less in the company. A significant number had worked for more than 20 years.

*One of the main reasons for the relatively high average age and number of years an open innovation manager has worked in a company before working in open innovation is that managers who work in open innovation should know the company very well to understand its business needs. Additionally, these managers should have a strong reputation and/or seniority in the company, so that their colleagues take them seriously and use the open innovation services of the team.*

The average number of years an open innovation manager stays in an open innovation position in the company is 84 months (7 years), with a median time of 70 months (almost 6 years). We will see this is an under-estimation of the real average or median time span managers are appointed as open innovation managers. Figure 4 shows that most open innovation managers spend 3 to 8 years in this job. In sum, open innovation managers in our data have been employed at their companies for a considerable time, and have been performing open innovation activities for many years. Although some managers stay in an open innovation management job for less than four years, most stay between 4 and 9 years. The relatively long time span that open innovation managers remain in the job is one of the surprising results of our study. *Open innovation management is not a transitory job for most managers, and requires a long-term commitment.*

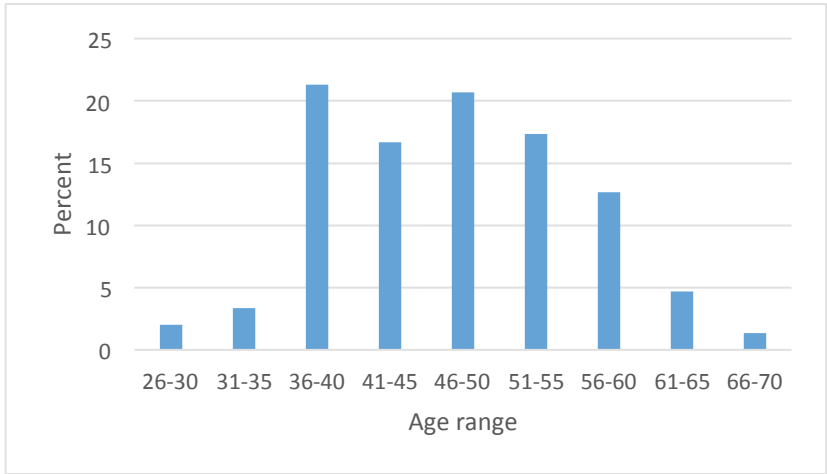


Figure 2: Age distribution of open innovation managers (n=150)



Figure 3: Tenure at company (years) (n = 156)

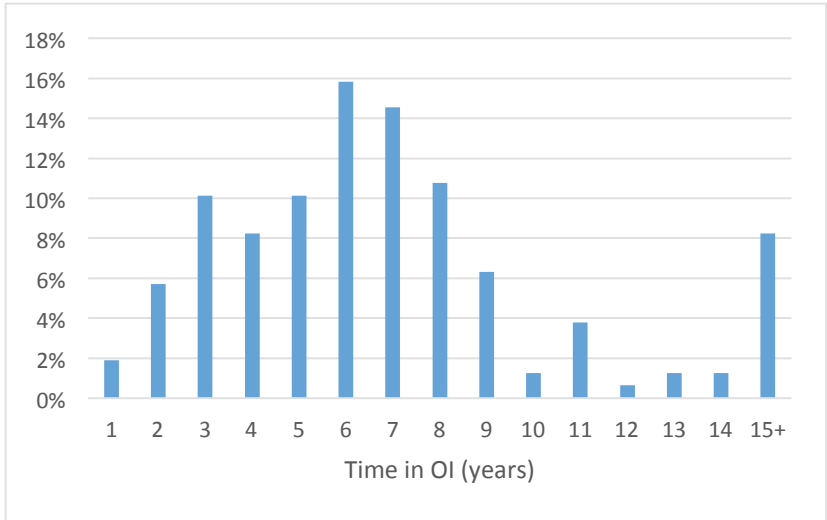


Figure 4: Time spent as open innovation manager (n=158)

## What did open innovation managers do before?

### The previous jobs of an open innovation manager

Figure 5 shows that 40% of open innovation managers have an R&D background. Although R&D managers are well represented, most open innovation managers have another background: 14% come from marketing; 9% from operations; 6% from engineering, and 6% from project management. In other words, although 40% have an R&D background it is obvious that open innovation units in large companies need people with a wide variety of skills and educational backgrounds. This is unsurprising, since innovation implies that scientific and technical insights are transformed into new, commercially successful products or services. Commercial success is related to the technical strengths of a company, but also to its skills in new business development, business model innovation, marketing, operations, etc. Therefore, open innovation units in large companies rely on managers with various skills (for example, managers from the legal department who are skilled in writing effective contracts with external partners are needed).

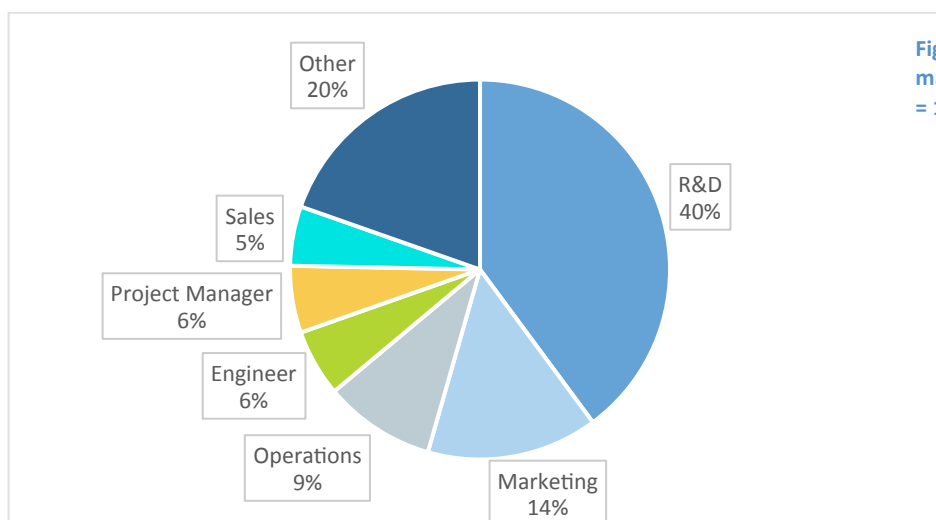


Figure 5: Open innovation managers by previous job (n = 158)

## What do open innovation managers do afterwards?

### What happened after 2012?

In this section, we explore what the open innovation managers have been doing since 2010-2012. We are interested in how their careers have progressed. We try to answer two main questions: firstly, did open innovation managers stay or leave the company after 2012? Secondly, did they continue to work as open innovation managers or did they take other jobs?

After 2012 (up until October 2016), of the 158 open innovation managers in our sample, approximately 28% left the company, while the overwhelming majority stayed (72%) (see Figure 6). The average tenure of those who stayed was 15.8 years, compared to 12.6 years for those who left.

Of those who stayed, some 59% continued their job in open innovation until October 2016. These managers have an average of 15.9 years of tenure at the company and over 8.3 years of open innovation experience (see Table 1). Managers who left their open innovation jobs, but stayed with the same company, had an average tenure of 15.1 years, and an average term of 4.2 years as open innovation managers.

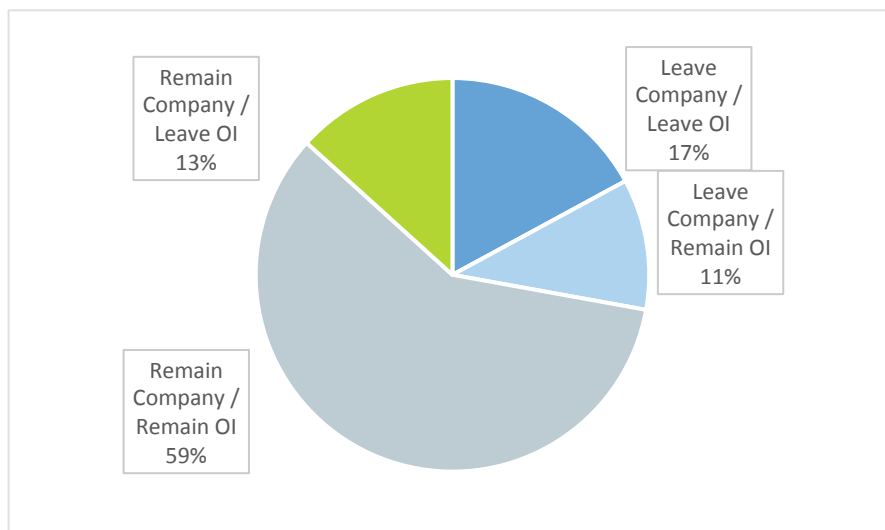


Figure 6: Open innovation manager status in 2016 (n = 158)



	Stay in OI	Leave OI	Total
<b>Leave employer</b>	16.2 years tenure 7.5 years in OI	8.8 years tenure 4.2 years in OI	12.6 years tenure 5.5 years in OI
<b>Stay with employer</b>	15.9 years tenure 8.3 years in OI	15.1 years tenure 4.2 years in OI	15.8 years tenure 7.5 years in OI
<b>Total</b>	16.0 years tenure 8.1 years in OI	12.7 years tenure 4.2 years in OI	15.0 years tenure 7.0 years in OI

Table 1: Open innovation manager tenure in both company and open innovation after 2012 (measured in 2016) (n= 158)

Managers who left the company and are appointed as open innovation managers in another company had an average tenure in the first company of 16.2 years and worked in the company as an open innovation manager for 7.5 years. Managers who left the company and switched to another type of job had only 8.8 years tenure and 4.2 years of experience in open innovation. Obviously, those who left open innovation practiced open innovation for less time than those who remained.

Combining the findings of Figure 6 and Table 1, we can conclude that most open innovation managers in the 32 multinational companies are still at their open innovation jobs four years after the 2010-2012 observation period. The longer they worked in open innovation, the less likely they were to jump to another type of job. This is even the case when managers leave the company: when they have a long track record in open innovation they tend to be open innovation managers in the new company. That is not the case for managers who have only a few years of experience in open innovation: when they switch to another company they also tend to switch to another job. We can explain this as an effect of specialisation in open innovation: managers who have been serving for a long time in open innovation are most likely to be skilled in open innovation, offering expert guidance, and coaching (more junior managers) in open innovation processes. These managers are leading and driving open innovation in the company, and will therefore stay in open innovation while (younger) managers work as project managers in the open innovation unit. When managers with long-term experience in open innovation leave a company they are hired by other company because of their strong open innovation management skills.

Finally, it is also interesting to note that of the 48 managers who left the field of open innovation, 46% returned to their previous job type (for instance, legal, new business development, or R&D).

**Career implications of staying or leaving the company**

**Staying at the company**

Of those who stayed at the company, 31% received at least one promotion, 13% had a lateral move, while 56% stayed in the same (open innovation) management role for at least four more years (at least until the end of data collection in 2016) (Figure 7). The large majority of those who stayed also remained in open innovation (82%) (Figure 8). Of those who stayed, but left open innovation, half went back to their previous field or job function.

These observations are interesting: firstly, most open innovation managers that stay in the same company were still at work as open innovation managers when we collected the data. That is reflected by long average tenures as open innovation managers, and as many of these managers are still working in innovation, the average tenure in this position will further increase over the coming years. The number of people who have changed jobs within the company is still relatively small, but will undoubtedly increase in the years ahead. Most open innovation managers return to a division or department – and this mobility is an interesting instrument for disseminating open innovation and the associated mindset within large companies. For some managers, open innovation management is a step in their career, after which they can return to their original department (for instance corporate R&D) enriched with knowledge about how to access and assimilate external knowledge and how to build partnerships with various partners.

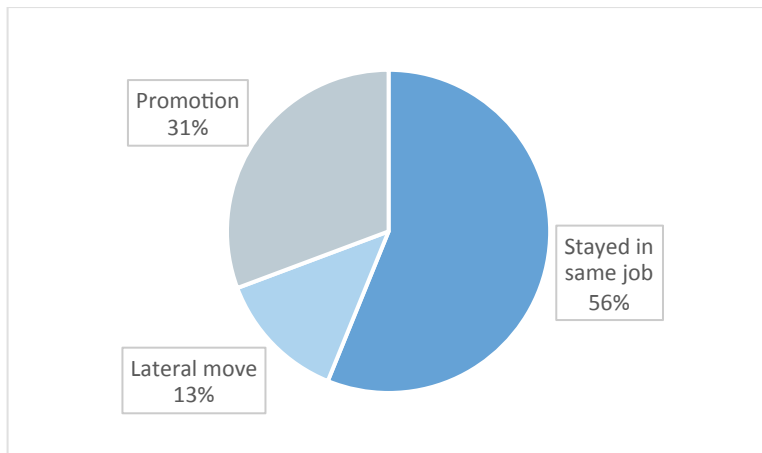


Figure 7: Career progression of open innovation managers who stayed at same company after 2012 (n= 114)

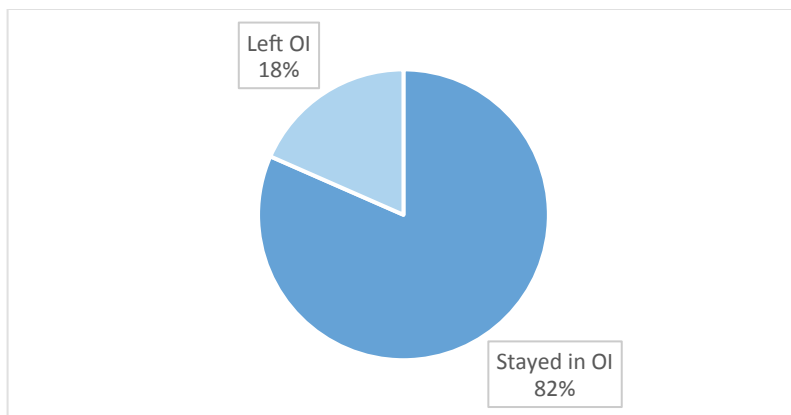


Figure 8: Open innovation involvement of open innovation managers who stayed at same company after 2012 (n= 114)

### Leaving the company

Of the 41 open innovation managers who left the company after 2012, most (44%) started a job in non-competing companies and 24% went to competitors (Figure 9).<sup>9</sup> Of those who left the company, 49% were promoted, and 27% moved into consultancy (Figure 10). After leaving their open innovation manager position and the company, 59% left open innovation altogether (Figure 11). Thus, most open innovation managers who left their company did not continue as open innovation managers in their new jobs. Only 41% of these managers continued as open innovation managers and applied their open innovation knowledge in another company, or as an open innovation consultant.

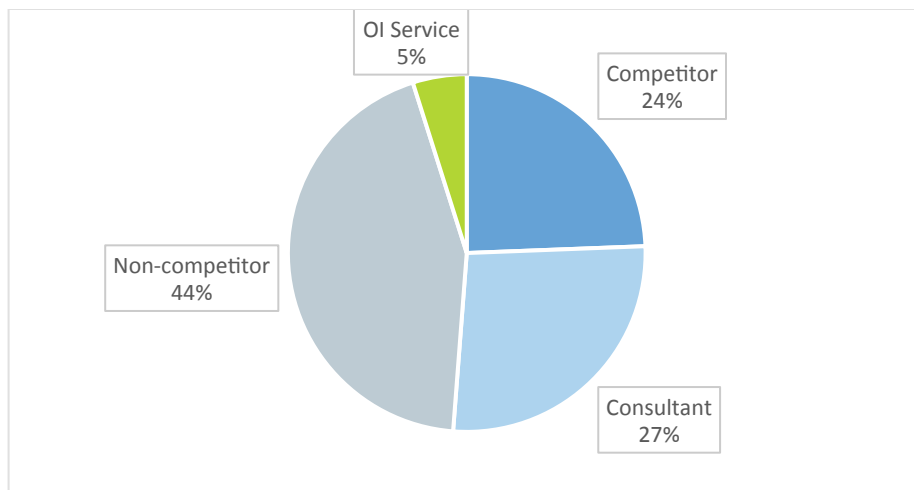


Figure 9: Post job of open innovation managers who left their employer after 2012 (n= 41)

<sup>9</sup> There are significant differences between managers in the sample who stayed in open innovation (n=14) and those who took another job (n=27): 28% of managers who left the company and changed job went to competing companies and 56% to non-competing companies. The remaining 16% became consultants. For the first category of managers, we find that 50% became consultants, another 14% started open innovation service firms, 21% worked for a non-competing company, and 14% for a competing company. Only a few managers (5 out of 158) went to another company and worked as an open innovation manager. In other words, we found little evidence for dissemination of good practices through the hiring by other companies of open innovation managers.

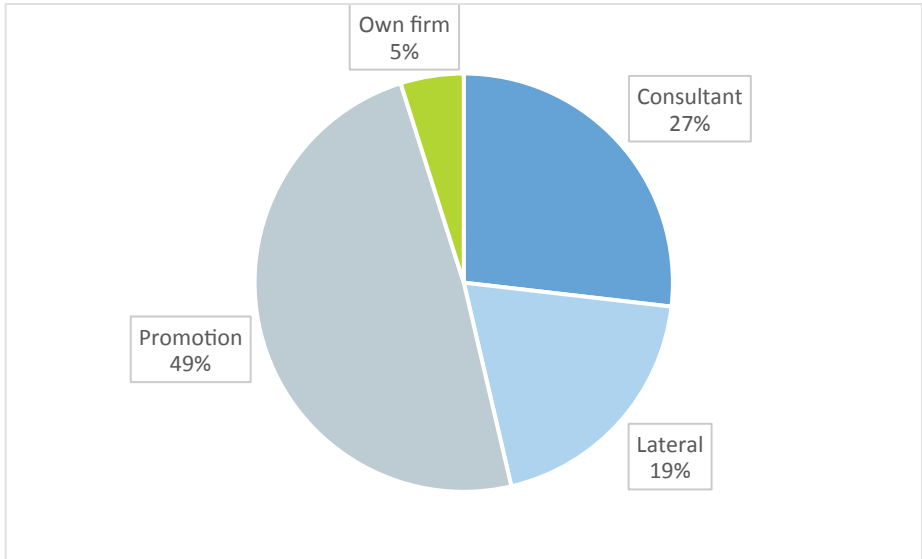


Figure 10: Career progression post job of open innovation managers who left their employer after 2012 (n= 41)

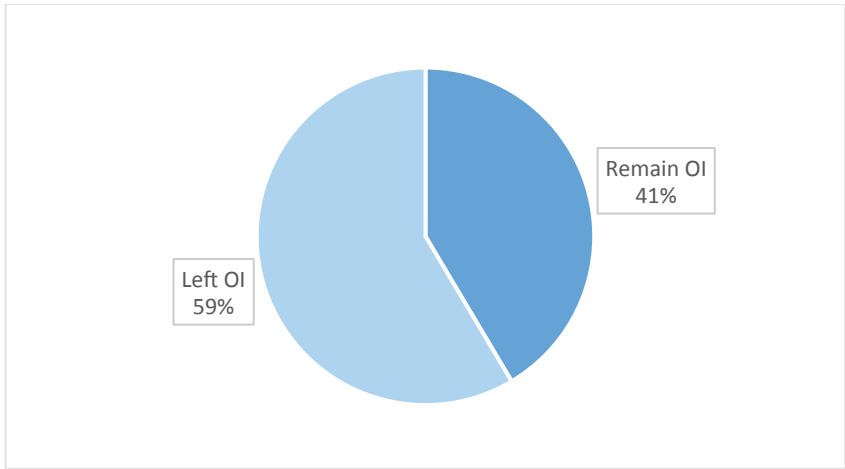


Figure 11: Open innovation involvement of open innovation managers who left their employer after 2012 (n= 41)

### Career implications of remaining in or leaving open innovation?

In this section, we are no longer considering whether open innovation managers stayed within the company (until October 2016). Here, we are only considering whether they continued to work in open innovation. Most open innovation managers in our sample (70%) remained in open innovation (see Figure 12). Average company tenure for those who remained in open innovation was 16.0 years (median: 14 years); while company tenure was 12.7 years (median: 12 years) for those leaving. The average time spent in open innovation for those who remained in OI after the reference period was 8.1 years (median: 6.75 years) and for those who left OI it was 4.2 years (median: 3.8 years) (see Table 1). This difference is also illustrated in Figure 13: those who left open innovation had only worked a few years in open innovation, and only a



small minority were open innovation managers for more than 6 years. Those who left open innovation were also younger than those who remained (42.5 years versus 49 years). This is an indication that younger (or junior) managers have shorter stays in open innovation compared to older/senior managers.

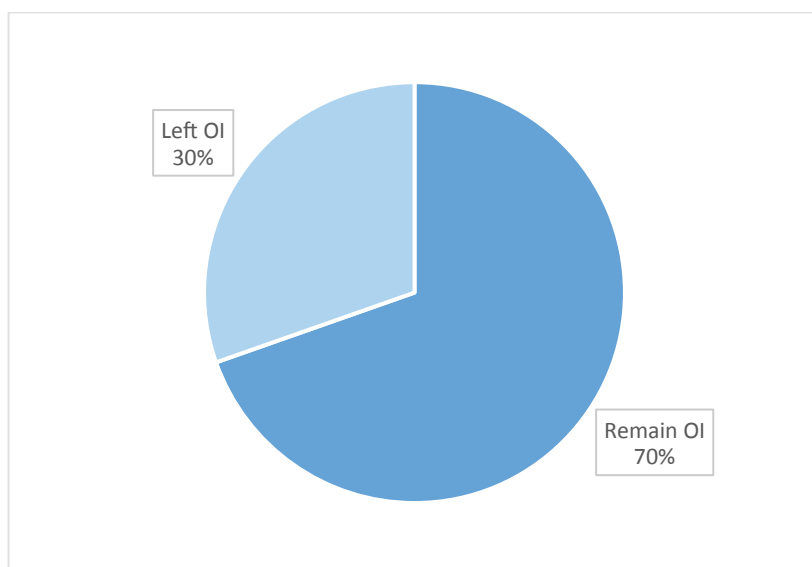


Figure 12: Open innovation managers leaving or staying in open innovation after 2012 (n= 158)

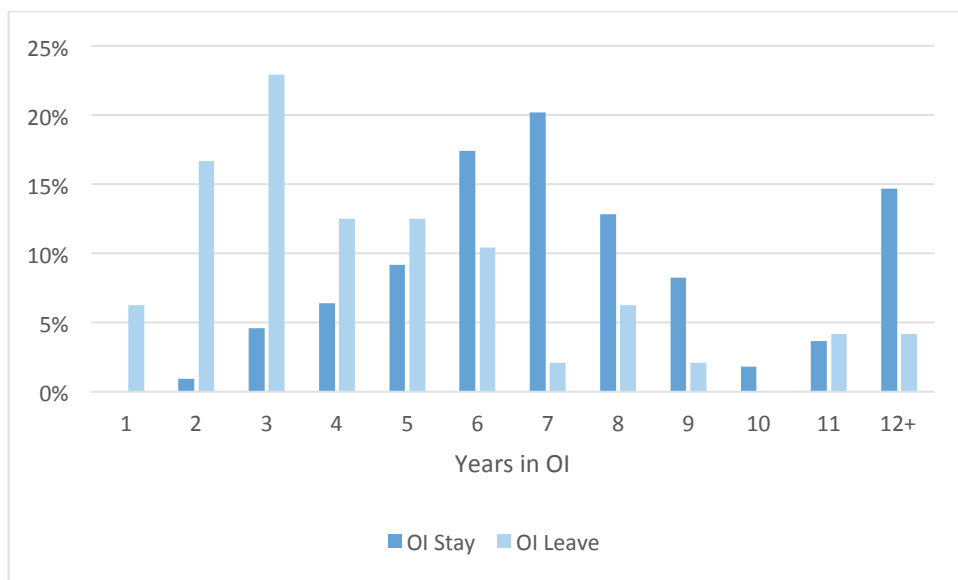


Figure 13: Years in open innovation between open innovation stayers and leavers (n= 157)

### Remaining in open innovation

What is the career progression of managers who stayed in open innovation until the day we collected data (October 2016)? Most managers who stayed in open innovation (58%) were still

working in the same position, another 24% were promoted (either an internal promotion or a promotion when moving to another company), and 10% moved laterally. About 6% became independent open innovation consultants and 2% started an open innovation service company.

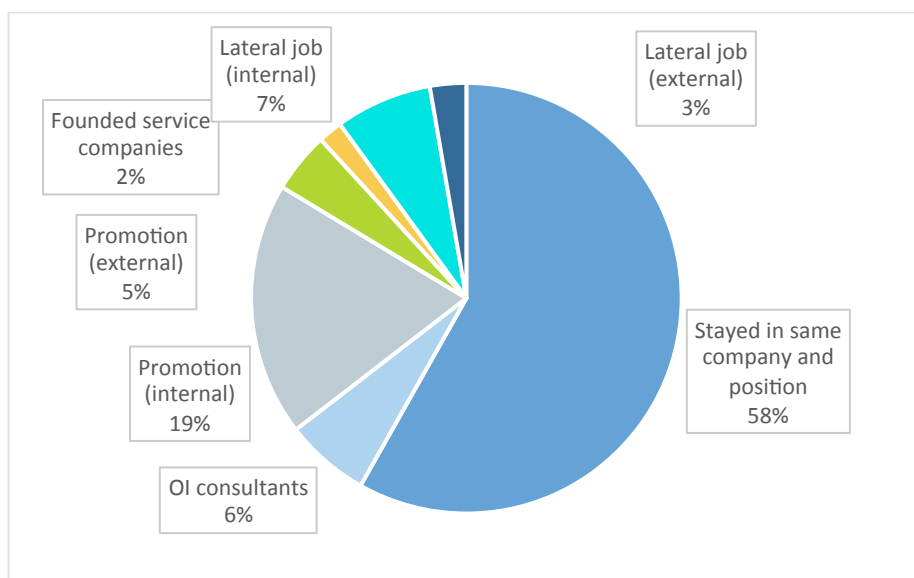


Figure 14: Career progression of open innovation managers who remain in open innovation after 2012 (n= 110)

The percentages in Figure 14 can be further analysed by checking whether managers who continued to work in an open innovation job, stayed or left the company. Figure 15 shows the outcome for managers who stayed: 69% were still working in the same job in 2016, 22% were promoted, and 9% began another open innovation job that can be considered as a lateral move.

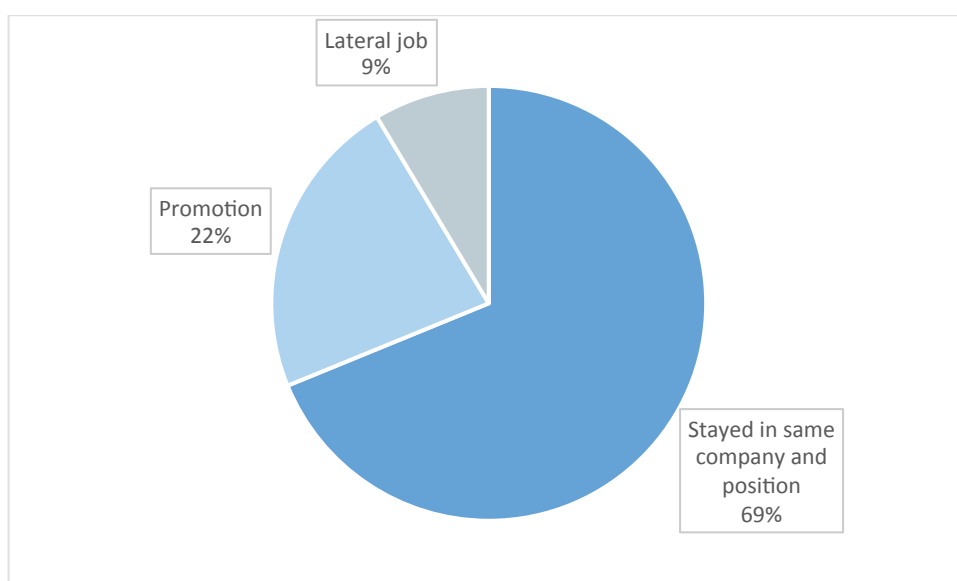


Figure 15: Career progression of open innovation managers who remain in open innovation and remain in the company after 2012 (n= 93)

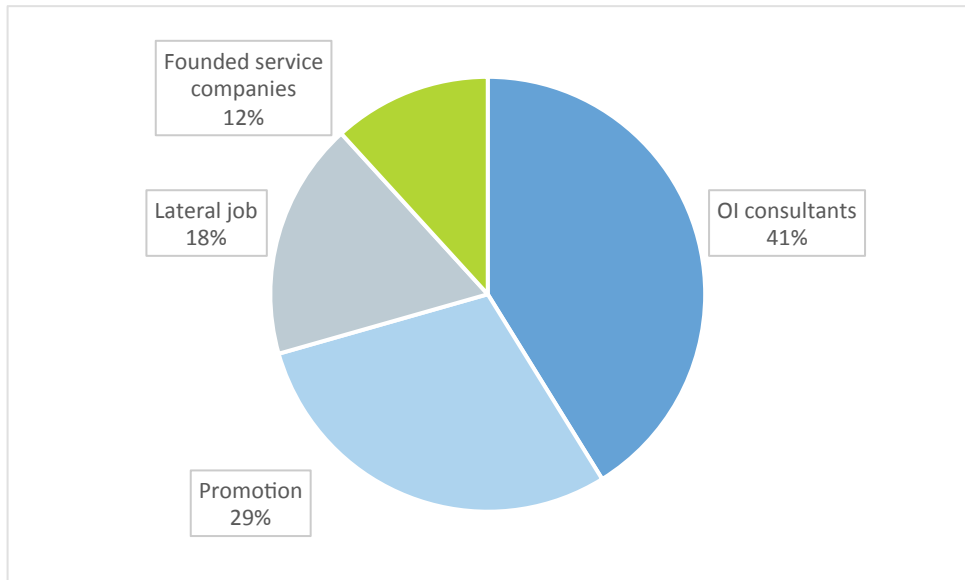


Figure 16: Career progression of open innovation managers who remain in open innovation and left the company after 2012 (n= 17)

Only 17 managers who stayed in an open innovation job moved to another company. Most worked in a similar open innovation job in their new company (41%). Another 29% were promoted in their open innovation job when they switched companies, while 17% made lateral move. Finally, 12% of these managers started service companies (active in open innovation).

It is worthwhile seeing if joining another company increases the likelihood of promotion for a manager who wishes to continue working in open innovation. When we compare Figures 15 and 16, we see that 22% of managers who stay were promoted by 2016 – while the figure for leavers was 29%. A manager who wants to continue working in open innovation has a somewhat greater chance of promotion if he finds a new employer. When we consider only corporate jobs when a manager assumes a job in another company (leaving open innovation consultants and newly established services companies aside), then managers have a 62% chance of being promoted.

External promotion is thus more likely than internal promotion if a manager chooses to stay in open innovation. One possible (although speculative) explanation is that successful open innovation managers use a transition to another company as an opportunity for promotion. Open innovation is after all a relatively recent trend and skilled managers are welcome in companies that are starting open innovation, or aim to professionalise the process.

**Leaving open innovation**

Let's now have a look at those managers who left open innovation. Some of these managers stay in the company: of the 48 managers who left open innovation, 29% were promoted within the company and 15% worked in another job but without promotion. Most of these managers left the company and received an external promotion (21%), started another job in another

company without promotion (15%), or started their own business (8%). The remaining 6% are managers who retired after their open innovation job.

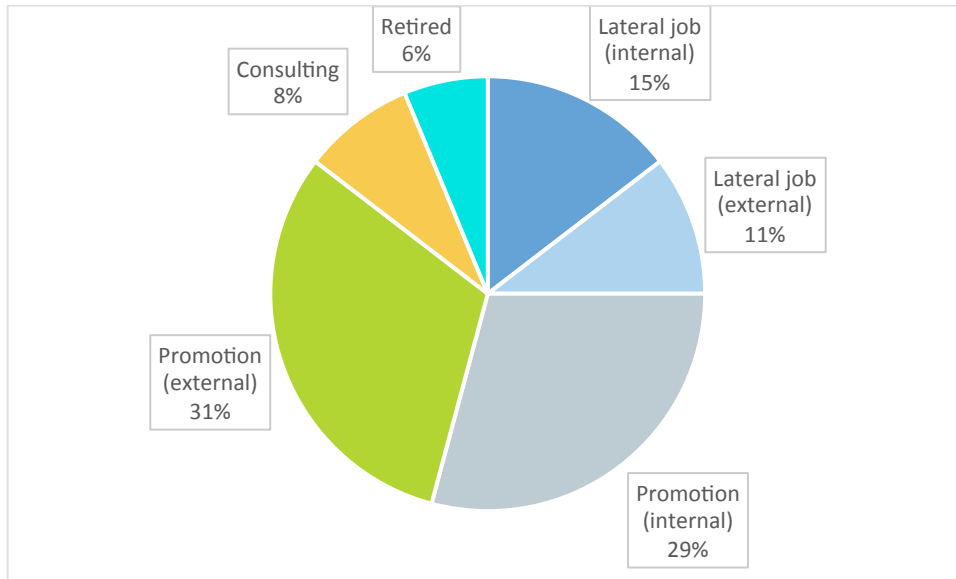


Figure 17: Career progression of open innovation managers who left open innovation after 2012 (n= 48)

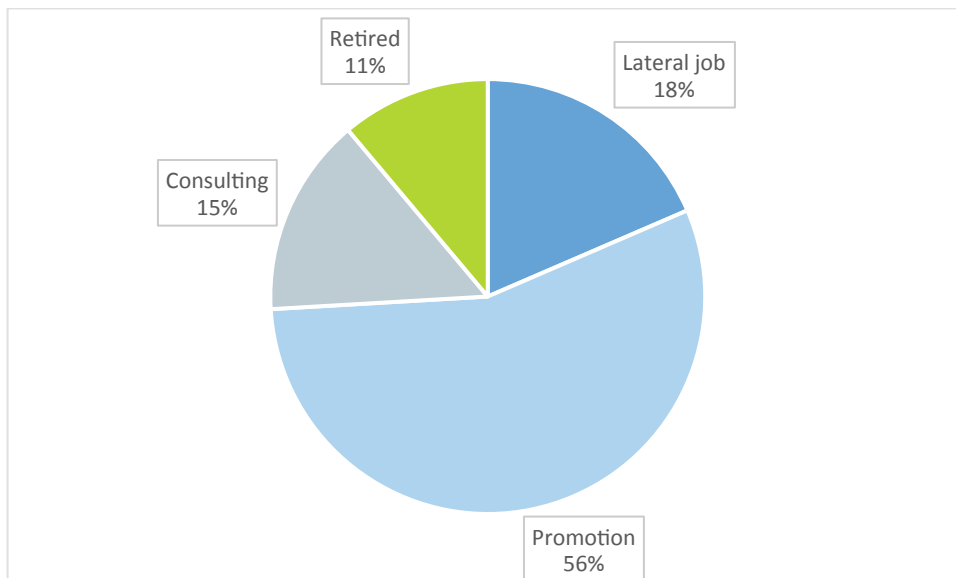


Figure 18: Career progression of open innovation managers who left open innovation and left the company after 2012 (n= 27)

We can further split the sample of managers who left open innovation into those who left the company and those who stayed. Figure 18 shows those who left the company (only 27 managers): 56% of managers were promoted in the new company, and 18% started another job without promotion. Some 15% started a consultancy and 11% had retired by 2016. Leaving

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the company as an open innovation manager means there is a significant chance of being promoted within another company if a manager decides to leave open innovation.

However, the possibility of promotion is even greater when a manager stays. Figure 19 shows that two-thirds of these managers are promoted. In other words, compared to the case where managers stay in open innovation, when a manager is ready to leave an open innovation team he or she has a good chance of being promoted in the current company, as well as in other companies. The possibility of promotion is greater when a manager stays. This result contrasts with the case where managers stay in the open innovation field: in this case a manager improves his or her chance of promotion by leaving.

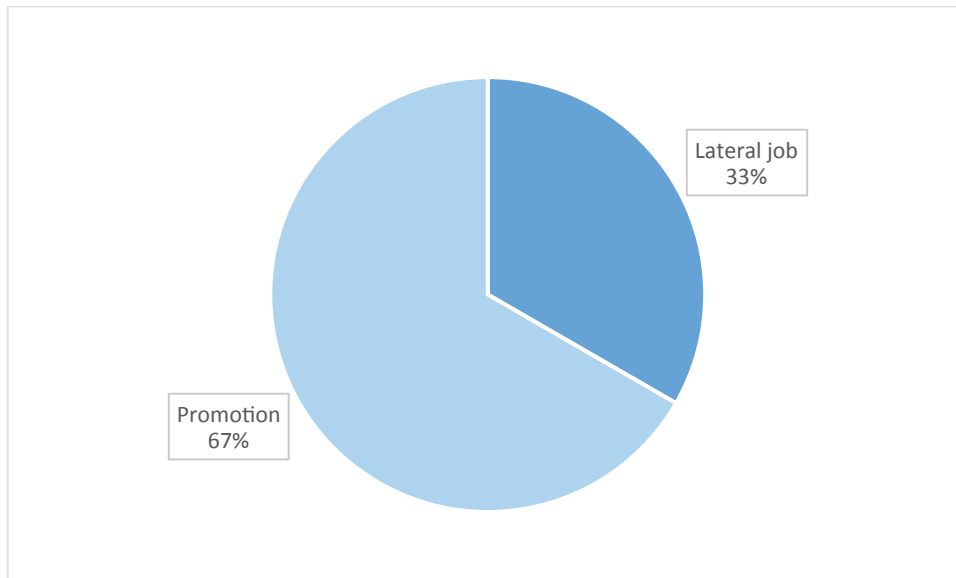


Figure 19: Career progression of open innovation managers who left open innovation and remained in the company after 2012 (n= 21)



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## Conclusions

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Our work is exploratory and has several limitations. We may have a bias because some manager profiles may not be on LinkedIn. Furthermore, since LinkedIn is not designed for open innovation career studies, we had to manually select open innovation processes. Finally, we did not compare open innovation managers with other managers in the same companies, and, therefore, we cannot compare the profile of open innovation managers with other managers in the same companies. Nevertheless, we reached some interesting conclusions:

- Based on LinkedIn data, we find that only
- a small minority of the multinationals we investigated have ten or more open innovation managers. Most had fewer than five open innovation managers, showing that a relatively small team can manage open innovation even when in companies with \$5 billion or more in revenues.
- We find that open innovation managers have relatively long tenure in the company (an average of 15 years). A possible explanation is that open innovation managers must know the company very well to understand the business. Additionally, these managers must have a strong reputation and/or seniority in the company so that their colleagues take them seriously.
- Open innovation managers stay on average for seven years in this job. This is an under-estimation, as many managers had not left their open innovation job by the time we collected the data. Open innovation management is not a transitory job for most managers and requires a long-term commitment. The longer managers stay in the job, the smaller the chances that they switch to other companies.
- Open innovation is traditionally linked to R&D activities. We find, however, that only 40% of open innovation managers in multinationals in the manufacturing industry have an R&D background. Most managers come from other functions or divisions in the company. Open innovation management teams need people with very diverse backgrounds. That is unsurprising since a company needs a variety of skills to successfully launch a new product or business. Companies such as P&G have two open innovation teams: the first is technology focused (and moves a project to a proof-of-concept stage), but the second team focuses on new business development and is composed of people with diverse, non-technical backgrounds.
- The current study is focused on what managers do after the 2010-2012 period. Remarkably, 59% are still working in open innovation in the same company, another 13% switched to another job in the company. The other managers left the company: with 11% staying in open innovation, and 17% working in a different job. In short, these figures confirm: (a) most managers stay for many years in open innovation; and (b) that leaving the company also reduces the chances that they stay in open innovation (compare Figures 8 and 11).

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- Tenure and number of years in open innovation depend on whether managers leave the company, or stay in an open innovation job. Tenure is considerable (>15 years) except for managers who leave the company and have no ambition to stay in open innovation in their new job. Managers who have not been working very long in open innovation tend to move to other jobs (in the same or another company). This observation shows that highly specialised (and older/senior) open innovation managers with long tenure, and many years of service in open innovation, tend to stay in open innovation jobs; while younger managers with less open innovation experience stay for 2-4 years in the job – and then move to another job in the same or another company.
  - When open innovation managers leave the company, two out of three change jobs (27% become consultants and 5% work in open innovation services). Most managers find a new job in a non-competing company (44%), while 24% join a competing company.
  - We find little evidence for dissemination of good practices through hiring open innovation managers from other companies: only 3% of the sampled managers work in 2016 as open innovation managers in another company and only half work in a competing company.
  - We also find that leaving the company increases the likelihood of being promoted – compare Figures 7 and 10. But this conclusion does not apply in the same way in all circumstances:
    - The chances of promotion are always significantly lower when managers stay in open innovation compared to when they change jobs. This holds irrespective of whether they stay or leave the company – compare Figures 15 and 17 with 21 and 27 respectively.
    - When open innovation managers stay in the open innovation field, promotion is slightly more likely for those who leave the company (29% compared to 22% of those who stay) – compare Figures 15 and 17.
    - When open innovation managers start a different job, promotion is more likely (67%) when they stay in the company compared to when they leave the firm (56%) – compare Figures 19 and 18.