



Innovation Attitudes In Australia

**Results of the online survey
conducted by Open Forum
in December 2007 - January 2008**

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WHAT IS OPEN FORUM?

Open Forum is a non-partisan collaborative think-tank built around an interactive discussion website hosted and moderated by Global Access Partners (GAP). It provides a platform for focused dialogue on social, political, economic, ecological and cultural issues and challenges.

The Forum is registration-based and enables participants to make connections, share their opinions and concerns, test their ideas, raise and discuss specific topics, suggest solutions and ultimately contribute to policy development, as well as to the democratic process in general.

Currently sponsored by the NSW Department of Lands, Lenovo, Australian Business Foundation, BRW, DCITA and MBF, who form the Open Forum Advisory Board, the Forum has identified several topical issues for discussion, including Spatial Data, Innovation, Business Regulation and Productivity, Work/Life Balance and Health and Wellbeing.

EXECUTIVE SUMMARY

Open Forum recently conducted an online qualitative survey on innovation attitudes in Australia.

The open-ended survey was conducted on behalf of the Society for Knowledge Economics (SKE) among the Open Forum community, which comprises some 1500 top decision makers in the public and private sector, as well as academics and members of the wider community.

The survey asked the respondents to share their thoughts on key attitudes, values and beliefs impacting Australia's innovation ability. Specific policy suggestions were sought on the proposal for the establishment of a stand-alone national innovation portfolio, its purpose and desired outcomes.

The survey was motivated by the recent national inquiry into the National Innovation Agenda proposal by the Victorian Government, and the general urgency shown by the business community in asking the country's leaders to show more commitment in dealing with innovation hurdles in a more systematic manner.

The respondents provided a number of high-level policy suggestions, which will be used by the Australian Society for Knowledge Economics to inform the Society's input into the national policy debate.

The overwhelming majority of the respondents believe the nation is in urgent need of a co-ordinated national policy on innovation, and are in favour of establishing a stand-alone innovation portfolio to co-ordinate innovation activities across sectors and institutions, and facilitate a cultural shift towards 'a distributed solutions society'.

Key findings are outlined in the remainder of the document

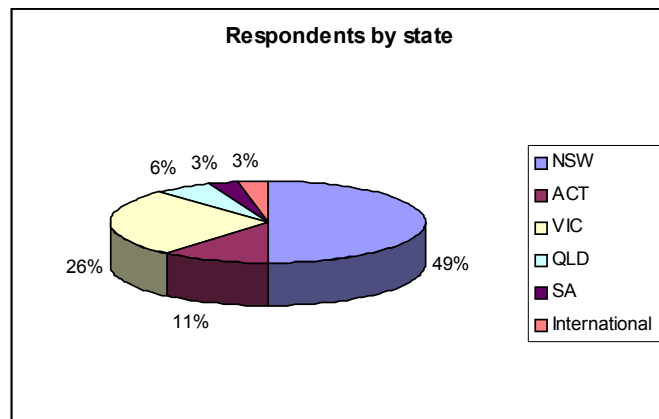
The survey was one in the line of projects Open Forum has undertaken over the last 12 months in an attempt to open-up the process of policy development to the wider community using Web 2.0 as its key platform.

RESPONDENT DEMOGRAPHICS

Geographical, Gender and Age Profile of Respondents

The survey was conducted amongst the Open Forum subscriber base, which consists of some 1,500 top decision makers in the public and private sectors, as well as academics and members of general public.

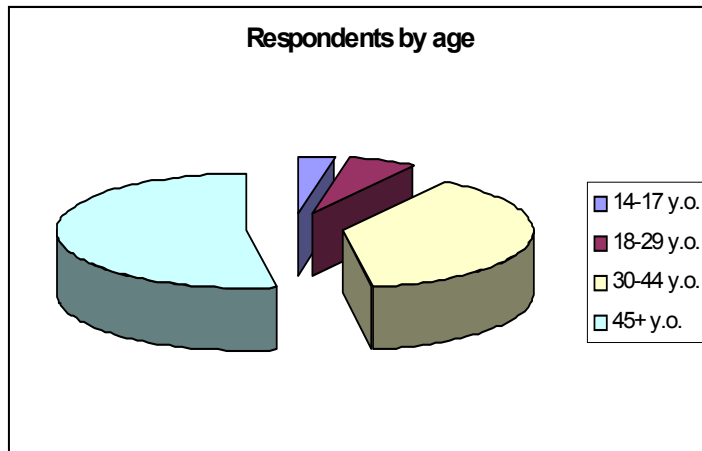
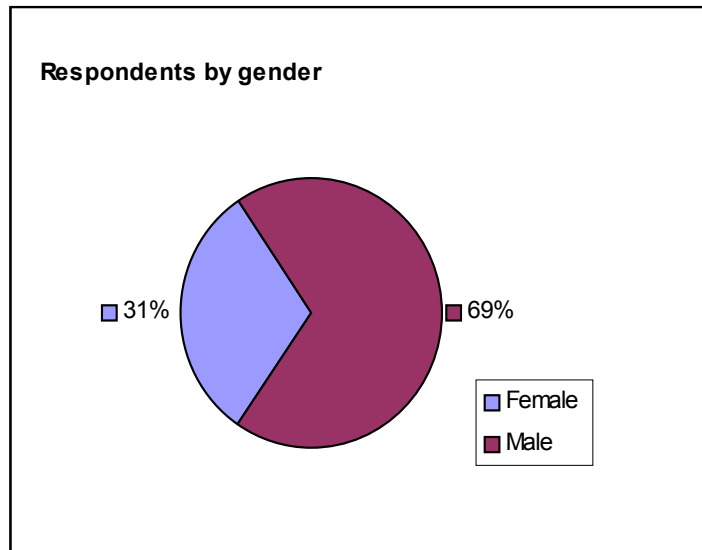
Promoted through the Open Forum newsletter and website and ran over two months (December 2007 - January 2008), the survey roughly reflected the geographical spread of the Open Forum subscriber base, with the majority of responses (49 per cent) coming from NSW, followed by Victoria (26 per cent), and ACT (11 per cent). The survey recorded no responses from Western Australia, Northern Territory or Tasmania, even though the nature of the survey should have presented no barrier to entry. We believe that the majority of the responses were 'viral-driven', which may partially account for the concentration of respondents (and their networks) in the three Eastern states.



1a Respondents by state

The age and gender spread of the respondents reflects both the general demographic of the decision-makers captured by the Open Forum database and, possibly, the nature of the issue the respondents were surveyed on. With 92 per cent of the responses coming from the 30-44 and 45+ age groups, and a little less than three quarters of the respondents male, it is possible to assume that the complexity of the issue is not widely understood outside of the very senior levels of decision-making and academia, and the open-ended nature of the survey may have discouraged those with the superficial understanding of the topic from wider participation. Indeed, several respondents answered the survey selectively, indicating that some of the questions posed were too complex to be answered *ad hoc*.

However, the presence of respondents in the 14-17 and 18-29 age groups was very encouraging in line with the Open Forum charter to engage all levels of the society in an informed policy discussion process on issues of social relevance. It confirms that age is no barrier to participation in complex policy discussions when diversity is encouraged through the use of different platforms to provide access to those generally excluded from the more traditional policy-making avenues.



1b Respondents by gender and age

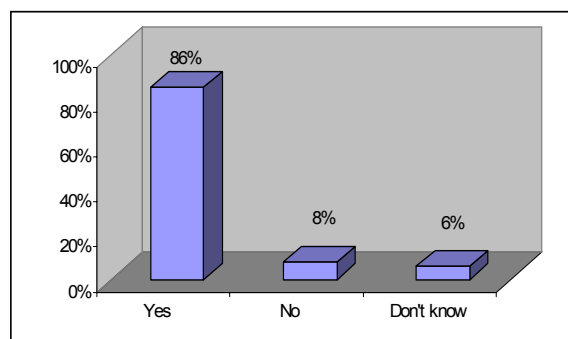
INNOVATION ATTITUDES POLL

The key question asked by the Innovation Attitudes in Australia survey was whether the respondents believed Australia would benefit from a co-ordinated approach to innovation. To this end, we asked the respondents if they thought Australia needed a national policy on innovation and a stand-alone ministerial portfolio to co-ordinate any such policy.

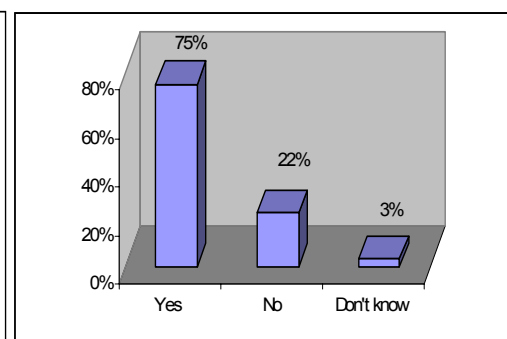
The overwhelming majority (86 per cent) of the respondents believe a national policy for innovation is necessary to encourage the emergence of a more innovation-friendly business and political culture. Three quarters of the respondents also believe a stand-alone ministerial portfolio is required to co-ordinate any such policy across industries, sectors and levels of government.

However, a consistent theme also emerges among the 22 per cent of the respondents who think no stand-alone portfolio should be created – most of those are of the opinion that innovation should not be run by government edicts, as regulation and ‘packaging’ of innovation are not seen as helpful to what these respondents believe to be the generally individual and disruptive nature of innovation in Australia.

- ▶ **Does Australia need a national policy for innovation?**
- ▶ **Does Australia need a ministerial portfolio for innovation?**



1c National Policy for Innovation



1d Ministerial Portfolio for Innovation

KEY FINDINGS

► What would the National Innovation Portfolio cover?

A key theme that emerged throughout the respondents' answers to the question of scope of the National Innovation Portfolio was the problem of separating the concepts of invention and innovation. While the majority of responses indicated a need for more long-term social, political and economic policies to encourage the emergence of a socio-economic context conducive to innovation, some respondents emphasised 'traditional' innovation concerns – reduction of red-tape, more investment in R&D, facilitating entrepreneurship as a driving force, and the need for collaboration across sectors and industries.

More interestingly, respondents placed a strong emphasis on the need for a social and cultural shift, where concepts of innovation reach more broadly into social policy. Here are some of the responses:

"A broad ranging palette of policies and innovation initiatives not stultified by short-term political or economic objectives. It would have the mandate to make Australia a happier, and hence, a more humanly productive society."

"Community, economy, education, social policy, health, social infrastructure, public transport."

"Innovation should be an approach embedded in other policy areas such as education, industry policy, tax policy, health policy. That is care should be taken that policy in these areas supports innovation - this has been the European approach. The constant focus on innovation as a stand-alone activity lies behind lack of success."

A significant element of the social and community focus in the said responses highlighted the need for creating a sustainable society and directing innovation efforts away from its traditional focus (R&D and science grants), and towards a more forward, hands-on **application of innovative thinking** in areas such as environment and agriculture.

The responses also emphasised the need for more collaboration in enabling innovation to occur. The nature of collaboration described ranged from scientific networking to connecting communities and tapping into what one respondent refers to as the 'wireless community', and another as a 'distributed society' model. Although neither defined the two models, it is assumed that the technology-enabled connectivity is seen as one of the key connecting 'nodes' or disparate elements of innovative practice.

Significantly, most respondents thought that innovation in Australia occurs mostly at an individual level. A national innovation policy was, in this context, also seen as a possible 'connectivity' platform. In that sense, responses could be interpreted as **promoting a national portfolio as a 'connector', rather than as a regulator or policy-driver** of national innovation.

► **What do you see as the collective social values that are favourable to Australia's attitudes to innovation?**

Interestingly, most respondents to this question chose to identify Australian social and cultural values that are **not** favourable to innovation, the tall poppy syndrome making an expected (and frequent) cameo. Political and social conservatism were blamed for a general tendency towards mediocrity and risk-aversion in business, arts and culture, and other social undertakings, with a few self-deprecating remarks about the Hills Hoist being the only visible result of the Australian genius in action.

However, several collective and geographical attributes, such as having the 'space to have a go and make a mess', 'the right to participate rather than subscribe', 'cultural diversity', and being 'anti-authoritarian', were identified as conducive to creating a more innovative society.

While most respondents felt all the ingredients for an innovative society were already present (embedded in the collective attitude of ordinary Australians and their general willingness to "have a go"), they questioned the society's willingness to invest in the infrastructure necessary to make the Australian business and social environments more innovative. This could be indicative of a broader sense that Australia lacks the kind of leadership willing to articulate and take a strong position on the issues relating to innovation.

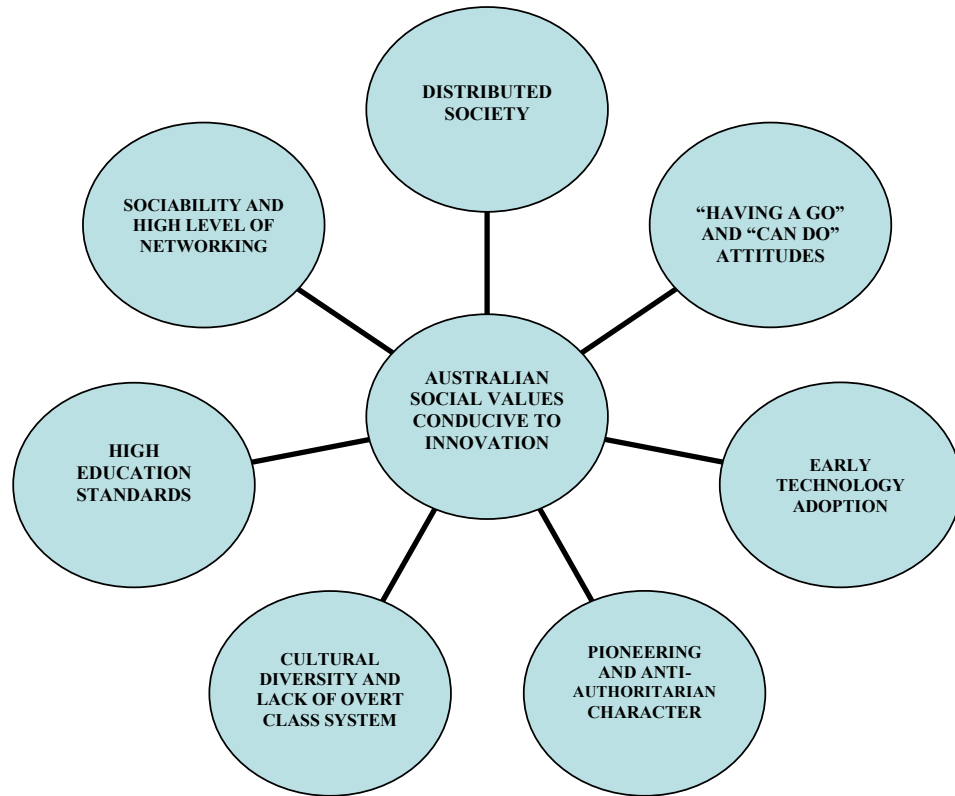


FIGURE 1.0
Key social values identified as conducive to innovation in Australia

However, this could also be indicative of a certain level of disillusionment with the national willingness to innovate (*“Australians are not innovative - unless we have to be. Conditions need to be established where it is either necessary or lucrative to innovate”*, said one respondent). Nonetheless, most respondents felt that the emerging global challenges, as well as the ‘tyranny of distance’ and the emergence of a ‘distributed society’ are some of the catalysts that will make more innovation and collaboration in Australia necessary. Once again, a need for a broader social platform encouraging innovation was mentioned.

► **What are the key impediments to the fostering of innovation in our business, social, cultural and political environments?**

The rate of response to this question was 100 percent, and the results field by far the longest amongst the responses provided. This may indicate that most respondents thought there are more impediments than enablers of innovation in the Australian society. However, this may also reflect an overall motivation of the respondents, most of whom seem to have undertaken the survey believing that 'change' is required in order to make Australia more innovative.

The tall poppy syndrome re-emerged as one of the more frequently mentioned culprits for the perceived non-innovativeness of the Australian society. Short-termism in political and business thinking, under-investment in education and infrastructure, and general 'risk-averse' and 'insurance-driven' thinking were equally frequently identified as impediments to innovation.

Several respondents mentioned the 'relaxed and comfortable' aspect of Australia's national life, and its overwhelming emphasis on 'non-cerebral' pursuits as needing intervention before a more innovative society could emerge. Yet - and in contradiction to the stated need for more social 'modeling' for a more innovative culture - too much government intervention in all areas of life was also noted for its innovation-dampening effect. A tendency to put government at the centre of our innovation system was also criticised, as was the lack of local investment in local companies and 'a pervasive belief that we are too small to compete'.

This response summarises a number of answers provided by the respondents:

"I don't think the tall poppy syndrome [is to blame], because every culture has it. Tall poppies are always cut down in the process of conforming to the average or even lowest common denominator. I think it's the unwillingness of the social, cultural and business environment to open up to new people, new ideas and new ways of doing things. They are threatening to existing structures (and ppl in charge of those structures), and Australia is too small to absorb massive innovation in any area of human endeavour. More importantly, it is too comfortable to desire such change.

Process-driven business culture that impedes both innovation and communication (and creativity that issues from it) is one of the key problems of the modern Australian corporation. Share-price imperative is also creating a culture of short-termism, where stunting, rather than fostering innovation has to be the ultimate result of the game. If you drive process to deliver leaner business models, without understanding where leanness impacts both productivity, and the time and space to innovate,

you are ultimately going to have to rely on finding innovative practices elsewhere. That means that innovation doesn't have the systemic support, which is necessary for it to flourish."

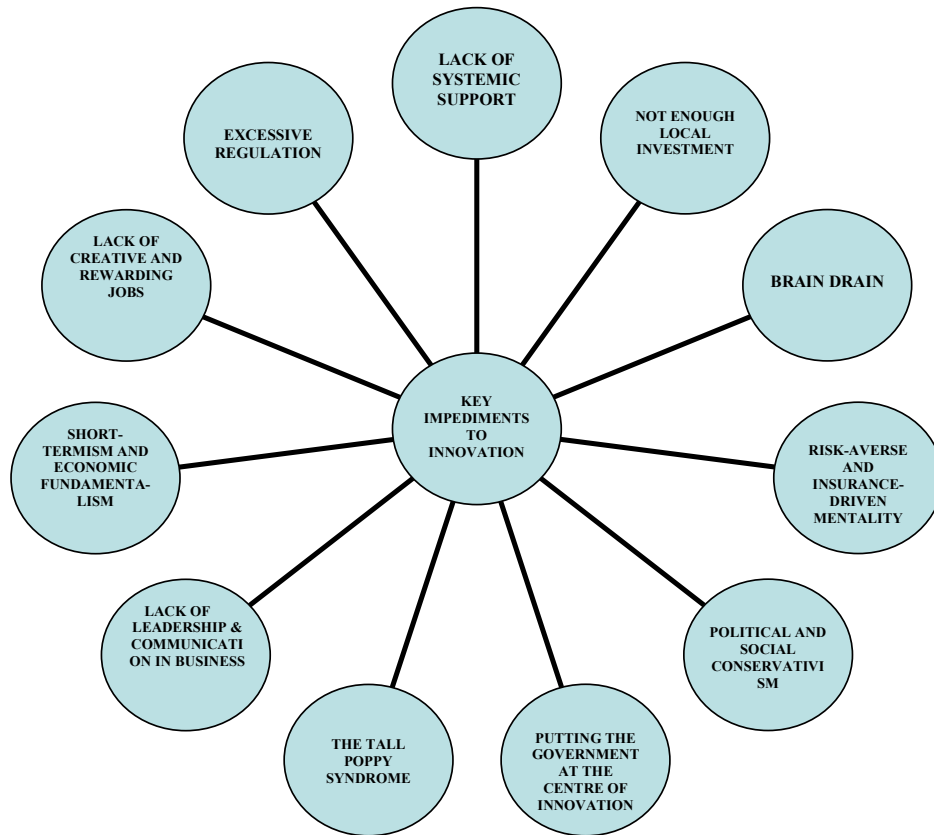


FIGURE 2.0
Key impediments to the fostering of innovation

However, the respondents lacked a coherent view on how these problems should be addressed. Working in reverse, it would seem that the respondents thought a more long-term view should be taken in business and political thinking to encourage innovation. A departure from 'neo-classical monetary policy' was mentioned, as well as the need for the country's leadership to broaden its perceived mandate to include objectives other than economic performance. Commercialising the research and development process, using super-funds to fund more local innovation, and introducing high-quality childcare all rated an individual mention.

► **What characteristics of the Australian social value system can be celebrated as the enablers of innovation and entrepreneurship?**

This question seems to have brought the sense of national pride in a number of collective (national) and community values to the innovation mix. For instance:

“Largely, Australians seem to have been able to develop individuals with the educational background to understand how things can be done, overlaid with a pragmatism to see what might be done, a stoicism to continue to try to develop an idea, even despite the potential obstacles, and a general optimism, that if it can be done, then there is no reason why they should not be the ones to find the solution.”

The ‘can do’ attitude, the ethics of a ‘fair go’, the willingness to adopt new technologies (‘wireless community groups’), our ‘pioneering spirit’ and ‘working together as fellow Australians’ featured prominently in the respondents’ thoughts on the key social values that should be celebrated as the enablers of innovation and entrepreneurship.

However, a number of respondents re-emphasised the need to create a more encouraging social value system where ‘inventors’ are celebrated as the bearers of social progress and innovation:

“There are so many laugh tests for whether our national social value system enables innovation. People at barbecues are less enthralled to meet a scientist or technologist than probably any other profession. Geeky kids get bullied at school. Adults shun science – you can hear the self consciousness in the voice of radio quiz show callers who know the answer to “Who was Kelvin?” or “What is a cosine?”

Some participants also questioned the existence of a homogenous, identifiable ‘Australian social value system’, stating that such a system might have to be created before a more innovative Australia is able to emerge from its underlying, supportive social context.

► **To what extent do Australians celebrate the contributions and achievements of 'the individual' to national innovation?**

Achievement-celebration is not the stronger side of the Australian culture, according to the survey respondents. It is fair to say that the respondents almost unanimously felt sports stars were the only 'achievers' really supported and celebrated on a national level, while the rest of us were encouraged to 'celebrate sacrifice' through tough economic policies. A 'sense of mistrust towards successful people' was also mentioned, and partly blamed on the media culture, which, the respondents believe, thrive on negative stories and are 'ignorant' in their reporting on innovation.

Several respondents, however, felt that innovation cannot be celebrated as an individual effort, because it is not an individual thing, but a collaborative process. Interestingly, a social aspect made another appearance here with one respondent stating that the 'community breakdown impedes innovation', and another claiming that Australia has developed a 'shopper-culture', rather than a 'maker culture', which transcends all areas of endeavour, including innovation.

► **What motivational factors should be introduced into our business/social/political processes to encourage more innovation?**

A strong sense of the lack of motivational factors for innovation is a key thread that emerged from the responses to the question of how could Australia be motivated 'into' a more innovative mode.

The response range was quite broad and pessimistic revealing that most respondents believe their workplaces are not conducive to creative thinking, and are not 'fun to work in'; while Australian work-environment in general was described as driving people overseas for 'more innovative, creative and better paid' jobs. A few respondents felt that Australians only respond to the 'profit motive' and are infantilised through sports worship, and suggested that both these traits should be built-in into our thinking about creating more motivating factors for innovative practice in business and the society in general.

A few more policy-oriented responses indicated the need for more collaboration that is taken beyond the current R&D mind-set. More investment in local start-ups and more faith in local innovative ability, with less emphasis on innovation driven out of the confines of academia, and more emphasis on grass-roots (community) innovation, including changing their attitudes to innovation, achievement and main social concerns again rated highly.

▶ **Should our innovation policy makers engage in more ‘social-modeling’ to compete successfully in the global economy?**

Although social modeling is considered to run counter our national character and the nature of innovative practice itself, most respondents stated they would support some social modeling to the extent that leadership and re-inventing ourselves as an innovative culture is promoted through increased collaboration.

To this end, the majority of respondents suggested more awareness of what kind of environment is needed to create a more innovative society, with early education as a centre-piece of any systemic social modeling attempt. Change of business mind-set in the management ranks also rated strongly among the respondents.

There were not many practical suggestions as to how this is to be achieved, other than factors already mentioned in the survey – less short-termism and more socially and environmentally-friendly practices should be introduced to encourage a greater cultural shift.

▶ **How can Australia improve its social value system to create a more innovative and sustainable nation in the future?**

This question drew more practical responses, which, to a large extent, relate to the previous question on social modeling. Teaching ‘innovation and entrepreneurial skills as part of education’, increasing Australia’s ‘philanthropic contributions’, ‘celebrating diversity over conformity’, reducing regulation, taking advantage of technology to create a ‘distributed solutions society’, changing media attitudes, encouraging different values, reducing the ‘me’ cult, and creating a society that takes ‘social democracy’ rather than neo-liberal attitudes as its key value-pillar sum up the general feeling of the respondents that a cultural, rather than structural, shift is needed for Australia to become a more innovative and sustainable nation.

▶ **Would you support the establishment of the National Barometer for Measuring Innovation Attitudes in Australia? Why? What should the Barometer measure?**

Although only half of the respondents supported the idea of establishing a National Barometer for Measuring Innovation, their reasons for doing so formed probably the most interesting picture of what long-term effects more innovation should have on Australia as a society, in the mind of the respondents.

When asked what the national barometer should measure, they listed ‘social happiness’, ‘flow of ideas’, ‘rate of change’, ‘community innovation’, ‘the community’s acceptance of innovation’, ‘quality of life’, ‘new ideas replacing entrenched wisdom’, ‘cultural change including the micro (family), and the macro (national)’, ‘sustainable growth in key areas of national concern’, ‘sense of community’, ‘connection of schools with technical support’, ‘spending on R&D including development metrics’, ‘awareness of innovative projects’, ‘participation in innovation’ ... as some of the more innovative “indices” Australia should aim for.

What Should The National Innovation Barometer Measure?	
1.	Commercial R&D and export levels
2.	Increase in spending for education
3.	Sustainable growth in areas of innovation
4.	Buying decisions based on innovative projects
5.	GNP from technologies less than 10 years old
6.	New commercially or socially viable innovations
7.	Number of Australian patents granted annually
8.	Number of start-ups in operation 5 years after establishment
9.	Percentage of superannuation funds allocated funding pre-seed opportunities
10.	Total funds invested by venture capitalists in Australia
11.	Total Federal and state funds allocated to research/commercialization
12.	Return on Innovation
13.	Absolute level of industry resources committed to innovation
14.	Community acceptance of innovation
15.	Internal innovation metrics for private and government enterprises
16.	Increase in GDP as a result of innovation
17.	Initiatives to reduce green-house emissions against actual results
18.	Willingness to take risk
19.	Media coverage with negative impact on innovation
20.	Social happiness

Those not in favour of creating a measurement mechanism for innovation reasoned that to do so would provide 'pretentious suits [with] vacuous management speak', 'pad the egos of under-achieving academics' or pointed out that metrics don't really tell us anything useful 'that isn't already obvious'. However, the main reasons for opposing a measurement approach had more to do with the general sense that innovation is hard to measure, and that 'measuring often becomes substitute for doing'. Innovation was also described as an 'approach' that should be institutionally encouraged and 'bult-in' rather than measured.

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