

# The Meaning of Innovation in Business & International Innovation Support | ReaDI-Watch

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To develop an innovation strategy, roll out an innovation framework or build an innovation programme or project, it is very valuable to take a bigger perspective on what innovation means.

Innovation is a broad term and can mean many things to many people. It is a concept that has been embedded into our daily lives, as humans progress and develop across the planet.

In the context of Innovation in companies, two sources may be useful to draw on, and to compare, with respect to the international classification of innovation.

The first is the OECD's Oslo Manual for Innovation. The Oslo manual is considered one of the leading manuals for the classification of Innovation. Originating from Oslo, Norway, this OECD manual has been revised many times (latest 2018). This manual outlines the following definition of innovation:

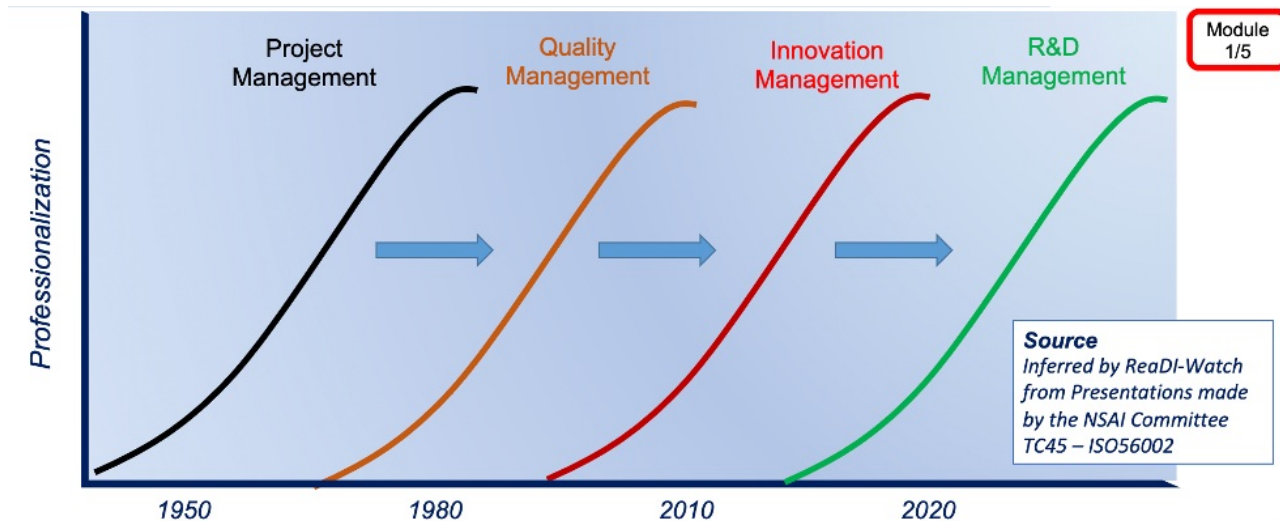
- **Innovation** activities include all developmental, financial and commercial activities undertaken by a firm that are intended to result in an innovation for the firm.
- A **business innovation** is a new or improved product or business process (or combination thereof) that differs significantly from the firm's previous products or business processes and that has been introduced on the market or brought into use by the firm.

**Oslo Manual (2018)**  
GUIDELINES FOR COLLECTING, REPORTING AND USING  
DATA ON INNOVATION

By way of comparison, the new ISO series for Innovation Management (ISO:56002) is another best-practice reference for the meaning of innovation. The ISO sets out to create a standard for the management of Innovation, a platform on which others can develop best in class approaches and frameworks to accelerate, and better direct, Innovations that will help companies and humanity.

**ISO 56002:2019(en)**  
**Innovation management — Guidance**

The topic of “**innovation management**” is one that has only come to the fore in recent years. **Innovation management** is less mature than other disciplines such as project management or quality management, professional management disciplines around which specific staff in companies train in, oversee and develop.



ReaDI-Watch posits that **Innovation management** is currently on a steep path of professionalization, and that R&D management will follow suit in future years.

Evidence of the prevalence of Innovation in today’s society can be found in the strategies of governments across the globe. In the below image, examples can be found of organisations, strategies and frameworks developed to progress and advance innovations in Europe, the US, the UK, Ireland and Canada.

By way of example, the recently formed **European Innovation Council** seeks to foster and stimulate innovation in Europe. When you explore the topic of innovation management, you'll find that each country has a plan in place to foster and to stimulate innovation, as innovation is a critical component of a growing economy, where companies and the R&D ecosystem can foster sustained competitive advantage.

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