

**PRESENTED BY**

- **Mr. Nathan Sivagananathan**  
Chief Growth Officer  
MAS Holdings

**PANELISTS**

- **Mr. Harin De Silva Wijerathne**, Chief Executive Officer, Sri Lanka Institute of Nanotechnology
- **Ms. Linda Speldewinde**, entrepreneur / founder of Academy of Design (AOD)

**INTRODUCTION**

The main focus of the presentation was to convey how to collaborate to innovate in the current dynamic global context.

**KEY POINTS OF THE PRESENTATION**

**Reasons to be collaborative to innovate**

The consistent rise of empowered consumers can be cited as the main reason for organizations to increasingly focus on collaborates to innovate. Due to the increased access to the internet, consumers are aware about the information of emerging trends via social media and dealer sites (ex: mydeal.lk). With the growth of e-commerce, anyone can produce products by understanding the consumer appropriately. Secondly, the emergence of Gen-z, people born after the year 2000 also made collaborative innovation a reality. Third reason is the emergence of shared economy. Presently, only a mobile phone is used to order and pay for a taxi, to pay bills and for channeling. Consumer centricity is the main foundation for open innovation, which could not be achieved without technology.

**Emerging technology trends**

Big data analytics is the most important emerging trend of the technology. Big data analytics is the process of examining big data to uncover hidden patterns, unknown correlations and other useful information that can be used to make better decisions. 3D printing is a technology which is a process of making three dimensional solid objects from a digital file. The creation of a 3D printed object is achieved using additive processes. In an additive process an object is created by laying down successive layers of material until the entire object is created. Each of these layers can be seen as a thinly sliced horizontal cross-section of the eventual object. Robotics is the other technology which has come down in price recently. In future, even voting will be on line.

**Transactional evolution**

Firstly, barter system was used where goods were exchanged. Then paper transactions were done where notes and coins were used. Then debit cards and ATMs were used without using cash for transactions. Finally, E-wallet has come to perform. E-wallet is an online prepaid account where one can stock money, to be used when required.

As it is a pre-loaded facility, consumers can buy a range of products from airline tickets to grocery without swiping a debit or credit card. Venmo is the latest technology available for e wallet. Venmo is a free digital wallet that lets to make and share payments with friends. It can easily split the bill, cab fare, or much more. Accounting FreshBooks is the other latest technology available for small businessmen. FreshBooks is an easy-to-use transaction capture tool for small, service-based business clients. Now

with Accountant Center, accountants can effortlessly access their clients' journal entries and reports. This is a disruption for accounting and will further create opportunities for entrepreneurs.

### **Collaborate to innovate**

Under open innovation, collaboration has to be executed with different types of personnel. Opening innovation is vital because if the companies do not engage in any innovation, they would be unable to sustain in the market. Innovation ecosystems are to be adopted in the companies where evolving, adapting, re-imagining and reinventing are implemented to create and utilize new ideas and information into both existing and new products and services.

Sometimes this is undertaken to achieve higher quality and superior performance, others to respond and adapt to competition and customer demand. Disruption may occur in the product or process or the model. Collaboration to innovate was explained by using real world examples. They were Lego and P & G. Lego's patents have been expiring. They have started working with partners in different industries and creating toys via understanding the trends. P & G opened a website to get the feedback of customers and successful projects were implemented based on the comments obtained from the customers.

### **OUTCOME OF THE PANEL DISCUSSION**

Innovators have been unable to proceed further due to the financial issues. Inventors should not get involved in the supportive services such as marketing and administration. Those services should be provided for innovators and they should focus more on their core competence. The main requirements for innovators are mentoring and coaching. Crucial necessities of an innovator are confidence and motivation. Their failure should be applauded. Learning should be done from the failures. This is a social aspect and not included in the education system.

Role of a Chartered Accountant (CA) in innovation was deliberated. CA should understand the principles of finance such as risk management. In innovation, CAs are involved and it is a diversified process. A significant role is played by a CA who could either develop or kill the innovative concept. They play the main role in the budgetary process. Therefore, consideration to future generation is vital when an innovation is done.

Adequacy of investing in Research and Development (R & D) was discussed. At present, there is a trend to invest in R & D. Ideal number for R & D could not be stated. Incentive payments to employees should be linked with the innovative ideas that they bring to the company. Tax incentives are given to encourage R & D in Sri Lanka. Technology readiness levels should be established.

Causes for lagging to innovate in Sri Lanka were clarified. Support from the education system for innovation is problematic. Large companies should provide assistance to the young entrepreneurs. Less networking has also become a problem to lag in innovation. Open culture should be established in the country to collaborate for innovation. Sometimes people hesitate to share their ideas. Trust should be established and mentoring is essential for this purpose. International schools are forward in this aspect. There will be no shortcut for entrepreneurs.

Nurturing innovation was deliberated. Entrepreneurs should be nurtured. Culture will bring problems. Sri Lanka is in the right path for innovation. But the acceleration is needed. Fundamentals of collaboration to innovate were spoken. Collaboration should be executed in parallel with the innovation. Promoting process of employees should be constructed based on Key Performance Indicators where promotion will be awarded based on the contribution made to the projects of the company.

One plus one will make three. Therefore network makes more value. Open innovation is a facet to go ahead. There will be no any other option. Sri Lanka being a small country, should collaborate to compete.

## **CONCLUSION**

The purpose of the presentation was to explain how the activities of a business were disrupted as a result of innovation. Collaboration was the path to accomplish the success and sustainability. Empowered consumers, emergence of Gen-z and shared economy have caused to collaborate to innovate. Big data

analytics, 3D printing and robotics have become emerging technology trends. Transactional evolution has occurred from barter system to papers and then from debit cards and ATMs to e wallets. Venmo and FreshBooks have made day-to-day tasks of people and small businessmen easier and convenient.

Collaboration and innovation are crucial to survive in the market. Best examples are Lego and P & G. The main requirements for innovators are mentoring and coaching. The significant role played by a CA could either develop or kill the innovative concept. Incentive payments to employees should be linked with the innovative ideas that they bring to the company. Less networking has become a problem to lag in innovation in Sri Lanka. People should not hesitate to share their ideas. In this dynamic market, innovation within the company itself would not be sufficient and it is required to go for outsiders. Therefore, collaboration is the best solution in order to add value for the organizations.