

Australia Case Study



The IBM-Melbourne Institute Innovation Index

IBM is a company in transition from being the world's leading technology player to being considered a serious business partner focused on innovation. Innovation, an important platform for IBM, is a key driver of long-term economic performance, and is closely linked to and influenced by federal government policy.

Text 100 conceived The IBM – Melbourne Institute 'Innovation Index of Australian Industry' as a unique vehicle to focus on innovation in a real, economically meaningful way. Linking IBM to this index, as well as to its highly regarded authors, the Melbourne Institute, has helped shift IBM's brand from being a 'technology company' to being a 'business savvy company' participating in discussion and debate about business and the economy.

Q&A: WHICH WAY INNOVATION?

What are the latest and most comprehensive of innovation indices? As we've noted that the IBM-Melbourne Institute of Applied Economic and Social Research recently released the most comprehensive and accurate index of innovation activity in Australia today, it is, in effect, a must-read for the top executives in Australia over the next 12 years. The index reflects real-time, reliable, and, for the first time, more accurate measures of innovation than any regional, national, or global index. It is a key driver of long-term economic performance, and is closely linked to and influenced by federal government policy.

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THE AUSTRALIAN MAGAZINE FOR FAST GROWTH COMPANIES



where ideas & business meet

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AN IDEA OF PERFORMANCE

BUSINESS AND GOVERNMENT AGREE THAT INNOVATION IS A GOOD THING, BUT NO ONE IS SURE HOW TO MEASURE ITS VALUE.

STORY: TONY BLACKIE
PHOTOGRAPH: PHIL CARRICK

Glen Boreham
CEO, IBM AUSTRALIA & NEW ZEALAND

Know which way business is heading.

FEATURE: IIRM INNOVATION

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Michael Dickson, Treasurer, IBM Australia

Dr Elizabeth Wilshay, Chairman, IBM Melbourne Institute

www.afrc.com The Weekend Australian Financial Review

Index trains spotlight squarely on innovation



Innovation, the Productivity Commission tells us, is critical to Australia's growth and preparedness for emerging economic, social and environmental challenges.



And note, innovation does not have to be successful to be counted. Think of innovation as a risky investment.

The index base notes the behaviour of innovation activity (Union suspects that it is pre-cyclical, and that may explain the downturn in 2005). It may also alert governments to structural changes in the rate of innovation. And it could be compared with similar indices for other countries.

The index base notes limitations. For want of data, it excludes public sector activity, including the universities and research organisations that generate a great deal of innovation for the private sector. Some of this activity will be picked up by the industry index, but not all of it. The Melbourne Institute surveys also exclude small business, and therefore a lot of informal research and development and other innovation.

Still, I reckon Schumpeter would give it a tick.