

Good Governance as a Catalyst of Innovation

Presentation by:

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This Session



Part One

- ☐ The Theme
- ☐ Understanding the relationship between Corporate Governance and Innovation.
- ☐ The good and the bad: Cases.
- ☐ Where do we go from here?

Part Two

- ☐ Panel/Plenary conversations.

The Conference theme



‘Contemporary Governance: Aligning to Business Dynamics’

- ❑ Today, more than any other time before, organizations are operating in more complex, more dynamic, more munificent or otherwise environments;
- ❑ This calls for a ‘fit’;
- ❑ The ‘fit’ or ‘alignment’ requires strategic **thinking**;
- ❑ Therefore, **contemporary** CG structures must fit their organizations, delicately and diligently.

'We didn't do anything wrong but somehow we lost it...' **Ziyad Jawabra**



Plenary

□ What should contemporary corporate governance entail?

What should contemporary corporate governance entail?



- ☐ Ambidextrous organization;
- ☐ Internet of things;
- ☐ Emotional intelligence;
- ☐ Strategic leadership;
- ☐ Knowledge based Boards/organizations;
- ☐ Risk and change management;
- ☐ Embrace research, science and innovation.

Corporate Governance and Innovation



- ❑ Corporate governance is a system, by which companies are directed, controlled and power exercised in the management of economic and social resources;
- ❑ Innovation is translating ideas into valuable products or services. **Note;** innovation is not limited to technology...
- ❑ It is also disrupting old ineffective, inefficient ways to birth to new more efficient ones.

Corporate Governance and Innovation



- ❑ Firms with similar external conditions may show greatly different performance in innovation.
- ❑ The process through which individuals integrate their human and physical resources within the firm is central to the dynamics of corporate innovation.
- ❑ Traditionally, it was thought that creative destruction was a function of the size of the organization.

Corporate Governance and Innovation



- ❑ There are four dimensions that could explain corporate governance's impact on innovation:
 1. The control power of a firm's decision makers over resource allocation and these decision-makers' incentives to invest in the innovation Process (ownership structure/control);
 2. The ways through which corporations finance innovative production;
 3. Human capital (skills sets and WIIFM);
 4. Board composition and TMT characteristics.

Case Studies



Lenovo

Different is better





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The image shows a large, curved wall display at the National Diet Library. The display is organized into columns, with names and dates listed in a grid format. The text is printed in a light color on a dark background. The display is viewed from an angle, showing its curvature. The names and dates are arranged in a way that suggests a chronological or thematic sequence. The display is a significant feature of the library's interior, providing visitors with a comprehensive overview of the information presented.

A woman wearing a yellow dress and a black shoulder bag is standing in a line, looking down at something in her hands. She is positioned in the foreground of the frame.

Prof. Ruzhu Wang





An Industry collaborative Univ. Laboratory

上海交通大学制冷与低温工程研究所

Institute of Refrigeration and Cryogenics, Shanghai Jiao Tong University

先进能源技术与合作伙伴

★ 技术应用

中德绿色能源实验室是一座以“绿色能源”结合建筑应用为特色的绿色低碳建筑。主要目标是研究开发、验证具有可持续发展特点的一代建筑节能模式和新建筑能源系统及设备，实现建筑用能环节的低碳排放，同时构建国际化的绿色可持续能源技术的研究平台。实验室在技术上集成了国内外近20项先进的可再生能源、空气调节、楼宇控制及生态建筑技术。绿色能源实验室建有各种太阳能发电系统以及与之对应的各种太阳能空调（太阳能辐射空调、太阳能吸收式空调、太阳能除湿空调、太阳能光伏空调等）；采用各种热泵系统（空气源热泵、地源热泵、水源热泵、太阳能热泵、采用自然工质的热泵系统中心、干燥热泵除湿热泵、热泵热水器）作为供热和制冷手段；绿色能源实验室建设了基于微网立控的能源站空调、热泵采暖末端、辐射制冷和供热末端、小型蓄热式风热盘管末端、新风热空气热交换设备；还配置了分布式冷热电联产系统、储热和储电实验系统（新型热化学储热、相变材料储热、锂电池蓄电）、生物燃料发电、风光互补、智能微电网、楼宇能源管理系统以及节能环保监测、智能控制等实验条件。

基于绿色能源实验室的设计理念 and 构建，它获得了绿色建筑LEED金级认证，被业界认为是目前国际上功能最全、技术最先进的绿色建筑能源系统研究平台。



中德绿色能源实验室



LEED金级

★ 合作伙伴



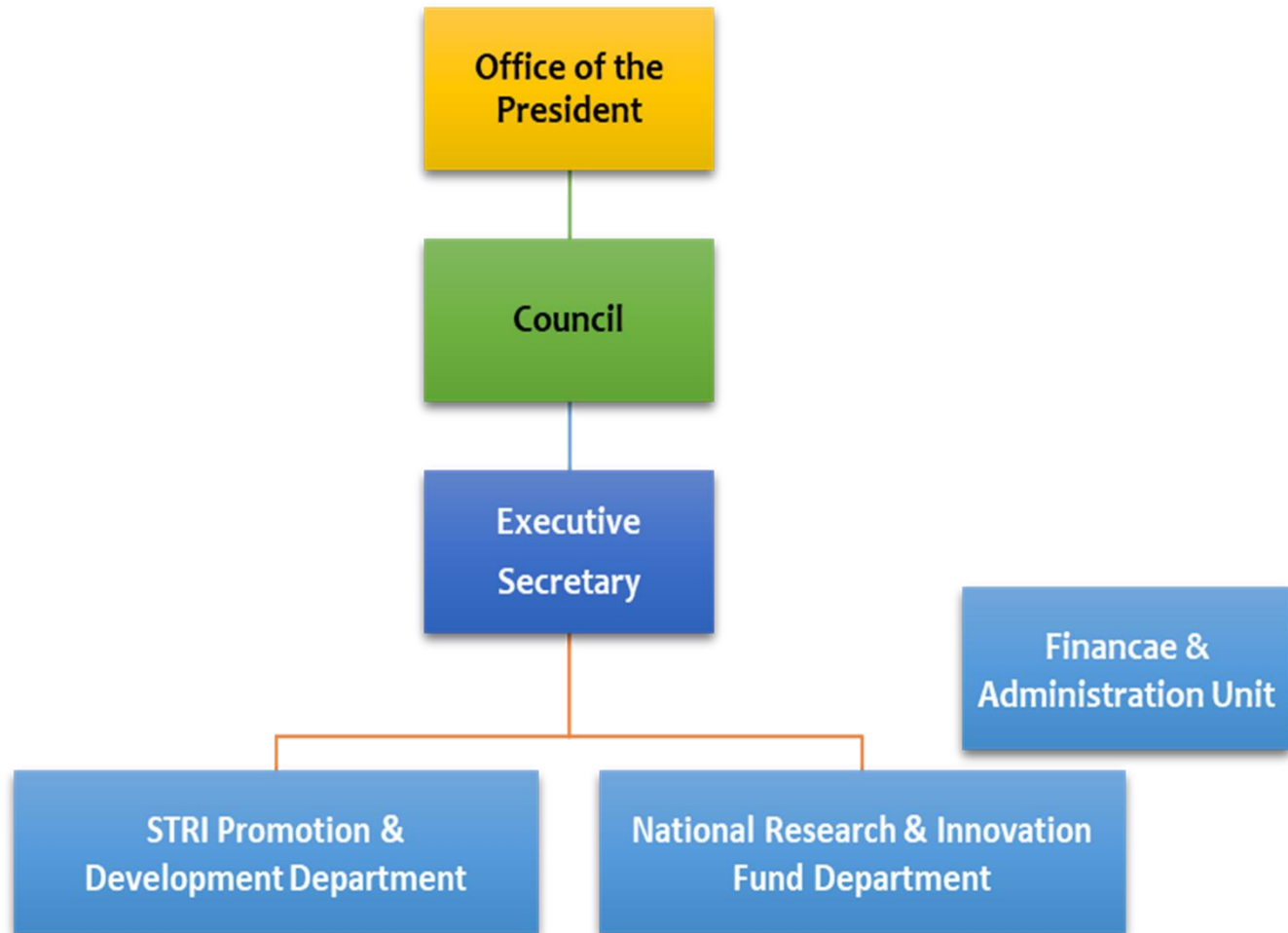
★ 国际大学和科研机构合作



- NTNU
- KTH
- University of Michigan
- UNSW
- NUS
- Purdue Univ.



Case Studies



Case Studies: China, South Korea and Israel



- ❑ What is successful CG practices are cross cutting in stellar innovation cases?
 1. Prioritization of national values/culture/sense of nationhood;
 2. Commitment of substantial resources to research, innovation;
 3. Academia-industry linkages;
 4. Conducive enabling environment for human capital to innovate.

In Kenya...



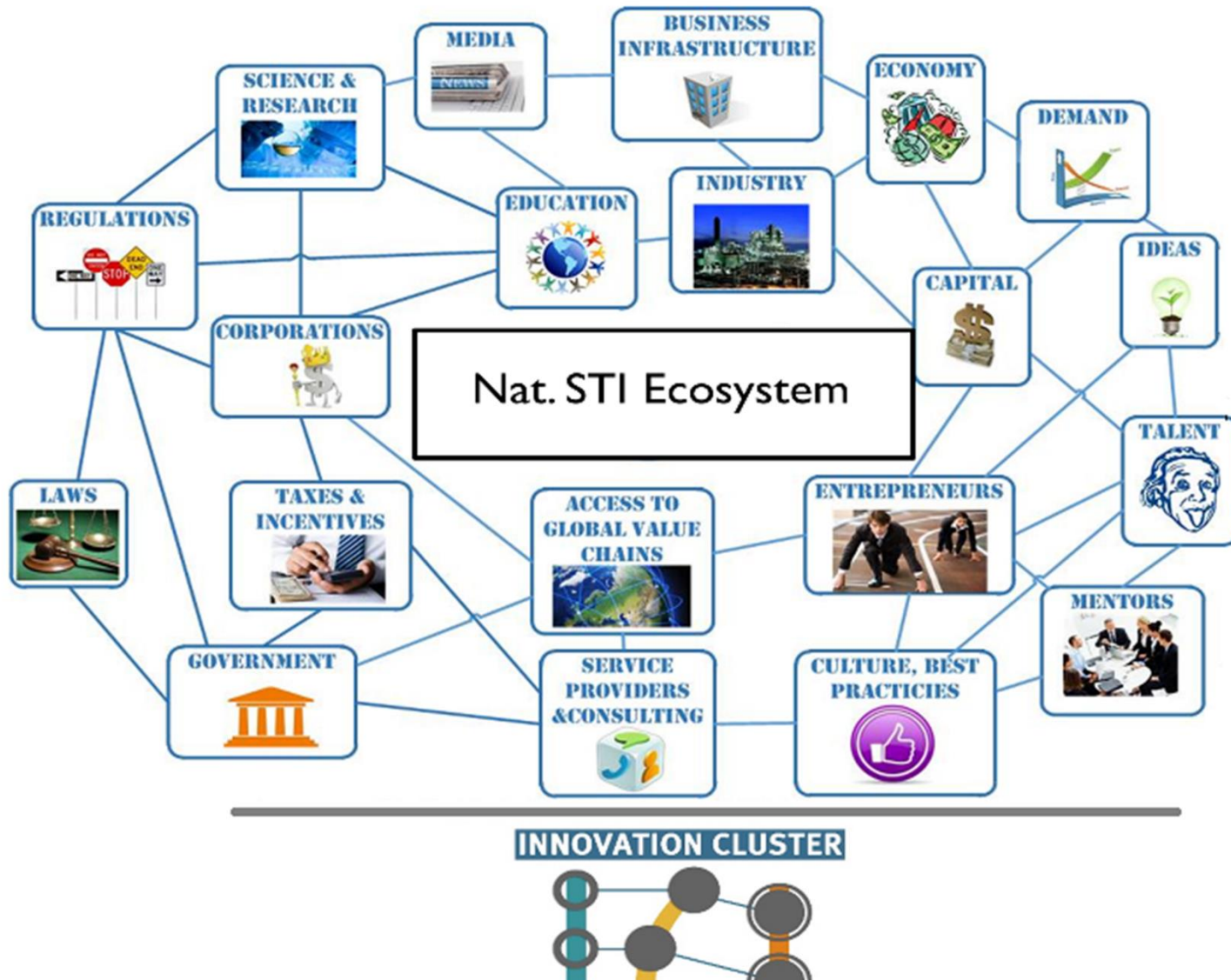
- ❑ There are innovations going on across the country across all sectors;
- ❑ Various institutions are deliberately collaborating to conduct research and innovate;
- ❑ Others, such as the University of Nairobi, through the innovation week are providing platforms for conversations and interactions of innovations
- ❑ Others have created incubation hubs;
- ❑ The national government has set up several agencies(NACOSTI, NRF, KENIA) to enhance research and innovation;

Where do we go from here?



- ❑ There is need for a sense of urgency,
- ❑ We do not have the luxury of time and resources,
- ❑ We need to leapfrog as a continent, as a country;
- ❑ Disruptive thinking is critical;
- ❑ ‘Good artists copy, great artists steal’ Steve Jobs
- ❑ ‘When you cant innovate, copy’ Harvard Business Review AKA the *Chinese method*.

Where do we go from here?



Where do we go from here?



Finally,

- ❑ The software corporate governance as a catalyst of innovation lies squarely in the national culture;
- ❑ For us to leapfrog as a continent, as a country, we must retool our entire national value system;
- ❑ We must create a governance culture that values research, innovation, creativity.



*Thank
You*

PART TWO



Panel/Plenary
conversations.