

Copycats or Innovators?

Non-R&D Based Innovation in SME in Laos

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Why care about non-R&D based innovation in SMEs?

Research & Development (R&D) is not the only method of innovating!

- Innovation also come from creativity, ingenuity, adaptation & improvisation (OECD, 2005 & 2015).
- Small and Medium Enterprises (SMEs) are the backbone of most Least Developed countries (LDCs).



Research Questions

1. What are the main sources of creativity, ideas & knowledge for non-R&D based innovation in SMEs?
2. What are non-R&D based innovation strategies? How do strategies influence SME growth?
3. What factors distinguish success from failure in non-R&D based innovation SMEs?



Why focus on SMEs in Laos?

One of fastest growing transition economies in SE Asia (World Bank, 2017).

- Laos is a LDC, comprising large number of SMEs in non-R&D-intensive industries.
 - SMEs account for 20% of GDP & employ 471,282 people or 82.18% of Laos's labour force.



Research Methodology

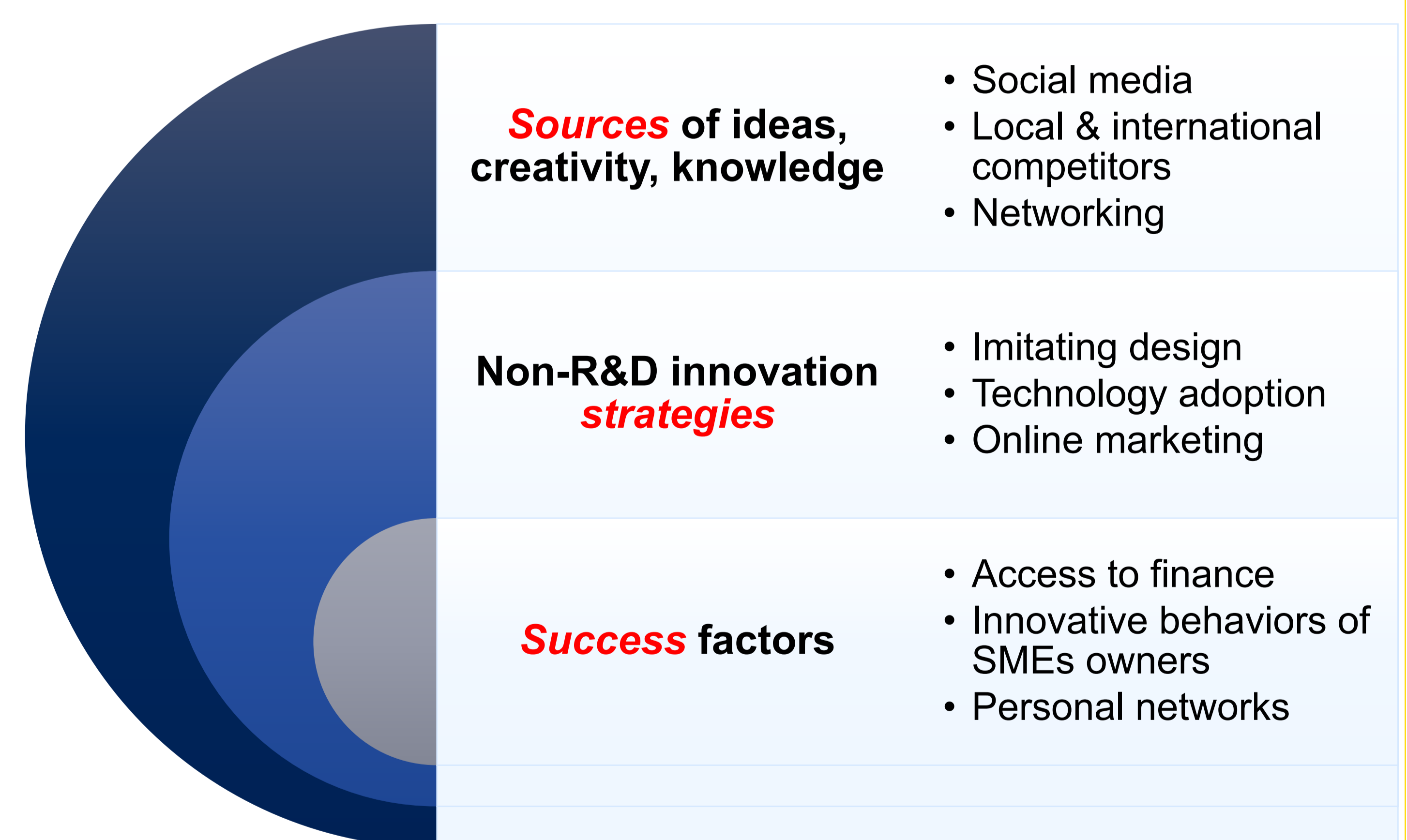
Thematic analysis on 47 interviews across SME ecosystem.

Research Problems

Policy-makers overlook differences between R&D & non-R&D innovation.

- Implications of research findings based on R&D innovation misleading when applied to SMEs who undertake no formal R&D.
- Research on non-R&D SMEs in LDCs attracts less attention & not well understood.
- SMEs from LDCs seen as '**COPYCAT**' rather than non-R&D innovators.

Findings



Who will benefit from this research?

- Non-R&D based innovation **SMEs** seeking to grow & increase competitiveness.
- **Policy-makers & development partners** who design & implement innovation policies & support systems to increase non-R&D based innovation, foster SME growth, translating into economic & social development.