Open Innovation through Crowdsourcing

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With the proliferation of Information and Communication Technology (ICT), open innovation based organizations have moved towards ICT enabled inbound open innovation practices. Nowadays organizations around the world have recognized the enormous capability and potential of crowds with their varied educational, socio-cultural professional backgrounds to enrich their innovation process. Now, let us understand what is crowdsourcing.

Crowdsourcing is a type of 'open innovation', which was coined by Jeff Howe, a journalist in his article in Wired magazine. Crowdsourcing refers to the process of harnessing the potential of a global pool of expert individuals and organizations, with varied educational and professional qualifications, who through a web-enabled platform in a cost-effective way develop and implement creative solutions to innovation challenges. As mentioned in Wikipedia, crowdsourcing is the process of obtaining needed services, ideas, or content by soliciting contributions from a large group of people, and especially from an online community, rather than from traditional employees or suppliers.

Organizations are now implementing crowdsourcing which is one type of model for open innovation. Activities right from the generation of an idea, and the development of the idea, to formulating the concept is being implemented through crowdsourcing. This in a way unleashes the potential of crowd to not only get involved in merely given ideas but also giving a shape to it so that it can be a part of the innovative process of the organization. Crowdsourcing harnesses the collective intelligence of the crowd.

Elements of Crowdsourcing

1. Crowdsourcer : A person managing the entire processing of crowdsourcing is a crowdsourcer.

2. Crowd : People who do the work are defined as crowd.

3. Crowd Platform : A platform on the internet where the contribution of the crowd is put and managed.

4. Communication Tool : A tool to communicate with the cloud. This could be done through the crowd-platform or through other tools using the internet.

One can also crowdsource without a crowd-platform and using other means of communication than internet. However, crowd-platform and communication tools using internet enables an organization to gather large crowds, which can also work in collaboration rather than in isolation.

Types of Crowdsourcing for Open Innovation

- ***Crowd Contests for Ideas :*** This is one of the most straight forward way of crowdsourcing for innovation. Say, you are building a website for your organization. You have prepared the prototype of the website, however you look of better ideas on how to enhance the functionality and look and feel of the website to facilitate the stakeholders. Thus what you do is you post the prototype of the website on the internet along with a request for proposals for the same. The members submit the proposal. You select the best and develop your website accordingly. You also give a prize to the best proposal/idea to award the individual from the crowd who created it. We Think is one such

portal, which organizes idea competitions on various issues [3]. Recently, the Ministry of Health and Family Welfare launched a contest on MyGov to crowd-source a name for the Swachhta Awards for Clean Public Health Facilities [4]. MyGov launched a contest for the Prime Minister's Mobile App on 4th March, 2015 in collaboration with Google. Over the period of the Ideation Phase of the contest (Phase-I), which was held between March 04 to March 23, 2015, over 9,000 entries were received.

- ***Microtasking Through Contests :*** Say if you need a solution to a specific problem. In this case also, you can ask the crowd to provide possible solutions to a specific problem. It is mostly found that the solutions provided by the diverse group may enable organizations to think differently and define business rules in different ways which might be the need of the hour.

Today online platforms such as TopCoder, Kaggle, and InnoCentive provide crowd-contest services. TopCoder is a company, which organises contests in computer programming. Useful and innovative software are being developed through crowdsourcing and the software is then licensed for profit by TopCoder. The competitors involved in the development of the software are paid royalties based on the sales of the software.

Kaggle is an online platform dedicated to competitions related to predictive modelling and data analytics. Companies and researchers around the globe post their data, and data miners and statisticians compete with each other to solve complex data science problems. Top competitors are also invited to work on the most interesting and sensitive business problems from some of the world's biggest companies through Masters competitions.

Innocentive is a another crowdsourcing company which commissions research and development problems as challenges and gives award to the person who provides the best solution to the problem related to the field of mathematics, engineering, chemistry, life sciences, computer science, etc.

As mentioned by Lakhani [8] some of the common approaches to crowdsourcing are Contests, Collaborative Communities, Complementors and Labour Market. Figure 1 explains the purpose, challenges and best use of the above mentioned approaches to crowdsourcing.

PICTURE

Crowdsourcing is considered as an Open Innovation tool which enables organizations to apply Open Innovation in their business processes. Some of the common elements of innovation crowdsourcing are for generating novel ideas and products, for the advantage of the organization and its improvement, for encouraging collaborative innovative communities, etc. Please share with us your ideas and experiences of applying open innovation strategies at your workplace.

Sources

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