MALAYSIA'S
PERFORMANCE IN
GE GLOBAL INNOVATION
BAROMETER 2013

Global Research Findings & Insights
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OVERVIEW

The GE Global Innovation Barometer, now in its third year, explores how business leaders around the world view innovation and how those perceptions are influencing business strategies in an increasingly complex and globalised environment. This year’s study examines what factors business believe to be drivers and deterrents of innovation and analyses specific approaches and policies that enable innovation and drive growth.

The Barometer is an international opinion survey of senior business executives actively engaged in the management of their firm’s innovation strategy. GE expanded the global study in 2013, surveying more than 3,000 executives in 25 countries. It is the largest global survey of business executives dedicated to innovation. The survey does not provide rankings, but provides an overview of innovation based on perception of the respondents.

HIGHLIGHTS OF THE REPORT

For the first time, Malaysia is included in the conglomerate’s Global Innovation Barometer, which is in its 3rd year. 44% of Malaysian respondents - in contrast to the global average of 30% - expressed that innovation would result in greater competition that would make the overall environment more challenging.

The survey also revealed that 85% of Malaysian businesses are increasingly looking at collaborative innovation, while over 88% believe that SMEs and individuals can be as innovative as large companies.

Below are the key findings of the survey in areas of confidence in innovation, localisation and higher education systems.
Malaysia’s Performance in

Localization becoming even more important to be successful

Average 20 markets 2012: 76%
Average 20 markets 2013: 84% (+8pts)

Confidence in higher education systems dips when it comes to preparing tomorrow’s innovators

Average 20 markets 2012: 61%
Average 20 markets 2013: 55% (-6 pts)

Q6.3 - Universities and schools provide a strong education model for tomorrow’s innovative leaders
KEY FINDINGS

The report also revealed some key findings as below:

i. **State of innovation**: The pace of innovation is challenging local economies, leaving business leaders conflicted between an appetite for globalisation and protectionist tendencies.

ii. **Partnership**: Collaboration is perceived as the key to increased business innovation success, with emerging markets embracing the collaborative innovation trend more strongly than western, developed economies. Access to new technology and the possibility to enter new markets are the biggest drivers of collaboration, while IP theft, lack of trust and fear of talent poaching are biggest deterrents.

iii. **Models**: Business model innovation is expected to play a larger role in business performance globally.

iv. **Policy**: Business's perception of innovation-related policy environments is declining globally. Business's call to action for governments: focus on talent and education, recude bureaucracy, protect IP and support development for stronger venture capital to better foster innovation. Sweden, Israel, Turkey, Saudi Arabia and Canada report weaker satisfaction about their policy environment than last year while perceptions improved in India.

v. **People**: Workforce preparation and talent mobility are the top concerns for global business leaders seeking to strengthen innovation.

METHODOLOGY

The survey was conducted among 3,100 senior business executives of whom 28% were from c-suite level. All respondents were directly involved in the innovation strategy or process within their company.

Average company size is 1,200 employees and average interview length is 38 minutes by telephone survey. The survey was conducted between October 22 and December 5, 2012 in 25 markets. The GE Global Innovation Barometer was conducted by StrategyOne, an independent research and consulting firm funded by GE.