Innovation Series 3: Innovation across Cultures

Details
Written by Prof. Scott Bellows

Kipchirchir formed a payment solutions company in 2010 based in Mombasa. He excitedly told clients about Mombasa as an idyllic place to locate a corporate headquarters with its ancient history, mix of cultures, and beautiful beaches all visible from his office window. Over a few short years, he expanded the business to serve markets from East Africa to South America to Southeast Asia.

As Kipchirchir grew his product offering, he decided to set up a satellite product development office to incorporate innovative new staff from a new region. He boiled down his choices to Hyderabad in India, Silicon Valley in the United States, or Shanghai in China. Each area offered positives and negatives. However, Kipchirchir’s main criteria entailed the creativity and innovation of the region.

Deliberating on his branch expansion, he conducted some research. The Global Innovation Index ranked China only at 29th in the world. India featured a dismal 81st in the ranking, only a few spaces ahead of Kenya’s 92 place finish. All but one of the top ten most innovative countries hailed from Europe and North America, with America at 5th place.

Kipchirchir wondered why the manufacturing hub of the world and the programming capital of the globe featured so poorly in the ranking. When Bloomberg compiled its own innovation index, it layered in education systems and amounts spent on research and development. The different type of indicators resulted in South Korea and Japan in the top slots with North American and European nations taking most of the next twenty places. Even Bloomberg ranked China poorly at 22nd and India did not even feature.

Kipchirchir contemplated the discrepancies among the economic powerhouses of the world. While Japan and the United States historically generated over 200,000 patents each year according to the World Bank, China had grown to over 700,000 annually filed patents. The world’s second largest country, India, only filed under 11,000 patents each year. So Kipchirchir eliminated India from consideration due to the lack of patents for such a large nation. Comparatively, Kenyans file around 120 patents each year. However, how could experts not consider China innovative? Kipchirchir preferred Shanghai due to lower set-up costs for a branch office.

Friends in the high-tech industry pointed Kipchirchir towards research that originated out of the University of Michigan and extensively tested and expanded by USIU-Africa. Some cultures naturally
support creativity and celebrate innovation, while others value the status quo, harmony, and not rocking the proverbial boat. Stunned by the cultural influence on innovation, Kipchirchir pulled the research and delved in to understanding the phenomenon.

Take an anecdotal snippet from the major Western versus Eastern religions. Christianity mainly spread during the time of the apostles due to the curiosity of Roman citizens throughout the Mediterranean. Roman culture developed from Greek cultural underpinnings. Greek traditions valued the pursuit of knowledge,questioning one’s surroundings and one’s own existence, and debating with one’s neighbors.

When the apostles traveled to the Greek-influenced cities, they took advantage of the Greek culture of welcoming foreign visitors to speak in their city centers and temples. Locals enjoyed gaining new perspectives, debating new ideas, and changing their opinions. The Apostle Paul in particular utilized Greek traditions to enter a city and speak and debate with its residents. Roman citizens and residents largely welcomed the discourse and thousands changed their minds. Usually only when the influence began to threaten the perceived political order in the cities did officials clamp down and impede Paul. So Christianity initially spread overtly all over the Roman world until later utilizing covert methods due to intense political persecution, scapegoating, or persecution entertainment.

Conversely, a religion could not have spread throughout the ancient Chinese Kingdoms in such a manner. Taoism and Confucianism developed as the dominant religions of ancient China. Taoism places enormous emphasis in harmony and balance. The concept of the Yin and Yang with good and evil coexisting in equilibrium, as featured prominently on the South Korean flag, comes from Taoism.

Confucianism taught an attitude toward one's environment of respect, especially respect for one's parents, teachers, and elders. Ancient Chinese Kings prized Confucianism and Taoism because the harmony encouraged citizens to accept the realities of life and focus on inward peace and oneness with one’s surroundings. Rulers felt that such principles would quell any temptations to dissent and threaten the political structures of the time. The concepts became even more important as socio-political wisdom. So dynasties themselves spread the religions as a means of keeping order.

Researcher Richard Nisbett uncovered that a culture’s innovation orientation largely stems from its ancient economic activity. Societies whose ancient economic activity stemmed from fishing developed more truth obsessed curious cultures while agrarian farming founded societies valued harmony and balance. The fishing societies did not need their neighbors’ assistance to conduct their activities while farming societies required their neighbors’ assistance during planting, harvest, drought, insect infestations, among other eventualities.

So Greece with its fishing economy encouraged debate while the Chinese kingdoms with their farming
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So through centuries of migration and cultural export, European, North American, secular Middle Eastern, and Australasian nations value innovation, challenging status quos, and creativity in their education systems, workplaces, and families. East Asian and Southeast Asian countries, on the other hand, incorporate respect, harmony, decency, and togetherness. New technologies historically originate more in the former but become copied or perfected and enhanced in the latter.

Business leaders must consider a culture’s orientation towards different desirable attributes when determining satellite expansion and new growth markets instead of merely looking into statistics. Read about Kenya’s cultural business orientation here.

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Professor Scott serves as the Director of the New Economy Venture Accelerator (NEVA) at USIU-Africa’s Chandaria School of Business, and may be reached on: info@scottprofessor.com or www.ScottProfessor.com, or follow on Twitter: @ScottProfessor.

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