

## **OPTIMIZING INNOVATION THROUGH PARTNERSHIPS**

### **Takeaways from the Innovation Workshop & Tour: A Quarterly Series at Plug and Play Tech Center**



Frost & Sullivan's latest **Innovation Workshop & Tour: A Quarterly Series** took place at the acclaimed Plug and Play business and technology center in Sunnyvale, California. Known as the ultimate innovation platform, the Plug and Play Tech Center connects startups with investors and offers a wide range of accelerator programs and corporate innovation services.

**Optimizing Partnership Engagement Strategy** was the theme of the two-day event, which included an Innovation Workshop, Insight Sessions at the Plug and Play Tech Center and a tour of Google headquarters, known as Googleplex.

#### ***MOVING FROM TRANSACTIONAL TO TRANSFORMATIONAL***

After a welcome and introduction from Saeed Amid, Chief Executive Officer, Plug and Play, headliner Cris Salinas, MD, Head of Industry Strategy, Healthcare and Life Sciences, Adobe, opened the Workshop with a session entitled **From Transactional to Transformational: Building High-Trust, High-Impact Partner Ecosystems**. As noted, startup tech organizations often rely on quick, transactional partnerships to scale – but these rarely unlock long-term value. Salinas explored how to shift toward transformational ecosystems rooted in trust, shared purpose, and co-innovation to accelerate growth and create sustainable competitive advantage.

#### **Key insights included:**

- One right partnership can change the trajectory of the business.
- There must be a reality check to understand gaps. This will help in aligning new partnerships and can be evaluated by factors such as:

- Transaction versus transformational.
- Time horizon: quarter or multi-year portfolio of bets, one-time or recurrent?
- Information sharing – quarterly or roadmaps / telemetry / shared metrics.
- Value creation – sell through (individual prospect) or co-creation/ co-innovation (partnership)?
- Ecosystems are core to growth, innovation, and agility.
  - Instead of seeing the ecosystem as just “partners,” think of it as a growth accelerator.

### ***BUILD, BUY OR PARTNER?***

Next, Lutz Beck, Chief Information Officer, Daimler Truck North America, led an Executive Insight session, **Build, Buy or Partner: Making the Case for Technology Advancement**. Lutz shared strategic approaches to accelerate technology adoption and advancements through building, buying, or partnering. Participants left with actionable insights to help them evaluate options, optimize investments, and align technology decisions with business priorities.

As stated, we are currently operating in rapidly changing market environments magnified by accelerating technological advancement (AI, automation, data platforms); increasing cost pressure and creating a heightened demand for speed. At the same time, ~65% of digital transformation initiatives fail to meet objectives and organizations need to move up to 40% faster to stay competitive.

### **Recommendations:**

- **BUILD** where differentiation matters, or the product is necessary, or it includes customization or is customer facing. This includes proprietary things, algorithms, analytics and decision engines.
- **BUY** where capability is standardized. Buy is applicable when the business must acquire something that is already proven. Or, if speed and non-differentiated functionalities are needed.
- **PARTNER** where innovation requires ecosystem scale or involves fast-moving tech. Partner when scope/ investment cannot be accomplished by the enterprise alone.

The most successful organizations do not default to one model — they intentionally design a portfolio approach aligned to strategic rationale, application area, and risk profile.

## **CO-INNOVATING WITH STARTUPS**

Greg Horowitz, Director of Innovation, UC San Diego, moderated a robust panel discussion with industry leaders from agriculture, technology, consumer products and other sectors in a **Panel Discussion: Co-Innovating with Startups – From Inception to Success**. Panelists explored how startups bring unique strengths such as agility, innovation, and risk-taking to the table, while diving into best practices for aligning goals, navigating cultural and operational differences, and ensuring strategic fit.

### **Key takeaways:**

- ✓ Startups are a wonderful source of innovation but can be unpredictable.
- ✓ They often speak the language of ideas rather than the language of the market.
- ✓ The market must ultimately determine the viability of their innovation.

### **The panelists shared some of the ways their company's approached innovation:**

- ✓ Being organized is important, we have a ten-year plan. Teams are assigned to specific areas so they gain an in-depth understanding of the market and the innovation(s) needed.
- ✓ We have employees and areas focused on in-house innovation. Some employees are in-house experts for defined areas.
- ✓ We collaborate with the government on innovation. We dig deeper into core technologies that we like.
- ✓ We focus on quality and the customer. Delivery can be a problem – we are looking at technology to help with labor issues.

### **Types of partnership - formal versus informal**

- ✓ We build informally first; we go out into the field to see what startups are doing. We also try to understand what academicians are saying. Not transactional, but relational. We also collaborate virtually online.
- ✓ We look for applied R&D - delivering service by lowering costs. We leverage new tech to solve problems.
- ✓ We monitor the market and try to anticipate what will happen, what we might need to leverage and scale.
- ✓ We are involved in startups in universities, allocating time and resources there.

### **Navigating the innovation roadmap**

- ✓ Key question: *How close to "perfect" does the product have to be before you can start working with it?*
- ✓ We look for early-stage companies, emerging technologies, sometimes they can become competitors or get acquired.
- ✓ Through venture activities, we look at different technologies and different companies.

- ✓ We invest in different companies; we don't focus on innovation alone.
- ✓ We have a 15-year road map – per leadership, we focus on things we want to see and then work backwards. This helps executives to think outside the box.
- ✓ We are changing our process. We now have a global innovation group – people from different areas and a group of 150-180 people who are from different fields.
- ✓ We are trying to get back to basics, addressing core problems, looking for solutions, and avoiding technology for technology's sake. AI cannot be forced into everything.

## **DESIGNING SCALABLE PARTNERSHIPS**

In her Capstone session, **Designing Scalable and Adaptive Partnerships**, Elaine Barsoom, Former Global Head, Tech Innovation Partnerships & Strategy, Nike, presented a human-centered, AI-informed approach to partnership design, drawing on frameworks developed across her enterprise-scale transformation work at Nike, American Express, and Airbnb.

Barsoom began with this: If every organization has access to the same AI models, competitive advantage no longer comes from the technology itself. It comes from how intelligence is woven into people, process, and culture. The shift is from automation to co-intelligence, where AI functions as a collaborator rather than a tool.

### **The Measurement Gap**

Most organizations track innovation outputs—pilots launched, partnerships signed, demos completed—rather than the indicators that *actually predict* whether innovation will scale. The metrics that matter operate at a different level: How fast does an assumption become a decision? Is the team learning or just executing? Is decision quality improving over time? When organizations measure activity instead of learning velocity, they optimize for motion rather than progress—and partnerships stall in the space between pilot and production.

### **The WAVE Framework**

A set of principles for designing partnerships that hold up under real operational pressure:

- **Woven into Workflow:** Intelligence embedded directly into the flow of work, supporting real-time decisions where judgment is required—rather than existing as a separate tool.
- **Adaptive over Time:** Humans and AI learn together. Value is continuously created and refined as technology evolves and teams adapt their usage.
- **Value through learning:** Value compounds when information flows freely, decision-making improves, and both people and systems grow together.
- **Empowered humans:** AI should empower, not intimidate. Teams are encouraged to experiment, build confidence, and collaborate with AI thoughtfully.

## **The Startup-Corporate Collaboration Challenge**

A recurring theme was the specific difficulty of startup-corporate partnerships. Innovation teams inside large companies are effectively running internal startups—building pipeline, selling change to stakeholders who didn't ask for it, navigating procurement cycles, and gathering buy-in from decision makers. When external partnerships are layered on top of that internal complexity, the challenge compounds. Partnerships fail not because the ideas are bad or the partners are wrong, but because the operating models, governance structures, and measurement frameworks weren't built for how innovation actually works. The failure point is consistently between strategy and execution.

In addition to these plenary sessions, **The Innovation Workshop & Tour: A Quarterly Series** included several Case History and Roundtable breakout sessions on topics including **Driving Internal Adoption: Going Beyond Proof of Concept by Ensuring Core Business Support** and **The Innovation Dashboard: Metrics that Matter**, to name just some.

### ***NEXT INNOVATION WORKSHOP IN PALM BEACH GARDENS, FLORIDA***

To learn more or to register for our next Workshop, *Structuring Operating Models that Accelerate Innovation Impact* at the Carrier Center for Intelligent Buildings in Palm Beach Gardens, Florida on May 13th, click [here](#).

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