Parallel Sessions

These sessions represented a new, three-part approach to interaction within the RE$EARCH Money conference. A panel introduced some of the current challenges to be addressed by a given theme (driving innovation for Strand A and promoting investment in innovation for Strand B); then participants broke up into groups to consider the nature those challenges and what priority should be assigned to each one. Finally, each group reported back on their conclusions to the group as a whole. Those conclusions would provide the foundation for the next day's set of parallel sessions, which dealt with specific strategies to tackle those challenges.

Strand A: Driving Innovation through Canada's natural resources advantage

Facilitator:

Anne-Marie Thompson, Director of the Energy, Environment and Resources Division, Research Partnerships Directorate, NSERC

Panelists:

Gary Bunio, General Manager, Technology & Development, Suncor
JP Gladu, President & CEO, Canada Council for Aboriginal Business
Lola Piché, Director of Technical Services & Innovations, North Rim

Piché introduced her firm as being primarily a consulting firm that works with exploration enterprises dedicated to oil, gas, potash, and uranium. She noted that the high costs associated with such work leads to risk aversion, which holds back many projects and compromises the health of this part of the mining sector. She also highlighted human resources as one of the leading concerns for the health of this industry, reflecting demographic shifts that are resulting in a shortage of expertise. This has led to initiatives such as workshops designed to attract new people into this business. Finally, many of North Rim's clients want quick fixes to immediate problems, which prompts her to look outside of their industry to solutions that have worked elsewhere. "Most of the traction that we're getting on R&D is coming in the areas of safety and environment for joint collaboration between industry partners, in which case they can leverage off existing programs."

Bunio distinguished three types of technology: continuous improvement, operational, and strategic. While innovative activities take place under all three definitions, the first two work within existing business paradigms while the third can launch disruptive changes. "We've found that people who are good at one aren't good at the other. If you lump everyone together and just talk about innovation it just makes it harder to innovate." He also pointed to a fundamental change in the dynamics of innovation that took place over the course of the 20th century, which started with activities undertaken primarily by major corporate players to a more theoretical process that is primarily pursued by much smaller companies. These firms regularly approach larger interests like Suncor in an attempt to sell their innovations, but many of them do not necessarily understand what is needed or wanted in the way of innovation. "How do we engage the ecosystem in a way that we can fundamentally get at some core physical problems in our business? We've been working for years now on how to agree amongst ourselves what the core business is and what the major challenges are and then go out and engage people that we think can help."

Gladu compared the state of aboriginal businesses in Canada to that of a ping-pong ball being bounced between federal and provincial paddles, whereby competing and often conflicting jurisdictions make it difficult to set a consistent strategy. "Business innovation has had to spawn from this lack of certainty," he said, adding that aboriginal populations can be found around most resource sector projects. "You don't have to look far to understand that if you do not have certainty with aboriginal communities, your projects risk failure." His organization has therefore established a program to help businesses align their interests and practices with those of these communities, so as to avoid legal conflicts and help everyone get on with the goal of developing the country's natural resources.

Piché added that the seasonal budgetary cycles associated with resource exploration and development is complicated by delays in obtaining funding from various sources.

“There’s so many moving pieces that it could end up delaying potential research projects by as much as two years just to get them started,” she said.

Gladu cited as a further challenge the need to address some of the well-known social problems facing many aboriginal communities in ways that would allow members of these communities to contribute to the country’s tax base rather than being supported by it. “It would be really interesting to see the investment dollars that we’re putting into things like immigration, when we’ve got this great work base here, and see what kind of innovative programs we can establish to support the development of our people into the asset column, which is going to improve the balance sheet of Canada.”

Bunio concurred with Gladu’s observation, noting that his personal experience of working in the north was that projects succeeded when interests aligned. Unfortunately the process of discerning those interests takes time and careful listening to different perspectives; this task is often abandoned in the face of deadlines and general impatience, so that clumsy, incomplete solutions are forced to suffice. “The innovation ecosystem takes a heck of a lot of work. It’s a bit like bamboo: you’re going to work for six months with companies and have nothing to show for it. That’s very disheartening, and yet those relationships are something you really need to work on.”

Following the separate discussions that took place at various tables, this list of challenges emerged:

• identify early adopters to innovative technologies and services
• managing the procurement process from an SME perspective
• understanding industry needs
• creating partnerships that encourage collaboration leading to innovation
• access to risk capital
• building, maintaining or regaining public trust
• matching the education system to the business culture
• risk aversion that leads to poor adoption of innovation
• aligning industry needs with research investments and opportunities
• establishing a prescriptive regulation environment

With regard to building worthwhile partnerships, Bunio argued that honesty and humility go a long way. “At some fundamental level, you have to get over your fear of looking dumb to be truly innovative,” he said. Piché added that such efforts are often undermined by territoriality, whereby individuals or organizations cling strongly to particular projects and their activities, to the detriment of true collaboration.

Bunio also insisted that risk aversion is not the overwhelming obstacle that it is sometimes portrayed as being. “I have yet to see the industry not jump on a bona fide

good idea that has come out of left field," he said. "If you come up with a good idea, they're on it — there's no question. And most of them will take the time to understand what the developer or entrepreneur is trying to do."

Piché disagreed, pointing to regulations surrounding best practices in the resource exploration sector that serve to keep most businesses conservative and unwilling to diverge from current approaches to the work. "You want to do things the same as everybody else but have a neat sales pitch that will help you attract investment," she said. "It actually is stifling to innovation at that level."