LUXEMBOURG
21-23 SEPTEMBER
INNOVATION
FOR FINANCIAL
SERVICES SUMMIT
Dear Delegates,

We are delighted to welcome you to the first edition of the “Innovation for Financial Services Summit” during which you will exchange knowledge and experience in a field that is a requirement for continuous growth and competitiveness of the leading sector of Luxembourg economy. Financial services, and related service activities, represent a major component of our economy, and sustainable innovation in this sector undoubtedly deserves the attention and collaboration of many private and public actors, including public research and innovation centers as well as academic research institutions.

Relying on its competencies in organisational management, process innovation, and in ICT research, the CRP Henri Tudor launched already some years ago its programme “INNOFinance” designed to initiate and run projects pertinent to promoting and supporting the efficiency and growth of the financial sector in Luxembourg. Today this initiative is fully in line with one of our three strategic missions that is to strengthen the innovation capabilities of both the private and public sectors in Luxembourg.

The management of operational risks and outsourcing, the fight against money laundering, the new challenges of archiving and dematerialisation, as well as the growing development of socially responsible and alternative investments are all examples of the categories upon which the research of “INNOFinance” is focused. Accordingly, this event comes as a continuation of our effort to raise awareness on the role of science-based innovation in the financial sector not only in Luxembourg but also in a wider international context. Our purpose is also to stress the benefits that economies may reap from sustainable innovations in the sector, discuss the challenges facing financial innovation and propose the measures needed to overcome these challenges.

This first Summit on Innovation for Financial Services gathers academics and experts from Luxembourg and from other countries to share their multidisciplinary knowledge and experience in the field of financial innovation. Through the pool of knowledge and expertise resulting from this gathering, the CRP Henri Tudor illustrates its participation in bringing about a positive impact to the social and economic structure of Luxembourg.

Again, on behalf of the CRP Henri Tudor and our partner in organizing this event, the International Society for Professional Innovation Management (ISPIM), we would like to welcome you to Luxembourg and wish you successful and fruitful discussions.

Marc Lemmer  Anne-Laure Mention
CEO  Head of Research Unit, INNOFinance Program Manager

Dear Delegates,

Welcome to The Innovation for Financial Services Summit. This is the first in what we hope will be a series of events for specific industries and issues within the broader field of innovation management, which is already covered by our annual Conference and Symposium.

We would like to take this opportunity to introduce you to ISPIM and our activities. ISPIM - The International Society for Professional Innovation Management is a network of researchers, industrialists, consultants and public bodies who share an interest in innovation management. Formed in 1983 by Professor Knut Holt in Norway, ISPIM now has around 500 members from 52 different countries. ISPIM is the oldest, largest and most active innovation association in Europe.

ISPIM participates in research projects and produces scientific and educational material and events to help people understand how individuals, organisations and society can be better organised to create and distribute new products, services and processes to make the world a better place.

The next two ISPIM events are:

The 4th ISPIM Innovation Symposium - Managing Innovation for Sustained Productivity: Creating Advantage and Resilience – which will be held in Wellington, New Zealand on 29 November - 2 December 2011 – see www.symposium.ispim.org

The XXIII ISPIM Conference – Action for Innovation: Innovating from Experience – which will be held in Barcelona, Spain on 17-20 June 2012 – see www.conference.ispim.org

To mark the occasion of this first themed event, we will offer all delegates complimentary membership of ISPIM until the end of 2011. You will receive an invitation by email following this event and we do hope that you will become part of the ISPIM family.

Wishing you a successful stay in Luxembourg,

Iain Bitran  Steffen Conn
Executive Director  Operations Director
PROGRAMME

WEDNESDAY, 21ST SEPTEMBER 2011

Venue: BGL BNP Paribas, 50 Avenue J.F. Kennedy, L-2951 Luxembourg-Kirchberg. Free parking is available in BGL BNP Paribas “Parking clients” on Hackin Street (perpendicular to Kennedy Avenue)

from 1730 DELEGATE REGISTRATION

1800 – 1830 WELCOME ADDRESSES

Carlo Thill
CEO
BGL BNP Paribas

Marc Lemmer
CEO
Public Research Centre Henri Tudor

1830 – 2000 WELCOME COCKTAIL

Delegates are invited to an informal cocktail reception hosted by BGL BNP Paribas.
Dress Code: Smart casual (i.e. ties not required)
THURSDAY, 22ND SEPTEMBER 2011

Venue: Public Research Centre Henri Tudor, 29 Avenue J.F. Kennedy, L-1855 Luxembourg-Kirchberg

DELEGATE REGISTRATION from 0830

OPENING PLENARY SESSION
Room: Metz-Nancy - Moderated by Anne-Laure Mention

0900 – 0910 Welcome Address: Anne-Laure Mention
Head of Research Unit, INNOFinance Program Manager
Public Research Centre Henri Tudor

0910 – 0925 Opening Address: Ernst-Wilhelm Contzen
Chairman
Luxembourg Bankers Association (ABBL)

0925 – 0940 Opening Address: Anouk Agnes
Director Strategy
Luxembourg for Finance

0940 – 1005 Keynote: The future of open innovation
Marko Torkkeli
Professor - Lappeenranta University of Technology

1005 – 1030 Keynote: What is Innovation in the banking industry and how to foster it?
Ian Poinsenet
Head of Innovation, KM and Strategic Intelligence - BNP Paribas

PLENARY SESSION CONT.

1100 – 1130 Keynote: From complexity to client centricity with simple, smart service
Srini Giridhar
Banking Lead, IBM Institute for Business Value, IBM

1130 – 1230 Panel Discussion: Innovation Through ICT
Room: Metz-Nancy
Moderated by Nicolas Buck
CEO - Victor Buck Services

Panellists:
Fergal Carton
Senior Researcher
Financial Services Innovation Centre

Marc Hemmerling
President
XBRL Europe

Vincent Villers
Partner (Advisory) & IT Consulting
(Financial Services) - PwC Luxembourg

Srini Giridhar
Banking Lead, IBM
Institute for Business Value

Jean-Marc Verdure
Director of Information Technology and Organisation
EFA

1230 – 1400 NETWORKING LUNCH
The Last Supper, 33 Av. J.F. Kennedy, (a five-minute walk from CRP Henri Tudor)
### 1400 – 1430 LUMINARY SESSION ON ICT-INDUCED INNOVATIONS

<table>
<thead>
<tr>
<th>Presenter</th>
<th>Topic</th>
<th>Room</th>
<th>Moderated by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alexandre Giros</td>
<td>Social Networks and Financial Services – Case-study of Hopee.com</td>
<td>Metz</td>
<td>Dieter De Smet</td>
</tr>
<tr>
<td>Robert Glaesener</td>
<td>The “Luxembourg Fund Monitor” for tracking the fund industry in online news and social media</td>
<td>Téléformation</td>
<td>Bertrand Grégoire</td>
</tr>
<tr>
<td>Philippe Danks &amp; Vincent Raucoix</td>
<td>Add a new dimension to your client relationship with Twitter</td>
<td>Nancy</td>
<td>Iain Bitran</td>
</tr>
</tbody>
</table>

### 1430 – 1600 PARALLEL SESSIONS & WORKSHOP

<table>
<thead>
<tr>
<th>Session 1A: Open &amp; Collaborative Innovation</th>
<th>Session 1B: ICT-enabled Innovation</th>
<th>Session 1C: Customer Innovation</th>
<th>Interactive Workshop:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room: Metz, Moderated by Marko Torkkel</td>
<td>Room: Téléformation, Moderated by Marc Hemmerling</td>
<td>Room: Nancy, Moderated by Anne-Laure Mention</td>
<td>How to value the customers’ voice to innovate?</td>
</tr>
<tr>
<td>Andrey Martovoy &amp; Jennifer Dos Santos</td>
<td>Fahad Zahid: Mobile financial service: Impediments and incentives</td>
<td>Pamela Vastardis &amp; Henrietta De Souza: Feelings you can bank on</td>
<td></td>
</tr>
<tr>
<td>Dirk Lorré: What if Apple designed a product?</td>
<td>Sergey Yablonsky: E-finance innovation services in Russia</td>
<td>Claudia Kaefer &amp; Michael Merker: The WOW effect: Mental models in the banking sector</td>
<td></td>
</tr>
<tr>
<td>Saleh Al-Sharieh: The role of patents in protecting financial innovation</td>
<td>Fergal Carton: Customer value in banking: The case of mobile payments</td>
<td>Alex Durand: Contingent valuation of electronic safe-deposit box service in Luxembourg</td>
<td></td>
</tr>
</tbody>
</table>

### 1600 – 1630 COFFEE BREAK

### 1630 – 1800 PARALLEL SESSIONS & WORKSHOP

<table>
<thead>
<tr>
<th>Session 2A: Economic Crisis: Antecedents &amp; Consequences</th>
<th>Session 2B: Managing Risks in Financial Innovation</th>
<th>Session 2C: Tools &amp; Methods to Support Organizational Innovation</th>
<th>Interactive Workshop:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room: Metz, Moderated by Peter Claey, Karl-Erik Sveiby, Karl-Erik Sveiby</td>
<td>Room: Téléformation, Moderated by David Hagen, Antoine Pierre &amp; Corentin Vermeulen: Resources: Drivers of the operational risk management performance?</td>
<td>Room: Nancy, Moderated by Steffen Conn Sybren de Kinderen: Strategy-based bundling of B2B services: The computational PUSSLES approach</td>
<td>Open services innovation in a bank: How to get and absorb ideas from other sectors?</td>
</tr>
<tr>
<td>Karl-Erik Sveiby: Innovation and the global financial crisis: Consequences of incompetence</td>
<td>Frédéric Flament: Portfolio risk computation when prices are missing or not informative</td>
<td>Chris Storey: The adoption of project portfolio management by financial service firms</td>
<td>Hans-Gerd Servatius</td>
</tr>
<tr>
<td><em><strong>Best Paper Award Nomination</strong></em></td>
<td></td>
<td><em><strong>Best Paper Award Nomination</strong></em></td>
<td>Management Systems Network</td>
</tr>
<tr>
<td>Murk Peutz: Financing growth and innovation in SMEs since the crisis</td>
<td></td>
<td></td>
<td>Room: Namur-Virton</td>
</tr>
<tr>
<td>Veasna Khim: The strategies of mutual fund family in financial crisis</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### SUMMIT DINNER AT CHÂTEAU DE BOURGLINSTER

1915: Departure from Luxembourg-Kirchberg (Melia hotel) to Bourglinster by coach
1945: Wine Tasting presented by Abi Duhr, oenologist and winegrower
2045: Dinner and Best Paper Award
2315: Departure to Luxembourg-Kirchberg (Melia hotel) by coach

Venue: Château de Bourglinster, 8 Rue du Château, L-6162 Bourglinster. ([www.bourglinster.lu](http://www.bourglinster.lu))
Dress Code: Smart casual (i.e. ties not required)
FRIDAY, 23RD SEPTEMBER 2011

Venue: Public Research Centre Henri Tudor, 29 Avenue J.F. Kennedy, L-1855 Luxembourg-Kirchberg

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speaker</th>
<th>Affiliation/Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>0900 – 0920</td>
<td>Welcome Address: Innovation and consumer protection</td>
<td>Charles Muller</td>
<td>Deputy General Director - Association of the Luxembourg Fund Industry (ALFI)</td>
</tr>
<tr>
<td>0920 – 0945</td>
<td>Plenary Speaker: The Risk Sharing Finance Facility (RSFF)</td>
<td>Marc D’hooge</td>
<td>Deputy Head of Division, New Product Development, European Investment Bank</td>
</tr>
<tr>
<td>0945 – 1000</td>
<td>Plenary Speaker: Business angel investing as a source of finance for European start-ups</td>
<td>Claire Munck</td>
<td>Managing Director, EBAN</td>
</tr>
<tr>
<td>1000 – 1015</td>
<td>Plenary Speaker: The future of finance lies in innovation</td>
<td>Cyril Demaria</td>
<td>Professor at HEIG-VD &amp; Chief Investment Officer - Tiaré Investment Management</td>
</tr>
<tr>
<td>1015 – 1030</td>
<td>Plenary Speaker: Financing Innovation: Business case Mobey</td>
<td>Jean-François Kroonen</td>
<td>Partner (Corporate Finance) &amp; Advisory Leader - PwC Luxembourg</td>
</tr>
</tbody>
</table>

1030 – 1100 COFFEE BREAK

PLENARY SESSION ON FINANCIAL REGULATION
Room: Metz-Nancy – Moderated by Jean-Jacques Rommes

<table>
<thead>
<tr>
<th>Time</th>
<th>Keynote: The changing structure of financial regulation in Europe</th>
<th>Mark Thatcher</th>
<th>Professor in Comparative and International Politics - London School of Economics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1100 – 1130</td>
<td>Panel Discussion: Regulation-induced Innovation</td>
<td>Hermann Beythan</td>
<td>Partner (Investment Management Group) - Linklaters LLP, Luxembourg</td>
</tr>
<tr>
<td>1130 – 1230</td>
<td>Panellists:</td>
<td>Claude Hirtzig</td>
<td>Director - BCEE-Asset Management</td>
</tr>
<tr>
<td>1230 – 1400</td>
<td>Networking Lunch</td>
<td>Benoit Sauvage</td>
<td>Adviser, Financial Markets Regulations - Luxembourg Bankers’ Association (ABBL)</td>
</tr>
</tbody>
</table>

1230 – 1400 NETWORKING LUNCH
The Last Supper, 33 Av. J.F. Kennedy, (a five-minute walk from CRP Henri Tudor)
<table>
<thead>
<tr>
<th>Time</th>
<th>Session/Panel Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1400 – 1430 LUMINARY SESSIONS</td>
<td><strong>Simon Schneider</strong>&lt;br&gt;CEO&lt;br&gt;OmniCompete&lt;br&gt;<strong>Revolution by ideation - using the Prize Fund model to crowd-solve the world’s Grand Challenges and finance innovation</strong>&lt;br&gt;<em>Room: Metz</em>&lt;br&gt;Moderated by Marc D’hooge</td>
</tr>
<tr>
<td></td>
<td><strong>Peter Van Crombrugge</strong>&lt;br&gt;VP, Chief Analytics Officer&lt;br&gt;INTELLI+&lt;br&gt;<strong>Technology Innovation for Compliance in the Financial and Insurance Sector</strong>&lt;br&gt;<em>Room: Téléformation</em>&lt;br&gt;Moderated by Benoît Sauvage</td>
</tr>
<tr>
<td></td>
<td><strong>Mark Notschaele &amp; Nick Frank</strong>&lt;br&gt;Vice President Project Management Office, CETREL &amp; Co-founder,&lt;br&gt;Product Service Innovation&lt;br&gt;<strong>Technology Innovation in the Financial Services Market - Creating focus and clarity, before starting the journey to results</strong>&lt;br&gt;<em>Room: Nancy</em>&lt;br&gt;Moderated by Steffen Conn</td>
</tr>
</tbody>
</table>
| 1430 – 1600 PARALLEL SESSIONS & WORKSHOP | **Facilitated Sessions (Each presenter has 20 mins to present and 10 mins for Q&A)**
| | **Session 3A:**
| | **Alternative Financing & its Value Chain**
| | *Room: Metz*
| | Moderated by Christian Descoups
| | Emanuela Vartolomei: The open book on financial innovation
| | Slim Turki: Understanding the SRI: Stakeholder’s value exchange
| | Corentin Vermeulen & Anne-Laure Mention: Sustainable finance: Collaborative innovation improving confidence towards SRI funds |
| | **Session 3B:**
| | **Regulation-induced Innovation**
| | *Room: Nancy*
| | Moderated by Mark Thatcher
| | Leona O’Brien: Regulatory response to the financial crisis in the European Union
| | Dieter De Smet: Regulation-induced innovation: Case study of the UCITS directive in Luxembourg
| | Ricardo Viera: Transparency And traceability for financial institutions: MiFID and record-keeping |
| | **Interactive Workshop:**
| | **Our legal structures help you innovate in Luxembourg**
| | **Thibaut Partsch**
| | Partner (Investment Management)<br>Loyens & Loeff |
| | **Room: Namur-Virton** |
| | **CLOSING SESSION & COCKTAIL**
| | **Room: Metz-Nancy**
| | **1600 – 1615 Closing Address:** Iain Bitran<br>Executive Director - The International Society for Professional Innovation Management (ISPIM)
| | **From 1615 - Cocktail Reception**
| | **Venue:** Public Research Centre Henri Tudor
EVENT PARTNERS

Host & Organiser: Public Research Centre Henri Tudor is a leading actor in the field of RDI - Research, Development, Innovation - in the Grand-Duchy of Luxembourg. The main mission of the Centre is to strengthen the economical and social tissue of the Grand-Duchy of Luxembourg with a European open-minded way of thinking. From the beginning, the Public Research Centre Henri Tudor has developed its visions and founding principle gathering its whole activities. “From research to innovation” is the leitmotiv that the Centre has kept in mind at each stage of its development.

Co-Organiser: The International Society for Professional Innovation Management (ISPIM) is a worldwide network of innovation management professionals from research, industry and intermediary organisations. ISPIM's goals are to create a worldwide network of excellence in the field of innovation management, to enhance collaboration between its members and to be at the forefront of research on innovation. ISPIM achieves this via its international conferences and regional events, journal publications, collaborative research projects and other member services.

Sponsor: BGL BNP Paribas is one of the largest banks in the Grand Duchy of Luxembourg. As a leader on its domestic market, it offers an especially wide range of financial products to individuals, professionals, private banking clients and businesses. BGL BNP Paribas is Luxembourg's number-one provider of banking services to professionals and small- and medium-size companies, and number two in services for individuals. It is also the leader for bancassurance.

Sponsor: Luxembourg for Finance, the agency for the development of the financial sector, is a public-private partnership between the Luxembourg Government and the Luxembourg Financial Industry Federation (PROFL), under the Presidency of the Minister of Finance, Luc Frieden. The objective of the partnership, is to contribute to the sustainable development of Luxembourg as an international financial centre by means of a structured international communications policy and by nurturing new business sectors. The principal mission of the agency is to create a strong brand image for the financial centre, communicating the advantages of its products and services to a wide public and highlighting the numerous opportunities available to investors and clients, whether institutional or private, from around the world.

Sponsor: PwC Luxembourg has about 2000 professionals from 53 different countries. PwC firms provide industry-focused assurance, tax and advisory services to enhance value for their clients. More than 161,000 people in 154 countries in firms across the PwC network share their thinking, experience and solutions to develop fresh perspectives and practical advice.

Sponsor: CETREL - Financial technology services have become mission critical for successful banking and financial activities. All financial sector professionals rely on safe and secure data centers and IT infrastructure, robust communication network, effectively managed IT services, access to state of the art software and the certainty to find reliable service providers who are experts, act with integrity and share a sense of purpose in co-creating next generation solutions. SIX Group and Cetrel, the Luxembourg pillar of SIX Group, have been created by their respective banking communities, represented in its shareholders base of 160 banks, to act as Partners of Trust in fulfilling such missions. The Luxembourg operations, embodied by Cetrel, are build on a dual pillar structure of which the first one is the E-Money hub for all payment card related services and the second pillar is dedicated to financial technology services.

Sponsor: The Luxembourg Stock Exchange is Europe's principal centre for the listing of international securities, listing nearly 45,000 securities from issuers in some 100 countries. Most notably, it is the leader in Europe for the listing of international bonds. Other segments of note are investment funds and GDRs (Global Depositary Receipts). The Luxembourg Stock Exchange operates two markets: an EU regulated market and an exchange regulated market. All securities on these markets are tradable on NYSE Euronext's UTP platform. Its wholly-owned subsidiary, Finesti, focuses on the collection and dissemination of investment fund information.

Sponsor: The Luxembourg Bankers' Association (ABBL) is the professional organisation representing the majority of banks and other financial intermediaries established in Luxembourg. Its purpose lies in defending and fostering the professional interests of its members. As such, it acts as the voice of the whole sector on various matters in both national and international organisations.

Submissions Management & Bookings: ConferenceSubmissions does everything from abstract collection to proceedings production and invoicing. It is designed by people who run scientific events and understand where automation helps an event secretariat. ConferenceSubmissions is web-based, there is nothing to download and nothing to install. Its flexibility allows you to work how you like to do things and not vice-versa. Set-up takes 30 minutes per event, which we do for you during your free hour of online training. Thereafter, authors, presenters and reviewers access your dedicated page to manage their submissions and bookings while you retain control over deadlines, documents and communications.

Media Partner: Agefi Luxembourg is the only exclusively financial newspaper in Luxembourg, created 22 years ago, with also a daily newsletter (the Fax) and archives since 1996 available in our website, the oldest private online archives in Luxembourg and world circulation with Factiva DowJones: our distribution is done by subscriptions and kiosk sales. Business and financial news in Luxembourg; Economic news, real estate, communications, medias, IT, business leisure, seminars, tourism; Annual reports and other communication from Luxembourg and international companies.

Media Partner: Finance Nation Luxembourg launched in October 2010, is a B2B magazine covering news related to the financial sector in Luxembourg. Written in English with a few articles in French, the magazine shines light on issues and challenges faced by the financial industry locally and internationally as well as possible solutions. It also aims at offering insights and analyses of the industry both in the Grand Duchy and beyond its borders by being a tribune for renowned experts in banking, funds, insurance, law, HR, consulting, IT, etc.

Media Partner: InnovationManagement – Online Magazine for Innovation Management Practitioners is the number one online magazine offering best practice and inspiration to innovation management practitioners. We source and provide the articles in collaboration with experts in the field of innovation management from leading business schools, companies and universities worldwide. The online magazine InnovationManagement has one goal: to be the best source of best practice for innovation management practitioners.
The Public Research Centre Henri Tudor is a Luxembourg autonomous institute of applied research. Essential link between research and society as a whole, its mission is to sustainably reinforce the economic competitiveness and the social fabric, at national, regional and European level.

**ACTIVITIES:**

- Applied and experimental research
- Doctoral research
- Development of tools, methods, labels, certifications and standards
- Technological assistance, consulting and watch services
- Knowledge and competences transfer
- Incubation of high-tech companies

**MAIN TECHNOLOGICAL DOMAINS:**

- Materials technologies
- Environmental technologies
- Health care technologies
- Information and communication technologies
- Business organisation and management

29, avenue John F. Kennedy | L-1855 Luxembourg-Kirchberg
tel +352 42 59 91 - 1 | fax +352 42 59 91 - 777 | www.tudor.lu
info@tudor.lu
The International Society for Professional Innovation Management (ISPIM)
Connecting Innovation Management Professionals from Research, Industry & Intermediary Organisations

ISPIM is a worldwide network of innovation management professionals from research, industry and intermediary organisations. ISPIM's goals are to create a worldwide network of excellence in the field of innovation management, to enhance collaboration between its members and to be at the forefront of research on innovation. ISPIM achieves this via its international conferences and regional events, journal publications, collaborative research projects and other member services.

Our membership strategy emphasises quality rather than quantity - professional and scientific quality, as well as the quality of relationships between members. Our commitment to members includes:

- ensuring a good balance and link between theory and practice in innovation management
- providing a forum that encourages members from different cultures and backgrounds to network with one another
- staging events in interesting locations that support scientific and networking needs and are excellent value-for-money

Membership Benefits

- Inclusion in the online ISPIM Member Book and access to the online ISPIM Members Area
- Discounted rates for the ISPIM Conference and the ISPIM Innovation Symposium (worth € 200 alone!)
- Online access to all ISPIM conference and symposium proceedings since 2003 (more than 1200 articles and presentations on innovation)
- Online access to Innovation Management Webinars provided in partnership with Pure Insight
- Discounted rates for selected events hosted by ISPIM partners
- Subscription to ISPIM News, a quarterly news digest of events, member communications and society news
- The right to advertise any event or activity in which you are engaged in the newsletter

Annual Membership Fees

- Individual Membership - € 150
- Student Membership - € 50 (Available only to full-time students. Not available to people with professional or academic positions who are studying whilst working.)
- Corporate Membership - € 125 per person (Minimum of two members)

Next Events

The 4th ISPIM Innovation Symposium - Managing Innovation for Sustained Productivity: Creating Advantage and Resilience - will be held in Wellington, New Zealand on 29 November - 2 December 2011. Organised by ISPIM and hosted by Victoria Management School, this symposium will bring together professionals interested and involved in innovation management from research, industry, universities and intermediary organisations. [www.symposium.ispim.org](http://www.symposium.ispim.org)

The XXIII ISPIM Conference – Action for Innovation: Innovating from Experience - will be held in Barcelona, Spain on 17-20 June 2012. Organised by ISPIM, hosted by La Salle University in partnership with Orbita97, this conference will bring together innovation management professionals from research, industry and intermediary organisations. [www.conference.ispim.org](http://www.conference.ispim.org)
Call for Papers

The XXIII ISPIM Conference – Action for Innovation: Innovating from Experience - will be held in Barcelona, Spain on 17-20 June 2012. Organised by ISPIM, hosted by La Salle University in partnership with Orbita97, this conference will bring together innovation management professionals from research, industry and intermediary organisations. The conference format will include facilitated themed sessions for academic and practitioner presentations together with discussion panels and workshops. Additionally, the conference will provide excellent networking opportunities together with a taste of local culture.

The plea for innovation is universal. Managers and politicians have understood that innovation is needed on an everyday-basis to strengthen the competitiveness of organisations, regions and countries. Innovation, however, requires more than good ideas and intentions. Leadership, foresight, courage, investment, inspiration and perspiration are needed to turn intentions and ideas into effective action. Even with these elements in place, not every initiative is successful. However, every action and each experience provide new insights into the causes of failed and successful innovation. Successful innovators, be they individuals, organisations, intermediaries or policy makers, must therefore overcome the paradox of building on experience, and yet breaking away from the status quo, with a permanent innovation mindset. These challenges of “Action for Innovation” are the core focus of this conference.

Submissions from academic, research, consulting, industry, intermediary and policy organisations are strongly encouraged and should focus on the following general themes or Conference Focus Theme:

- Action for Innovation (Conference Focus Theme)
- Collaboration for Innovation (incl. Open Innovation)
- Creativity & Idea Generation
- Entrepreneurship, Business Models & Financing Innovation
- Innovation Training, Education & Learning
- Methods, Tools & Measurement for Innovation
- Networks & Clusters of Innovation
- Sustainability in Innovation

Important Submission Deadlines:

- 31 December 2011: Outlines Only (All Submissions)
- 31 January 2012: Acceptance Notification
- 4 May 2012: Final Submissions (including abstracts, papers, profiles & photos) registration and payment
- 8 June 2012: Presentation slides

Conference Publications:

All accepted submissions will be published in the Conference Proceedings with an ISBN number. All outlines will appear in the Book of Abstracts with a separate ISBN number. All outlines are double-blind evaluated.

Special Issues containing selected papers from this conference will be published. These will be published in ISPIM’s official journal, The International Journal of Innovation Management as well as selected other Journals.

For submission guidelines and documents as well as further details, please visit www.conference.ispim.org
ISPIM-Wiley Innovation Management
Dissertation Award

Our community relies on the current crop of PhD researchers to develop the insights, theories and tools to shape the future of innovation management thinking and action. The ISPIM-Wiley Innovation Management Dissertation Award, sponsored by John Wiley & Sons will reward this endeavour. Authors of the best three dissertations, as selected by the Scientific Panel, will be able to attend the forthcoming ISPIM Conference for free. Additionally, the winner will receive a prize of EUR 1500, and the runners-up EUR 500 each, courtesy of John Wiley and Sons.

Eligibility
The Conference, which is held in June each year, will accept entries from students who have completed their PhD or equivalent doctoral degree during the preceding calendar year. By way of example, the June 2012 Conference will accept entries from students who completed their studies during 2011. The dissertation does not need to have been previously published. Your nationality and location of the degree granting institution have no influence on eligibility.

Selection Process
The selection panel is chaired by the Head of the Scientific Panel who will appoint additional members as he/she sees fit. Applications that are incomplete will be dismissed. Applications with dissertations that are substantively inappropriate or clearly of insufficient quality will not be retained. A shortlist of best dissertations will be retained from which the best three, including the winner, chosen. Comments and feedback will not be given to authors. The criteria are:

<table>
<thead>
<tr>
<th>Impact (30%)</th>
<th>Will the results impact a significant area of future innovation practice?</th>
<th>Will the results impact a significant area of future innovation research?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation (25%)</td>
<td>How innovative is the choice and framing of the dissertation focus?</td>
<td>How innovative is the methodological approach?</td>
</tr>
<tr>
<td>Scientific Rigour (25%)</td>
<td>Is the focus of the dissertation rigorous?</td>
<td>Is the methodology employed rigorous?</td>
</tr>
<tr>
<td>Communication (20%)</td>
<td>How well are the results communicated to both business and academia?</td>
<td></td>
</tr>
</tbody>
</table>

Award
All three finalists are obliged to attend the ISPIM Conference and may do so for free. The cost of travel and accommodation will not be covered. The winning author will receive EUR 1500 and each of the two runners-up EUR 500. It goes without saying that the publicity for their dissertation and benefit of the prestigious nature of the Award are also important awards.

Entry
To enter, you must submit:

1. an electronic version of your dissertation
2. a 1500 word extended outline of your dissertation
3. Your CV
4. A letter of recommendation and good standing from your professor or institution.
5. All materials must be in English and files in pdf format, except the outline which is a text upload.

All materials are to be submitted to http://www.conferencesubmissions.com/ispim-wileyaward/ by January 31st. No late submissions will be accepted. Receipt of submissions will not be acknowledged.

Contact
If you have questions about your entry, please contact:conference@ispim.org. Finalists will be notified by the end of April in the year of the Conference.
Whoweare

The Luxembourg Bankers’ Association is the professional organisation representing the majority of banks and other Financial intermediaries established in Luxembourg. Its purpose lies in defending and fostering the professional interests of its members. As such, it acts as the voice of the whole sector on various matters in both national and international organisations.

Whatwedo

The ABBL counts amongst its members universal banks, covered bonds issuing banks, public banks, other professionals of the Financial sector (PFS), financial service providers and ancillary service providers to the financial industry.

The ABBL’s missions are three-fold:

Services to members

The ABBL, via its technical committees and its working groups, provides technical and strategic input for the benefit of its members and the Luxembourg financial industry as a whole. As such, it acts as a centre of competence and as a platform for the exchange of ideas. The ABBL also develops professional recommendations and guidelines for its members, including a code of conduct.

Public relations

In terms of communication, the ABBL, besides remaining in permanent contact with the national press, anticipates political, economic and social developments in Luxembourg and at European level, promotes the financial sector in Luxembourg society and provides information to the sector’s public. It thus formulates opinion papers and proposals on legislation, taxation, and banking regulation at national, European and international levels.

Employer representation

The ABBL represents and assists its members in social matters. Thus, it regularly negotiates working and salary conditions in the financial sector via a collective bargaining agreement. It also officially represents the financial industry in various Social Security institutions. The ABBL is a founding member of the Luxembourg Employers’ Association (UEL), the representative body of all Luxembourg employers. Through the Training Institute in Banking (IFBL), the association also provides training programmes adapted to the needs of banks.

Fields of activities:

- Accounting and financial reporting
- Client protection
- Clusters
- Communication
- Financial markets
- Financial supervision
- Legal & Tax
- Payment systems & IT
- Social affairs
- Training
“We are the Bankers of a changing world and that means anticipating in an innovative and responsible way the future needs of our clients”


In a constantly changing environment, innovation allows BGL BNP Paribas to adapt quickly and provide the very best products and services to clients.

Reactivity - Creativity - Commitment - Ambition.

Our corporate culture is built on a shared commitment to new ideas and a pioneering spirit. Together these drive innovation, itself an expression of our values:

- Responsiveness: moving swiftly from idea to action
- Creativity: thinking differently and encouraging new ideas
- Commitment: building the foundations for trust through the visible and sustainable involvement of managers
- Ambition: continuously seeking out new sources of progress.

At BGL BNP Paribas, we PROMOTE responsible innovation.

For example:
- We are a founding member of exChange²innovate.
  exChange²innovate is an open network in the Greater Region focused on innovative strategies, processes and technologies. The program supports the sharing of innovation by small to medium-sized companies through the organization of best practice workshops, cross topics and branches.

- Our dynamic “Spirit of Innovation” programme promotes innovation in all its forms including:
  - The BNP Paribas Group Innovation Awards, and the BGL BNP Paribas Innovation Awards in Luxembourg, rewarding the creativity and expertise of staff members.
  - A range of special projects, currently under development, designed to make innovation an integral part of human resource management for all employees and managers.
  - Momentum created by innov@tion, a participative approach to innovation.
  - External support generated by our bank’s exceptional performance in innovation, including coverage of the winning innovations from the “What did they become?” awards.
Gateway to international securities

The Luxembourg Stock Exchange is Europe’s principal listing centre for international bonds and a leading player for all types of international securities. In total, we list almost 45,000 securities in 30 currencies for issuers from 100 countries. Around 40% of all international bonds in Europe are listed in Luxembourg, while other segments of note are funds and global depositary receipts.

We offer issuers modern and efficient listing capabilities combined with experience and expertise. Additionally, all listed securities are fully tradable and we provide access to a state-of-the-art platform, the Universal Trading Platform.

Innovative for many years, we were the first exchange to list a Eurobond, in 1963, the first in Europe to list a global depositary receipt, in 1990, and a Sukuk issue, in 2002.

The Luxembourg Stock Exchange also operates a specialised subsidiary, Finesti, focussing on the collection and dissemination of investment fund information.
Luxembourg for Finance
Agency for the development of the Financial Centre

Luxembourg for Finance is a public-private partnership between the Luxembourg Government and the Luxembourg Financial Industry Federation (PROFIT). It consolidates the efforts made by the public authorities and principal actors of the financial sector to ensure the development of an innovative and professional financial centre through a coherent and structured communications policy.

Thus Luxembourg for Finance will enhance the external presentation of the financial centre, communicating the advantages of its products and services to a wider public and highlighting the numerous opportunities available to investors and clients, whether institutional or private, from around the world.

Luxembourg for Finance organises seminars in international financial centres and takes part in selected world-class trade fairs and congresses.

The agency also develops its contacts with opinion leaders from international media and is the first port of call for foreign journalists.

12, rue Erasme • P.O. Box 904
L-2019 Luxembourg
Tel. (+352) 27 20 21 1
Fax (+352) 27 20 21 399
E-mail lff@lff.lu

www.luxembourgforfinance.lu
The value you are looking for!

We focus on three things:
Assurance, Tax and Advisory Services.
Our knowledge and expertise are all yours to use to reach your goals.
So, first, we start getting to know you and what drives you most.
What you tell us is determinant to make the most of our 2100 people in Luxembourg and to help you create the value you’re looking for.
Financial technology services have become mission critical for successful banking and financial activities. All financial sector professionals rely on safe and secure data centers and IT infrastructure, robust communication network, effectively managed IT services, access to state of the art software and the certainty to find reliable service providers who are experts, act with integrity and share a sense of purpose in co-creating next generation solutions.

SIX Group and CETREL, the Luxembourg pillar of SIX Group, have been created by their respective banking communities, represented in its shareholders base of 160 banks, to act as Partners of Trust in fulfilling such missions.

Their service offer spans the entire financial center infrastructure of Switzerland and increasingly of Luxembourg as well, in the areas of securities trading and services, financial information, payment processing transactions and shared IT services.

SIX Group has around 3,600 employees in 23 countries of which 230 are based in Luxembourg. The yearly turnover is over 1.2 billion EURO.

The Luxembourg operations, embodied by CETREL SA, are built on a dual pillar structure of which the first one is the E-Money hub for all payment card related services and the second pillar is dedicated to financial technology services.

The E-Money hub is open to card issuers and payment transaction acquirers, as well as merchants to source complete and innovative payment solutions. These can start with access to VISA and Mastercard licenses, the performance of the daily operations, the monitoring of risk and fraud to the set-up of a complete outsourced business service, allowing the client to concentrate on the activities he does best. Acquirers and merchants can also tap into the expertise of SIX Cards & Payments to provide complete point of sale card acceptance infrastructure.

The Financial Technology Services are geared towards several of the most critical processes for banks and financial sector professionals. These cover compliant legal reporting, integration of financial data, IT security services and operator services, together with the provision of user contact centers. Taking advantage from the Luxembourg law on e-archiving and its standing as Partner of Trust in the banking community, CETREL is offering electronic content management in SaaS mode.
Innovation Management is the number one resource for sharing knowledge and exchanging best practice to drive innovation. We provide insights, case studies and practical solutions for fueling your innovation pipeline, business model, services and customer engagement.

"A wealth of information by thought leaders and practitioners on managing innovation."

Alexander Osterwalder
Business Model Innovation Guru

"A refreshing mix of hands-on and thought provoking inspiration and articles."

Karin Miller
Innovation Coach
CO-CREATION AND USER-CENTRED INNOVATION IN FINANCIAL SERVICES

Co-creation and user-centred innovations are considered as important tools of achieving sustainable competitive advantage. In this pilot study we focus on financial sector to explore how financial institutions deal with these two approaches to innovation. As the given research is of an explorative nature, both deductive and inductive approaches are taken into consideration to study the phenomena. Deductive approach is based on literature review, whereas an inductive approach is grounded on qualitative survey of representatives of financial institutions and their business partners in both business-to-business and business-to-consumer markets. Findings of the research can be beneficial for both practitioners and scholars and lay a foundation for further quantitative studies to explore co-creation and user-centred innovation on a representative sample of financial institutions.

Authors(s)
Martovoy, Andrey: CRP Henri Tudor, Luxembourg
Dos Santos, Jennifer: CRP Henri Tudor, Luxembourg

WHAT IF APPLE DESIGNED A FINANCIAL PRODUCT?

In this whitepaper we present an efficient way to research what consumers really want for their money. We have learnt from consumers that “The Number” is the most engaging way to talk about financial services. “The Number” is the amount of resources (financial and other) that people think they need to feel safe for the rest of their life. Understanding how people see “their Number” brings a fresh and actionable way to design and communicate financial services. We developed our own proprietary connector research tool, eConceptLab.com, making use of simple Google and Facebook ads. Connectors are small sentences/visuals like the ones used in Google or Facebook ads that generate interest and create a mental frame of expectations about a product or service. They are, in this sense, a great door-opener to help sell in a relevant way.

Authors(s)
Lorré, Dirk: Brandstrategists.net, Belgium
Gaillard, Benoit: WSI Switzerland, Switzerland

THE ROLE OF PATENTS IN PROTECTING FINANCIAL INNOVATION

The patentability of computer based business methods has been and will continue to be contentious. Currently, however, computer based business methods are not statutorily excluded from patentable subject matter in both the United States and Canada. That is, they are patentable as long as they satisfy other patentability criteria: novelty, utility, and non-obviousness. Furthermore, while a business method “as such” is categorically excluded from patentability by the European Patent Convention, a computer based business method that satisfies the said criteria of patentability will receive patent protection by the European Patent Office if it involves technical means and will receive patent protection by the UK Intellectual Property Office if it provides a technical contribution that is not itself excluded from patentability. Finally, while there is conflicting argument on whether or not patenting business methods stimulates innovation in the financial sector, both sides of the argument lack conclusive empirical evidence.

Authors(s)
Al-Sharieh, Saleh: CRP Henri Tudor, Luxembourg
Zahid, Fahad: CRP Henri Tudor, Luxembourg

**MOBILE FINANCIAL SERVICES: INCENTIVES & IMPEDIMENTS**

Mobile financial services (MFS) have the potential to create widespread financial impact in the future and possess the capability to enhance brand image, strengthen customer base and generate additional revenues for financial institutions. At the same time; there are several issues from the customer’s perspective like ease of use, cost of adoption and security which have hampered widespread acceptance of MFS. It is very important to understand what factors work in favour of and against financial institutions when they intend to introduce MFS. This article explores the incentives and impediments related to development and deployment of MFS by financial institutions. It proposes a framework through which financial institutions can collaborate with different players to create value in the provision of MFS. The findings of the article would be beneficial for further research in understanding the dimensions to be considered for accelerating adoption for MFS.

Authors(s)
Zahid, Fahad: CRP Henri Tudor, Luxembourg

Yablonsky, Sergey: Graduate School of Management, St. Petersburg University, Russia

**E-FINANCE INNOVATION SERVICES IN RUSSIA**

The qualitative research presented in this paper aims at collecting and analyzing quality data regarding the current status and prospective evolution of e-finance services offered by the Russia’s leading e-business and banking companies which are running businesses in the e-business sector. The analysis aims at the classification and examination of the current status of e-finance services, the possible ways of further evolution and also the risks that are inherent to the use of e-financial technology and services both for the banks and their customers. Analysis methodology incorporates information from three different but interrelated sources: product briefings, press releases, and other publically available information. The methodology, the classification and organization of domain concepts, validation issues, and the first pilot version of e-finance innovation services ontology is discussed.

Authors(s)
Yablonsky, Sergey: Graduate School of Management, St. Petersburg University, Russia

Carton, Fergal: University College Cork, Rep. of Ireland

**CUSTOMER VALUE IN BANKING: THE CASE OF MOBILE PAYMENTS**

Payment systems are being revolutionised by the advent the smartphone, which is capable of bridging the gap between traditional and new payment instruments, supporting on demand purchase and payment processes in a manner heretofore not conceivable. The transition to mobile phone driven payment processes has been slow, this is mainly due to the complexity of the mobile payments (m-payments) ecosystem. Research has suggested that the high failure rate of mobile payment solutions is linked to their inability to provide the right value proposition to customers. Therefore, research on innovation which considers not just the technology, but includes the notion of a viable economic business model will help identify the ultimate "winners and losers" in this industry. This paper explores the existing research domains from which such value propositions or business models could be drawn, and suggests an agenda for further research in the area of m-payments.

Authors(s)
Carton, Fergal: University College Cork, Rep. of Ireland
Dennehy, Denis: University College Cork, Rep. of Ireland
Vastardis, Pamela: BrainJuicer, USA & De Souza, Henrietta: HSBC, United Kingdom

FEELINGS YOU CAN BANK ON
Advances in psychology and neuroscience are beginning to tell us of the important role that emotions play in guiding our choices and our subsequent behaviour. At the same time, new technology gives us unprecedented opportunities for real-time data monitoring. Yet traditional customer experience research rarely uncovers the fresh customer insights that can unlock business growth. This paper reveals a new approach to customer experience monitoring that uses a proven and intuitive device for measuring emotion to provide highly actionable, real-time customer feedback for clients across numerous customer channels, overcoming the many problems of traditional customer experience research. The paper will reveal how this approach has yielded new customer insights for HSBC, both for its managers and customer-facing staff, and has proved to be an extremely valuable new asset to the bank.

Authors(s)
Wood, Orlando: BrainJuicer, USA
Vastardis, Pamela: BrainJuicer, USA
De Souza, Henrietta: HSBC, United Kingdom

Kaefer, Claudia: FRINK, Austria
Merker, Michael: ERSTE BANK, Austria

THE WOW EFFECT: MENTAL MODELS IN THE BANKING SECTOR
This paper is based on a case study where an Austrian bank’s management decided to include what they called the “WOW effect” in its customer interaction. The ultimate goal is to create an effect that can change consumers’ perceptions, their mindset and eventually, their buying decisions depending on their mental models before and after the first contact with the provider of the experience design. Codifying these mental models was one way to structure such a highly cognitive and complex project and to prepare it for ethnographic field research analysis. One of the main theoretical frameworks is Waldenfels’ relationship between the field and relevance - integrating the experience concept into existing banking activities with regards to the increase of importance of meaningful experiences.

Authors(s)
Kaefer, Claudia: FRINK, Austria
Merker, Michael: ERSTE BANK, Austria

Durand, Alex: CRP Henri Tudor, Luxembourg

CONTINGENT VALUATION OF ELECTRONIC SAFE-DEPOSIT BOX SERVICE IN LUXEMBOURG
Among new services offered by banks, the development of a service of a digital safe deposit box appears as a new offer linked with the safety and storage of digital documents. This paper attempts to analyze the diffusion process of a digital safe deposit box service and uses the contingent valuation method (Mitchell et al., 1989) to determine an ideal base profile for the resident workforce in Luxembourg according their estimated willingness to pay (wtp). The survey, conducted using a representative sample of 735 respondents, shows that the average willingness to pay for the benefits of such a service varies in six price bands ranging from 3.3 to 7.7 euros per month per person, depending on the consumption profile characterising the respondent. The average for the entire population is 6.57 euros per month per person.

Authors(s)
Durand, Alex: CRP Henri Tudor, Luxembourg
Fry, Clémentine: CRP Henri Tudor, Luxembourg
Sveiby, Karl-Erik: Hanken School of Economics, Finland

INNOVATION AND THE GLOBAL FINANCIAL CRISIS - CONSEQUENCES OF INCOMPETENCE
The paper applies the concept of incompetence by Polanyi (1962) and the concept of unintended consequences by Merton (1936) to explore the development of a radical financial innovation, securitization. This innovation changed the context for all actors in the financial industry repeatedly to such a degree that even the highest regarded experts repeatedly made prediction errors. The negative effects of prediction errors have since 1980 gradually became larger until today when even a single individual decision by a portfolio manager may risk global financial mayhem. The conclusion is that financial innovation has become a lot riskier than is commonly appreciated in economic theory and practice. Our limited ability to foresee the consequences of our actions are fundamental to innovation and product development. Unintended and undesired outcomes should be acknowledged as an untapped resource for improving the net effects of innovation. The paper suggests approaches to deal with the risk.

Authors(s)
Sveiby, Karl-Erik: Hanken School of Economics, Finland

***Best Paper Award Nomination***

Peutz, Murk: Syntens, Netherlands

FINANCING GROWTH AND INNOVATION IN SMES SINCE THE CRISIS
Small and Medium sized Enterprises (SMEs) find it increasingly difficult to obtain financing for innovation and growth since the outbreak of the financial crisis. Rejection rates for loan and investment proposals are high and transaction costs have increased. Current Public policy aims to reduce grants, limiting the alternative sources for SMEs to finance innovation projects. To assess size and quality of the finance deficit (‘gap’) for SMEs, a quantitative survey was executed in the Western Netherlands, among 400 clients of Syntens, a not-for-profit Dutch innovation intermediary. This was enhanced by qualitative semi-structured interviews with public and private stakeholders. Results show a considerable finance gap and several public policy instruments aimed at mitigating the gap. A framework is proposed to analyse finance gaps for innovation and growth in young and established SMEs.

Authors(s)
Peutz, Murk: Syntens, Netherlands
Koolen, Winus: Syntens, Netherlands
Eurlings, Willo: Syntens, Netherlands

Khim, Veasna: CEREFIGE Nancy2 et CRP Henri TUDOR, Luxembourg

THE STRATEGIES OF MUTUAL FUND FAMILY IN FINANCIAL CRISIS
We conduct an analysis of mutual funds flow explicitly taking into account the strategy of the fund promoter. For this we use all the French UCITS from 1998 to 2003 taking into account the strategic changes during the financial chocs of the internet bubble and september 2001. Thus it is shown by a multilevel model that the strategies of vertical and horizontal differentiation allows promoters to attract and retain capital, causing the convexity of the relationship between flow and fund performance.
Our results also provide important normative insights. first They are relevant for the regulatory debate on the quality of financial’s information and subsequent financial services proliferation. second, They are relevant in light of actual crisis for understand the inefficiencies of the mutual funds industry

Authors(s)
Khim, Veasna: CEREFIGE Nancy2 et CRP Henri TUDOR, Luxembourg
RESOURCES: DRIVERS OF THE OPERATIONAL RISK MANAGEMENT PERFORMANCE?
Operational risk management is gaining increasing interest in the practitioner literature. However, few studies can be found in the academic literature. This is one of the motivations for this study, set in the Luxembourgish context with the objective to understand the influence of resources on operational risk management performance. This study looks at the human capital and the organizational capital effect on the performance of the operational risk management system. These concepts are operationalised using the following measures: the size of the risk management unit, the competence of the risk manager, the support and the standardization and improvement. A questionnaire has been sent to the whole population of Professionals of the Financial Sector (PSF) in Luxembourg. The results show that both human capital and organizational capital influence the performance of the operational risk management system and should therefore be considered when PFS are aiming to set up a performing operational risk management system.

Authors(s)
Pierre, Antoine: Centre de Recherche Public Henri Tudor, Luxembourg
Mention, Anne-Laure: Centre de Recherche Public Henri Tudor, Luxembourg
Vermeulen, Corentin: Centre de Recherche Public Henri Tudor, Luxembourg

PORTFOLIO RISK COMPUTATION WHEN PRICES ARE MISSING OR NOT INFORMATIVE
This paper presents a methodology for a simpler parametric computing of risk of assets portfolios. Risk of an asset is considered as the resulting vector of a limited number of well-chosen variables in a Space Vector. The mapping of any asset is performed on a limited number of values, which, on a four x four example, amounts to 256 template assets. First empirical results show that the loss of precision due to the hypotheses is largely compensated by the possibility of introducing un-quoted and ill-quoted assets into real asset portfolios. These assets are predominant in portfolios where Structured Bonds, Private Equity and Hedge Funds represent a high portion of the portfolio. The coherence of the methodology helps to better risk management practice, especially in the MiFID and UCITS IV frameworks. The methodology addresses the point that, in a world where markets are not informationally efficient, returns variance is not a sufficient statistics for estimating risk.

Authors(s)
Flament, Frédéric: USEFUL RISK, Luxembourg

RISK, INNOVATION AND THE DECARBONISED-TECHNO-MARKET ENERGY SYSTEM
There is a lot of forward looking work attempting to envisage the decarbonised energy system of the future as reflected with current interest in 'smart grids'. A central tenet behind most visions of the 'smart grids' of the future are the price signals that financial and commodity markets will deliver to facilitate effective and efficient resource allocation. Most of these visions take stylised and static views of financial and commodity markets despite the fact that these markets are experiencing dramatic change due to innovation and regulation. Accordingly, the paper maps the risks associated in the fusion of financial innovation with innovation in the energy system through a theoretical framework that draws on evolutionary models of paradigm shift. Risks to both the financial and energy systems are characterised as either emanating from primary or secondary markets and these are explored with alternative visions of the energy system in the long run.

Authors(s)
Diaz-Rainey, Ivan: University of East Anglia, United Kingdom
Tulloch, Daniel: University of East Anglia, United Kingdom
de Kinderen, Sybren: CRP Henri Tudor, Luxembourg

STRATEGY-BASED BUNDLING OF B2B SERVICES: THE COMPUTATIONAL PUSSLES APPROACH

Abstract: In this position paper, we argue for a computer-supported, strategy-based approach towards service bundling called PUSSLES. We discuss that, in such an approach, two strategic perspectives are important: that of the business customer, so that a bundle is developed in line with his business needs, and that of the service supplier(s), so that the developed bundle is in line with their strategic concerns (for example: cost effectiveness). Furthermore, we discuss the intended validation of PUSSLES: software implementation as a means of validation, and practical cases. Concerning cases, we introduce the services of Luxembourgish support providers of the financial sector as a focal case study. Finally, we discuss related work from computer science and business discourse. In doing so, we show that our intended approach is indeed novel and contributes (1) to computer science, business-driven service composition concerns, and (2) to business discourse, formalized, computer-supported bundling concerns.

Authors(s)
de Kinderen, Sybren: CRP Henri Tudor, Luxembourg
Grégoire, Bertrand: CRP Henri Tudor, Luxembourg

Storey, Chris: Cass Business School, United Kingdom

THE ADOPTION OF PROJECT PORTFOLIO MANAGEMENT BY FINANCIAL SERVICE FIRMS

While a number of studies have analysed Portfolio Management in goods product firms, few have focused on the processes and practices within service firms. This research project investigated the attitudes, approach and practices geared towards project portfolio management (PPM) in UK based financial service firms. An exploratory research approach is undertaken via in-depth interviews with key informants in 24 leading financial service companies. Data was also collected on the performance of PPM activities. We describe key findings on PPM in financial service firms, highlighting good practice and weaknesses and their impact on performance. Project management processes varied - between companies, between divisions/business units, and between projects. Furthermore all seemed weak on managing project interdependencies and on 'killing' projects that were failing or no longer relevant. Most companies where trying to do too much. They had too many projects increasing the rate of project failure. We identify key factors on which to judge process maturity.

Authors(s)
Storey, Chris: Cass Business School, United Kingdom
Harborne, Paul: Cass Business School, United Kingdom

***Best Paper Award Nomination***

Silva, Marisalvo: Bank of Brazil, Brazil

INNOVATIONS IN BRAZILIAN FINANCIAL SERVICES

The offer of financial services by companies, whose principal activity is not financial, has grown at an accelerated rate in the last few years within the Brazilian financial sector. The number of banking agencies in Brazil went down 1.2% in 2010. On the other hand, banking correspondents have registered an increase of 10.5%, going from 149 thousand to about 165 thousand service points. This article is based on exploratory research that used the case study method to understand an ensemble of innovations implemented in the Brazilian financial sector. The innovations studied were banking, real-estate and fluvial correspondents - commercial establishments authorized to perform banking operations. In the context of systems of innovation, this study contributes to amplify understanding regarding innovations and strategies used by financial institutions to offer a differentiation in financial products and services in Brazil.

Authors(s)
Silva, Marisalvo: Bank of Brazil, Brazil
Vartolomei, Emanuela: The Open Book Project, United Kingdom

THE OPEN BOOK ON FINANCIAL INNOVATION

The Open Book of Financial Innovation seeks to bring thought leadership and clarity to the fast developing and increasingly complex financial innovation space. This is not going to be a conventional book but rather a continuously up to date online wiki open book that will capture the scale and the speed at which financial innovation field is changing. The existing book prototype was created using a design thinking approach and the next stage is to develop a shared understanding and common language supported by a community of practice and a bottom-up governance body. At this stage, the project aims to bring together the main stakeholders that would like to map out the space and co-create the future pages of the book.

Authors(s)
Vartolomei, Emanuela: The Open Book Project, United Kingdom

Turki, Slim: Centre de Recherche Public Henri Tudor, Luxembourg

UNDERSTANDING THE SRI: STAKEHOLDERS’ VALUE EXCHANGE

This paper presents an on-going analysis of the socially responsible investment (SRI) value network. Socially responsible investment (SRI) could be defined as the type of investment which aims to achieve financial returns while performing in terms of extra-financial aspects, such as social, environmental, governance, and ethical objectives. This paper aims to contribute to achieving better understanding of the specificity of SRI fund industry and involved stakeholders. We formalize the roles within the SRI-specific value chain with goal- and value modelling languages, and within this frame we propose to analyse the dependencies and existing/possible value exchanges between the actors. The presented study is part of a broader research project which aims to understand what is really underlying the concept of SRI funds.

Authors(s)
Turki, Slim: Tudor, Luxembourg
Bjekovic-Obradovic, Marija: Tudor, Luxembourg
Vermeulen, Corentin: Tudor, Luxembourg

Vermeulen, Corentin: Centre de Recherche Public Henri Tudor, Luxembourg
Mention, Anne-Laure: Centre de Recherche Public Henri Tudor, Luxembourg

SUSTAINABLE FINANCE - COLLABORATIVE INNOVATION IMPROVING CONFIDENCE TOWARDS SRI FUNDS

There is currently no widely accepted evaluation model that covers the performance of SRI funds, in extra-financial terms. This paper integrates a larger project which aims to propose a commonly accepted and science-based evaluation model to assess both the compliance and performance of SRI funds, in extra-financial terms. While a preliminary model has been validated through a qualitative approach, a wider empirical validation is still necessary. This paper precisely contributes to fill this gap by developing and presenting a research method that would be used to empirically validate or invalidate the pillars of the preliminary model (i.e. the funds dimensions, criteria and performance indicators). The outcomes of this whole research sustain innovation for financial services. Notably, by supporting the development of new services tied to the investment funds industry and asset management.

Authors(s)
Vermeulen, Corentin: Centre de Recherche Public Henri Tudor, Luxembourg
Mention, Anne-Laure: Centre de Recherche Public Henri Tudor, Luxembourg
O’Brien, Leona: FSIC, University College Cork, Rep. of Ireland

REGULATORY RESPONSE TO THE FINANCIAL CRISIS IN THE EUROPEAN UNION
This paper focuses on and analyses the structure and the limitations of the new European Union financial regulatory framework. There are two levels of supervision implemented as proposed by the European Commission report. The European Systemic Risk Board (ESRB) is responsible for supervision at the macro level. The European System of Financial Supervisors (ESFS), consisting of the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA) the European Securities Market Authority (ESMA), is responsible for supervision at the micro level. These three reporting authorities interact with regulators and supervisors at the member state level. The focus is on the tasks and powers of the ESRB and the ESFS and through this, specifically, the EBA. The proposed transformation requires more than merely replacing the current system with a different though similar system. There must be corresponding efficacious and effective legislation to counteract potential future financial crises.

Authors(s)
O’Brien, Leona: FSIC, University College Cork, Rep. of Ireland

De Smet, Dieter: CRP Henri Tudor, Luxembourg

REGULATION-INDUCED INNOVATION: CASE STUDY OF THE UCITS DIRECTIVE IN LUXEMBOURG
Constraining elements might not be expected to be potential sources of innovation, yet this is what will be discussed in this article. It will focus on the influence of regulation on the innovation process within the Luxembourg financial sector. A specific event will be studied, namely the fast transposition of the first UCITS directive (i.e. Undertakings for Collective Investments and Transferrable Securities) into Luxembourg law. The latter is a landmark regulation at EU level which impacted the financial services industry. We will show that this fast transposition (i.e. first among the Member States) is an example of a successful "regulation-induced innovation" that also stimulated enhanced product, process and organizational innovation. We propose a conceptual model for analysing this regulation-induced innovation, coupled with an interview guide. This is a first attempt (to the best of our knowledge) to have a closer look at an EU regulation-induced innovation within the Luxembourg financial sector.

Authors(s)
De Smet, Dieter: CRP Henri Tudor, Luxembourg
Mention, Anne-Laure: CRP Henri Tudor, Luxembourg

Vieira, Ricardo: IST/INESC-ID, Portugal

TRANSPARENCY AND TRACEABILITY FOR FINANCIAL INSTITUTIONS: MIFID AND RECORD-KEEPING
The MiFID directive establishes the general framework for a regulatory regime for financial markets. One of the main concerns in this directive is record-keeping to assure transparency and traceability. In order to fulfil the record-keeping requirements of MiFID, financial institutions have been acquiring record management systems without taking into account if these systems are really efficient, to keep and retrieve records. MoReq is a requirements reference for record management system in order to assure that those systems comply with proper record-keeping. This paper discusses how specifications developed in two different environments can result in the implementation of innovative services and new market opportunities. It makes a comparative analysis of MiFID and MoReq2010, in order to contribute to a common understanding of what might be a system claiming to be at the same time compliant with both of these references.

Authors(s)
Vieira, Ricardo: IST/INESC-ID, Portugal
Colet, Lucas: Public Research Centre Henri Tudor, Luxembourg
José, Borbinha: IST/INESC-ID, Portugal
Muriel, Foulonneau: Public Research Centre Henri Tudor, Luxembourg
Al-Sharieh, Saleh: CRP Henri Tudor, Luxembourg - Session 1A
Carton, Fergal: University College Cork, Rep. of Ireland - Session 1B
de Kinderen, Sybren: CRP Henri Tudor, Luxembourg - Session 2C
De Smet, Dieter: CRP Henri Tudor, Luxembourg - Session 3B
De Souza, Henrietta: HSBC, United Kingdom - Session 1C
Diaz-Rainey, Ivan: University of East Anglia, United Kingdom - Session 2B
Dos Santos, Henrietta: HSBC, United Kingdom - Session 1C
De Smet, Dieter: CRP Henri Tudor, Luxembourg - Session 3B
Flament, Frédéric: USEFUL RISK, Luxembourg - Session 2B
Kaefer, Claudia: FRINK, Austria - Session 1C
Khim, Veasna: CEREFIGE Nancy2 et CRP Henri TUDOR, Luxembourg - Session 2A
Lorré, Dirk: Brandstrategists.net, Belgium - Session 1A
Martovoy, Andrey: CRP Henri Tudor, Luxembourg - Session 1A
Mention, Anne-Laure: Centre de Recherche Public Henri Tudor, Luxembourg - Session 3A
Merker, Michael: ERSTE BANK, Austria - Session 1C
O'Brien, Leona: FSIC, University College Cork, Rep. of Ireland - Session 3B
Peutz, Murk: Syntens, Netherlands - Session 2A
Pierre, Antoine: Centre de Recherche Public Henri Tudor, Luxembourg - Session 2B
Silva, Marisalvo: Bank of Brazil, Brazil - Session 2C
Storey, Chris: Cass Business School, United Kingdom - Session 2C
Sveiby, Karl-Erik: Hanken School of Economics, Finland - Session 2A
Turki, Slim: Centre de Recherche Public Henri Tudor, Luxembourg - Session 3A
Vartolomei, Emanuela: The Open Book Project, United Kingdom - Session 3A
Vastardis, Pamela: BrainJuicer, USA - Session 1C
Vermeulen, Corentin: Centre de Recherche Public Henri Tudor, Luxembourg - Session 2B
Vermeulen, Corentin: Centre de Recherche Public Henri Tudor, Luxembourg - Session 3A
Vieira, Ricardo: IST/INESC-ID, Portugal - Session 3B
Yablonsky, Sergey: Graduate School of Management, St. Petersburg University, Russia - Session 1B
Zahid, Fahad: CRP Henri Tudor, Luxembourg - Session 1B
Scientific Panel

Our thanks are due to those people who contributed to the Scientific Panel:

- Thomas Baaken - Fachhochschule Münster, Germany
- Steffen Conn - ISPIM, United Kingdom
- Nathalie Crutzen - HEC-Ecole de Gestion de l'Université de Liège, Belgium
- Anne-Laure Mention - Centre de Recherche Public Henri Tudor, Luxembourg
- Karen Neville - University College Cork, Rep. of Ireland
- Peter Ruckdeschel - Fraunhofer ITWM, Germany
The Public Research Centre Henri Tudor is a Luxembourg autonomous institute of applied research. Essential link between research and society as a whole, its mission is to sustainably reinforce the economic competitiveness and the social fabric, at national, regional and European level. Its activities include applied and experimental research, doctoral research, development of tools, methods, labels, certifications and standards, technological assistance, consulting and watch services, knowledge and competences transfer, as well as incubation of high-tech companies. Its main technological domains are materials technologies, environmental technologies, health care technologies, information and communication technologies as well as business organisation and management.

Dating back to 1973, The International Society for Professional Innovation Management (ISPIM) is now a worldwide network of innovation management professionals from research, industry, and intermediary organisations. ISPIM’s goals are to create a global network of excellence in the field of innovation management, to enhance collaboration between its members and to be at the forefront of research on innovation. ISPIM achieves this via its international conferences and regional events, journal publications, collaborative research projects and other member services.

Forthcoming ISPIM Events

The XXIII ISPIM Conference – Action for Innovation: Innovation from Experience – will take place in Barcelona, Spain from 17-20 June 2012.

Forthcoming ISPIM Publications
ISPIM Special Issue on "Managing the Art of Innovation" in International Journal of Innovation Management. Editors: Joe Tidd of SPRU University of Sussex, Eelko Huizingh of University of Groningen and Steffen Conn of ISPIM.

ISPIM Special Issue on "Gaining from Interorganizational Innovation" in International Journal of Entrepreneurship and Innovation Management.. Editors: Urs Daellenbach of Victoria University of Wellington, New Zealand and Eelko Huizingh of University of Groningen.

ISPIM Special Issue on "Closing the Chain – From knowledge creation to innovation" in International Journal of Technology Management. Editors: Jens Leker of University of Münster, Eelko Huizingh of University of Groningen and Steffen Conn of ISPIM.