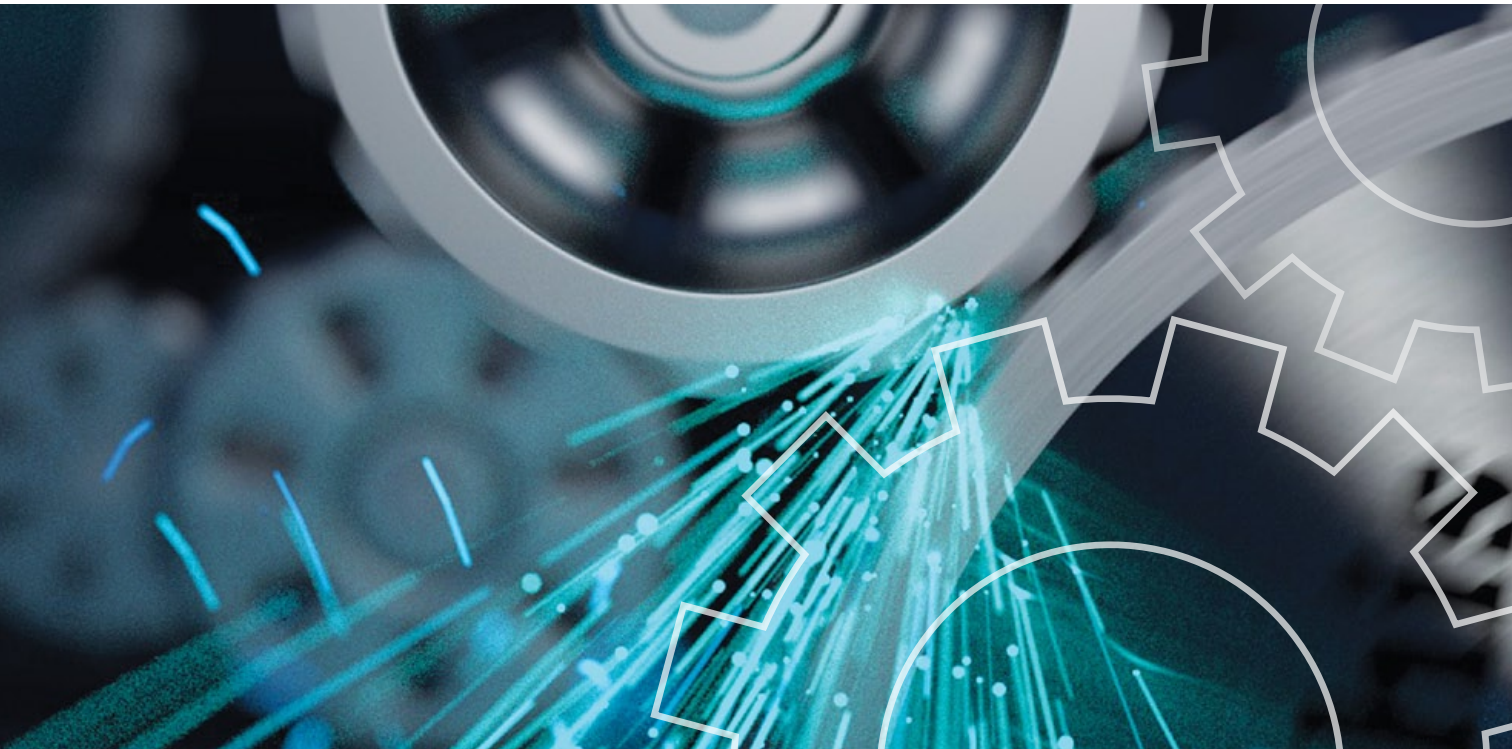




# BUSINESS INNOVATION SURVEY 2014 - 2016

FOR A MORE INNOVATIVE SOUTH AFRICA

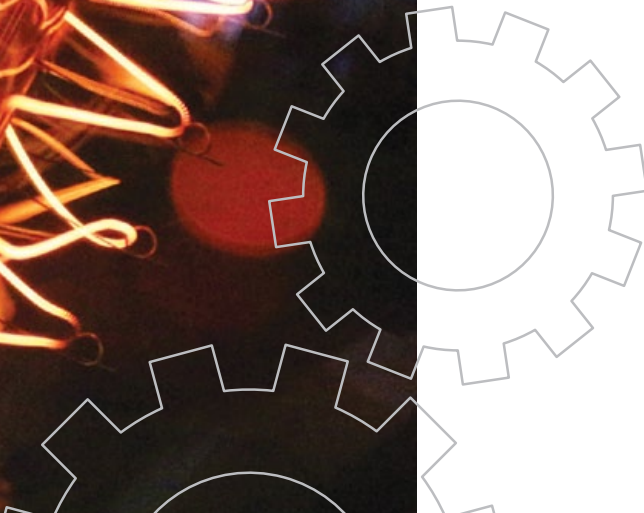




“Failure is an option here.  
If things are not failing, you  
are not innovating enough.”

**Elon Musk**

Inventor, Entrepreneur, CEO



Whether you're starting out, scaling up or steaming ahead, innovation is the creative engine that powers the future success of firms. It can also help to build communities, cities and countries.

All across the world governments are spearheading efforts to measure innovation in their economies. Why? Because it is by working *with* businesses and innovators that they can figure out what policies are helping out or where improvements are needed. Innovation data is vital for a more innovative South Africa.

South Africa's Business Innovation Survey, covering the period 2014-2016, will examine the innovation activities in about 5,000 enterprises—from small to very large, and across a range of industries. In the same way that a company's financial statement is an essential tool for performance monitoring and planning, the Business Innovation Survey delivers a national picture about what innovations are taking place, how they occur at firm-level, and what can be done to enhance innovation capacity.

**Your participation matters.**



**Dr Moses Sithole**

Business Innovation Survey Technical Lead  
Centre for Science, Technology and Innovation Indicators



**Cheryl Moses**  
Business Innovation Survey Project Manager  
Centre for Science, Technology and Innovation Indicators

# The story of the South African Business Innovation Survey

Effective policy- and decision-making requires high quality evidence. The Department of Science and Technology (DST), as a partner within the national statistics system, is mandated to oversee the collection of statistics on science, technology and innovation. The Centre for Science, Technology and Innovation Indicators at the Human Sciences Research Council performs national business innovation surveys on behalf of the DST.

These surveys are based on the recommended methodology outlined in the Oslo Manual, an international best practice guide. Surveys require a large and dedicated team of fieldworkers, information technologists, data analysts, and statisticians. We rely on the time and energy of our respondents to provide accurate data as timeously as possible, so results can be released as quickly as possible.

**Your cooperation matters.**



# STATE OF INNOVATION IN SOUTH AFRICA\* 2007



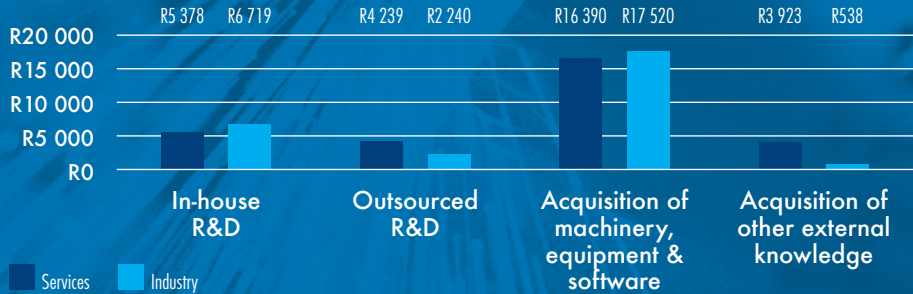
WHAT WE FOUND: **65,4%** of SA BUSINESSES were



**INNOVATION ACTIVE**

THE AVERAGE BUSINESS SPENT **1.70%** OF ITS TURNOVER ON INNOVATION

## BREAKDOWN OF INNOVATION SPEND (in millions)



## TOP 5 EFFECTS OF INNOVATION ON BUSINESS GOALS

- Increased range of goods and services
- Improved quality of goods or services
- Increased capacity of production or service provision
- Entered new markets or increased market share
- Improved flexibility of production or service provision

\*Based on results of the SA Business Innovation Survey 2005-2007. Keen to learn more? Go to [sabizinnovationsurvey.blog](http://sabizinnovationsurvey.blog)

# Innovation support in South Africa

The South African government has introduced a variety of support mechanisms, both financial and non-financial, to promote innovation. From innovations in large firms to innovation in small- and medium-sized enterprises, these mechanisms are helping to make it easier for firms to access the resources to push forward in their drive to improve their products and processes.

## Your engagement matters.

**Acronyms** | DST = Department of Science and Technology, TIA = Technology Innovation Agency, the dti = Department of Trade and Industry, NRF = National Research Foundation, CSIR = Council for Scientific and Industrial Research, IDC = Industrial Development Corporation, DSBD = Department of Small Business Development

### SUPPORT MECHANISM | HOST INSTITUTION(S) | URL

R&D Tax Incentive Programme | DST  
 <https://goo.gl/L7Kwwe>

Industry Innovation Partnership (IiP) | DST  
 <https://goo.gl/DvMg1K>

Technology and Human Development Programme (THRIP) | the dti/NRF  
 <https://goo.gl/iRLmwp>

Support Programme for Industrial Innovation (SPII) | the dti  
 <https://goo.gl/D2Lj1C>

Manufacturing Competitiveness Enhancement Programme (MCEP) | the dti/IDC  
 <https://goo.gl/QGCZdM>

Technology Stations | DST/TIA  
 <https://goo.gl/Axa4HD>

### SUPPORT MECHANISM GOALS IN BRIEF

Offers a tax deduction to encourage locally registered businesses to invest in R&D in South Africa. The R&D tax incentive can be accessed by companies of all sizes and in all sectors undertaking R&D.

Provides co-funding to support organised industry partners in their R&D and innovation initiatives. In this initiative, industry actors work together and decide on R&D programmes appropriate to enhancing their competitiveness.

A triple-helix partnership programme of the dti that promotes collaboration between industry and academia/science councils, and enhances competitiveness in South African industries through new technology and skills generation.

Offers grants to all South African registered enterprises, in manufacturing or services, that are engaged in pre-competitive development activity leading to the commercialisation of the product, process, system or prototype being developed.

Financial support in the form of loans to manufacturing companies to stimulate their competitiveness and ensure job retention in the sector.

A network of 18 centres with state-of-the-art equipment and experts in specialised fields located at universities of technology to provide science, engineering and technology services to SMMEs and entrepreneurs for product development, product improvement, prototype development and a range of other engineering services.

“Innovation-driven growth requires the right mix of multi-sector and multidisciplinary policy actions. The challenge is to find the policy solutions that work best in a given country context.” **OECD**

**SUPPORT MECHANISM | HOST INSTITUTION(S) | URL**

Strategic Partnership Programme (SPP) | the dti  
 <https://goo.gl/Phgvqw>

Seed Fund | DST/TIA  
 <https://goo.gl/Axa4HD>

Technology Development Fund | DST/TIA  
 <https://goo.gl/Axa4HD>

Commercialization Support Fund | DST/TIA  
 <https://goo.gl/Axa4HD>

Technology Venture Capital | the dti/IDC  
 <https://goo.gl/VVUuDr>

Technology Localization Programme | DST/CSIR  
 <https://goo.gl/M2Htai>

Seda Technology Programme (Stp) | DSBD  
 <https://goo.gl/LrTB4p>

**SUPPORT MECHANISM GOALS IN BRIEF**

Develops and supports programmes or interventions aimed at enhancing the manufacturing and services capacity of suppliers with linkages to strategic partner supply chains, industries or sectors.

Assists researchers from higher education institutions, science councils, technology entrepreneurs and SMMEs to advance their research outputs and ideas towards proof of concept, development of prototypes and business cases.

Assists innovators from higher education institutions, science councils, SMMEs and start-ups to advance technologies along the innovation value chain, from proof of concept to prototyping to technology demonstration.

Connects technology innovators from higher education institutions, science councils, SMMEs and start-ups to onward business and investment opportunities, and helps to prepare innovators for follow-on funding, through limited support for market testing and validation.

Provides funding and business support to small companies at early stages of the commercialisation of innovative products, processes and technologies across all sectors which have the potential to make a significant developmental impact on the South African economy.

Raises the capabilities of local manufacturing companies so that they can earn a share of recapitalisation investments and, ultimately, enter export markets as competitive suppliers into the Original Equipment Manufacturers (OEM) global supply chains.

Provides financial and non-financial support to small enterprises through technology transfer, quality services and business incubation.

## Survey Management Team

The Business Innovation Survey is performed by a team of specialist researchers and managers based in the Centre for Science, Technology and Innovation Indicators at the Human Sciences Research Council. Supported by 20 dedicated research assistants, the Survey team are committed to making sure each respondent's experience of completing the survey is smooth and efficient. Whether it's a phone call, email or tweet, we want to hear from you—and we'll do our best to attend to your question or comment as soon as we can.

## CONNECT WITH US

✉ EMAIL: [innovation@hsrc.ac.za](mailto:innovation@hsrc.ac.za)      🌐 WEBSITE: [sabizinnovationsurvey.blog](http://sabizinnovationsurvey.blog)

🐦 @BizInnovationSA

**Become a Friend of the  
Business Innovation Survey**

<http://eepurl.com/cZY10n>

## Your feedback matters.



**Dr Moses Sithole**  
Technical Lead  
[msithole@hsrc.ac.za](mailto:msithole@hsrc.ac.za)



**Cheryl Moses**  
Project Manager  
[cmoses@hsrc.ac.za](mailto:cmoses@hsrc.ac.za)



**Dr Hlamulo Makelane**  
Research Specialist  
[hlmakelane@hsrc.ac.za](mailto:hlmakelane@hsrc.ac.za)



**Dr Firdous Khan**  
Research Specialist  
[fkhan@hsrc.ac.za](mailto:fkhan@hsrc.ac.za)



**Natasha Saunders**  
Coordinator: Innovation Survey Hub  
[nsaunders@hsrc.ac.za](mailto:nsaunders@hsrc.ac.za) | 021 466 8000



**Gerard Ralphs**  
Advocacy Lead  
[gralphs@hsrc.ac.za](mailto:gralphs@hsrc.ac.za) | 021 466 8000