

Institutionalizing a service innovation in complex networks: The case of developing and diffusing electronic prescription in Finland

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In order to succeed, an innovation has to integrate with the resources in the market and surrounding environment. Therefore no individual actor can alone successfully create and diffuse an innovation, but the process is affected by practices, values, and institutional structures maintained by the industry with its embedded networks of stakeholders. This paper examines the development and diffusion process of a health care service innovation – the Electronic Prescription – as a process of institutionalization. We develop our contribution by integrating service innovation research, institutional theory and the network approach to analyze an extensive case study displaying a multi-stakeholder network that institutionalizes electronic prescription in Finland. Our findings highlight the tensions arising between heterogeneous actors who represent divergent perspectives, logics and interests towards the E-prescription. The main contribution of this study is to highlight that the development, commercialization and diffusion of major innovation is akin to a process of institutionalization. This view contributes to the IMP literature that has remained relatively silent on the role and influence of institutions. The findings also demonstrate the importance of studying multiple layers of the innovation ecosystem as together they host the range of stakeholders that gradually institutionalize the innovation. A better understanding on the challenges of innovating in complex multi-actor networks helps firms to proactively foresee factors that may facilitate or hinder the institutionalization of their innovation.

Keywords: service innovation; innovation networks, institutionalization, innovation ecosystems, eHealth