

Large incumbent organizations engagement to field changing innovations

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Abstract for special session 2: Energy systems in transition – strategies of incumbent actors

ABSTRACT

The traditional role of large energy organizations producing and distributing heat and electricity is changing. The main driver is the increasing requirement for renewable energy, which increases the distributed production as well as the volatility of electricity production. Simultaneously, the new renewable energy technologies have improved, which has made them increasingly attractive to energy producers. Large incumbent companies are known to be resourceful actors in systemic change but they are generally considered to be rather slow in adopting technologies, which change the business model.

However, recent studies on large incumbent organizations facing radical innovations (Bergek et al. 2013, Ansari & Krop, 2012) show that large incumbent organizations participate more actively in adoption of radical technological changes than described before. They are able to combine new, even radical innovations and knowledge with the existing resources, skills and knowledge to create new, more sustainable solutions. We build on these recent studies by presenting evidence from two large incumbent energy organizations' engagement to developing new kinds of technology-service business models for solar panel packages and electric vehicle charging stations to households. The study on five year development process gives insight on how large incumbent organizations contribute to systemic change in the energy field.