ABSTRACT

Innovation is a key success, because it can increase firm performance. To make innovation more effective then the measurement of innovation is needed. This research measure innovation using method that adopt from “Assessing Supply Chain Flexibility”. The benefit of this method is not only measure innovation but also give idea how to increase innovation by using the relationship model. Fist step is identify input, output, process of innovation and make the relationship model. Then measure the score of each innovation element. After the relationship and score is known, then calculate weighted gap to know which process of innovation is need to increase and how. In Electronic Lix 2 Division of PT Maspion II, the input of innovation is R&D, QC, leader, new machine, training, customer, and other product. The process of innovation is new product, improved product, improved process and technology adoption. And the output of innovation is revenue growth, productivity, market capitalization and patent. After the calculation is known that the biggest weighted gap for process of innovation is technology adoption with value 0.848. This big value is caused by the big gap of adoption technology, so we need to increase technology innovation. And the biggest weighted gap for innovation output is revenue growth with value 0.261. It happen because revenue growth is the most important goal of innovation in PT Maspion. So, if the focus is increasing adoption technology then we should increase technology research. But if we focus on increasing revenue growth then we should doing market research.

Key words: innovation measurement, relationship model, weighted gap, case study.