Merck’s Innovation Center Shapes the Future

Learn how Merck KGaA, Darmstadt, Germany uses its new Innovation Center to foster and drive innovation from inside and outside the company.
Friedrich Jacob Merck founded the company that bears his name in 1668 in Darmstadt, Germany. Today, Merck KGaA Darmstadt, a leading science and technology company in healthcare, life sciences and performance materials, is nurturing innovation and nearing the completion of its new Innovation Center. The center is being built in the company’s headquarters based in the same city it was founded in nearly 350 years ago. At a time when so many companies are trying to figure out how to innovate faster and grow, Merck is finding ways to foster and drive innovation. Michael Gamber, head of the Merck Innovation Center, gave 360 an inside look at the team’s efforts to innovate.

360: How long have you been working on your Innovation Center?

Michael: Our modular Innovation Center was opened in 2015 and its co-creation area is open to employees and visitors at all times. The current building was intended to allow us to rapid prototype the concept for the final Innovation Center. We’ll move in the new and final building in spring 2018. It will span six floors and offer five times more space.

360: Why did your organization decide to create an Innovation Center instead of infusing innovative practices throughout the entire organization?

Michael: In the Innovation Center, we strive to motivate our employees to work together across disciplines, teams or business sectors and come up with new, disruptive ideas. Apart from external collaborations, we also want to exploit the innovative strength embedded in Merck. Therefore, we are focusing particularly on teams with members from different areas because we believe the combination of different topics and expertise can lead to valuable new products and services. The objective is to help ideas grow and scale them to become viable businesses beyond Merck’s current scope.

360: How does the Innovation Center operate?

Michael: Depending on the project, our employees from around the world have the possibility to move into the Innovation Center to focus exclusively and entirely on their innovation. In this phase, we support them in an advisory capacity which includes coaching, mentoring programs and financial assistance.

Supplementary to classic research and development, this is where technologies and competencies from various areas converge. We strategically source new ideas from what we call our “Innovation Fields.” The selected ideas for innovative projects between business sectors and beyond are the guidance for our projects we’re looking for. After an ideation phase, we have different programs like “Think Tanks” or “Innospire” to foster the development of these ideas. The process brings the projects through several stages of development where we decide if and how to upscale and invest. At the end, this creates products and services outside the existing business that will help our company succeed in the future.
360: How important do you think physical presence is for innovation in comparison to distributed teams?

Michael: Physical presence is very important within our Innovation Center because we have created a space that not only allows, but also encourages, “thinking outside the box.” In rooms that are flexible, functional and inspiring at the same time, employees and external partners work together on interdisciplinary projects, turning their ideas into pioneering innovations. A separate section in the modular Innovation Center is available for teams who work together on projects.

The unique spirit that results from this is noticeable everywhere. That’s why we also invite external startup teams of our Accelerator Program to move to the Innovation Center. This allows us to exchange ideas and support each other. Different cultures and knowledge bases can reveal new angles on problems and broaden the horizon. In addition, the startups have direct contact with experts to take their innovations to the next level with the goal to also cooperate after finishing the program.

360: What impact did the Innovation Center have on the company culture?

Michael: We know how important and life-changing great ideas can be. Our Innovation Center was built to bring innovations to life right in the heart of our headquarters in Darmstadt. It provides the perfect surroundings for networking curious minds to try out new things and find clever solutions for today’s challenges. It’s both a physical space and a culture of openness and exchange between employees, experimental startups, visionaries and companies around the globe.

In addition to our global research and development efforts, the Innovation Center is our way of shaping the future. Bringing together people, technologies and skills from different areas under one roof, it is the place where innovative ideas and projects are born, and agile organizational structures combined with lean processes accelerate their implementation. These make way for new products and services and open up exciting opportunities across all our business sectors. It’s a holistic approach to innovation grounded in various initiatives, events and opportunities to get involved.

(Originally published: December 2017)