

# Editorial: Opportunities and Capabilities

Chris McPhee, Editor-in-Chief

Welcome to the June 2014 issue of the *Technology Innovation Management Review*. This month's editorial theme is **Opportunities and Capabilities**, and our authors present insights about patent evaluation, service innovation, technology entrepreneurship, and IT capability improvement.

In the first article, **Derek Smith**, founder and principal of Magneto Innovation Management, presents a framework to help managers and entrepreneurs evaluate patents to reveal their hidden value and improve strategic decision making. Based on a review of citation-based patent evaluation methodologies, the framework shows how categories of information can be interrelated to different strategic groups of business considerations, thereby providing a competitive advantage to the evaluating firm. The article includes recommendations for managers and entrepreneurs to help them make citation-based patent evaluation an ongoing business practice to enable strategic decision making. This article is derived from the author's recently completed thesis in the Technology Innovation Management program at Carleton University in Ottawa, Canada, for which he was awarded the university's Senate Medal for Outstanding Academic Achievement ([tinyurl.com/q93sz9l](http://tinyurl.com/q93sz9l)).

Next, **Jeff Moretz** and **Chirag Surti**, from the University of Ontario Institute of Technology in Oshawa, Canada, examine wireless service pricing and the opportunities it presents for innovation. By analyzing the advertised pricing of voice, text, and data services from Canadian telecommunication providers, the authors demonstrate that consumers of voice and text are in effect cross-subsidizing heavy consumers of data in this market. Such cross-subsidization of data, the authors argue, has created significant opportunities for entrepreneurs to develop innovation solutions that leverage data transmission.

**Jay Payette**, management consultant and graduate student in Carleton University's Master of Design program, addresses a key challenge that new technology startups face: a perceived lack of organizational legitimacy simply because of the venture's young age. After reviewing literature relating to different forms of organizational legitimacy, Payette argues that startups should overcome their "liability of newness" by developing external pragmatic legitimacy (i.e., self-interested calcula-

tions of an organization's most immediate audiences) through the creation of a professional services practice.

**Paul Renaud**, **Sheppard Narkier**, and **Sonia Bot**, argue that a firm's dependency on its IT function is increasingly central to its ability to innovate. They demonstrate that sustained improvement in the IT function can be achieved through incremental improvement to its technology capabilities, process capabilities, and competency capabilities. The article is of primary benefit for IT executives seeking to sustain an ongoing, systematic transformation of the IT function to enable IT entrepreneurship and agility.

Finally, this issue also includes a report on a recent TIM Lecture by **Ibrahim Gedeon**, Chief Technology Officer of TELUS ([telus.com](http://telus.com)), who shared insights on innovation based on his experiences as an executive in the telecommunications industry.

We hope you enjoy this issue of the TIM Review and will share your comments online. Please contact us ([timreview.ca/contact](http://timreview.ca/contact)) with article topics and submissions, suggestions for future themes, and any other feedback.

**Chris McPhee**  
Editor-in-Chief

## About the Editor

**Chris McPhee** is Editor-in-Chief of the *Technology Innovation Management Review*. Chris holds an MASc degree in Technology Innovation Management from Carleton University in Ottawa and BScH and MSc degrees in Biology from Queen's University in Kingston. He has over 15 years of management, design, and content-development experience in Canada and Scotland, primarily in the science, health, and education sectors. As an advisor and editor, he helps entrepreneurs, executives, and researchers develop and express their ideas.

**Citation:** McPhee, C. 2014. Editorial: Insights. *Technology Innovation Management Review*, 4(6): 3. <http://timreview.ca/article/798>



**Keywords:** innovation, entrepreneurship, capabilities, opportunities, strategy, patent citations, patent value, mobile services, service innovation, organizational legitimacy, professional services, IT function, IT capabilities