



INGINEUS

-Impact of Networks, Globalization and their Interaction with EU strategies-

Final Meeting, Dec 9, 2011: Globalisation of Innovation

Alireza Naghavi, Scientific Coordinator

based on work by the entire INGINEUS consortium



General survey results

- GINs already exist but an emerging phenomenon
- GINs are emerging from two processes
 - Advanced MNEs deepening trend to innovate through increasingly global & networked process: closeness to emerging markets, rising cost of research
 - Players from emerging markets are developing capabilities in creation and management of global networks to compensate for scarcity of skills





National/regional/firm level

- GINs make it possible to transcend national borders, but do not replace NIS
- GINs more prevalent in regional innovation systems with medium, not thick institutions
- Trend towards greater integration into the parent GIN and greater local embeddedness
- R&D centre innovation agenda in South and strengthening host NIS move hand-in-hand





The role of the South?

- Pull factors from the South contribute to GINs: Northern firms seek competencies/capabilities that facilitate access to emerging markets
- Southern firms instead invest abroad to acquire knowledge assets not available locally (push)
- University-firm links denser in North, but foreign-owned firms rely more on internal networks as source of technology (universities)





Human capital?

- Skill constraints: May trigger internal knowledge networking: *strengthen GINs*
- Organisation hierarchies: May prevent full exploitation of skills in subsidiaries: *hamper GINs*
- Tacit knowledge: Access to specialised local knowledge & networks may also drive offshoring
- *Skills* important at all levels even at shop floor





What have we learnt so far...

- GINs exist. Emerging countries contributing to moving the frontier
- Search for competences the main driver to the emergence of GINs. NIS and RIS still relevant
- Variety of firm strategies with general trend towards greater global integration
- Hierarchies still features of GINs: both in external contexts and the internal organisation of firms
- Main barriers to internationalisation is managing globally dispersed projects & cultural differences



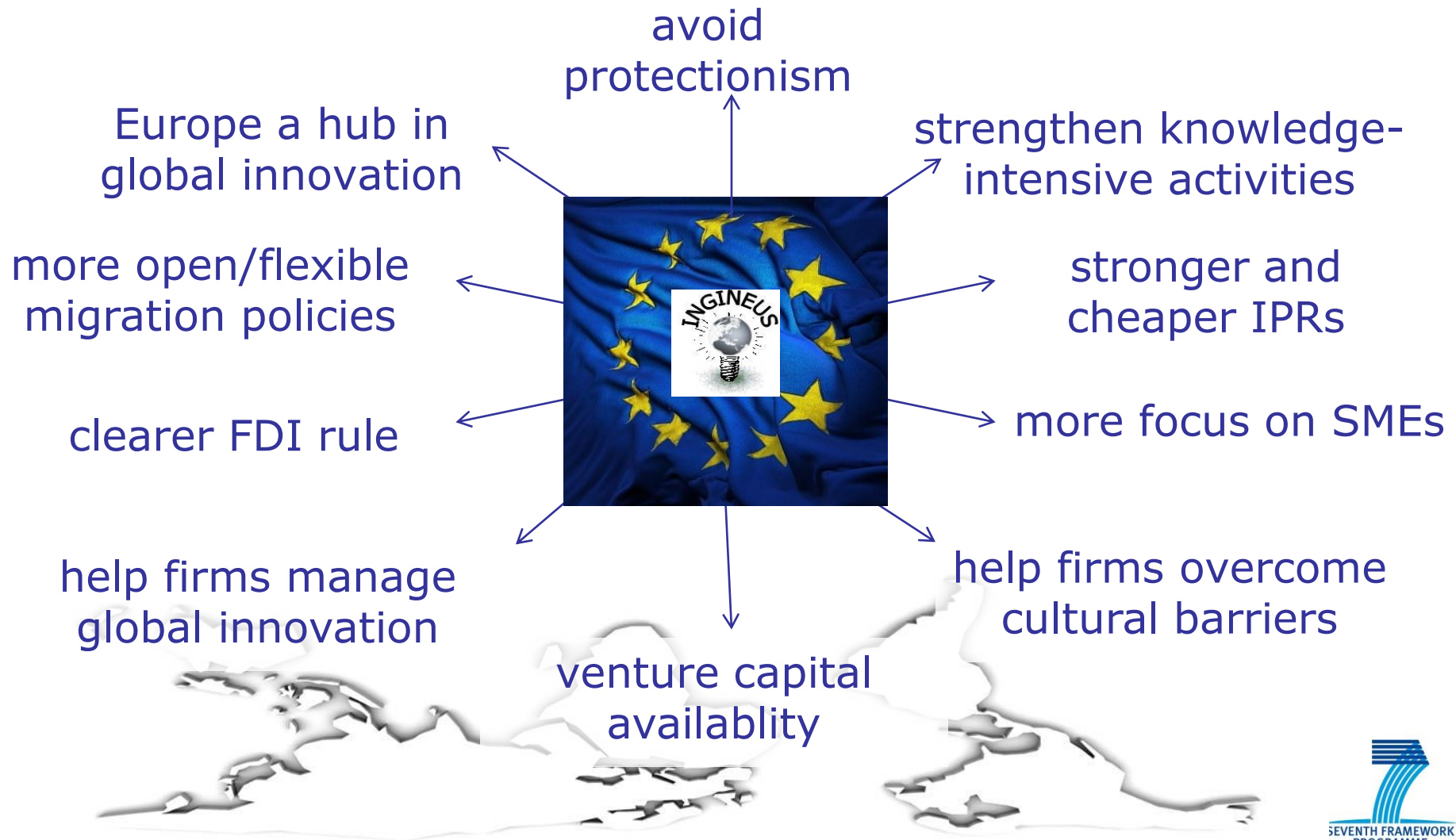
And the crisis...

- What has changed with the crises?
- In all cases: Employment cuts
- Three strategies:
 - Closing R&D labs in Europe and opening in China (expanding GINs - most cases)
 - Maintaining R&D labs in Europe and opening in BICS
 - Concentrating all R&D in Europe (shrinking GINs - few cases)





Some policy recommendations





Issues that remain as next steps

- Moving the focus towards the sustainable growth strategy of Europe 2020
- Adapting the studies to the new crisis era
- Geographical expansion of the study
 - Including Russia
 - Comparison with US
- Creating a dynamic data set now that first step has been taken





Type of activity
INGENEUS meetings and workshops
INGENEUS@GLOBELICS
Seminars and other Conferences
Press releases

Thank you for your attention!

Alireza Naghavi, Scientific Coordinator
University of Bologna, FEEM
alireza.naghavi@unibo.it

INGENEUS "Impact of Networks, Globalisation, and their INTERaction with EU Strategies" is sponsored by the 7th Framework Programme of the European Commission. www.ingeneus.eu

