

# **International Competitiveness and Innovation**

## **Review Questions Session 08 – Lecture 13 MNCs and Global R&D**

## session 08, lecture 13: MNCs and Global R&D

### 1. Explain WHY MNCs engage in overseas R&D (Four Goals) :

#### (i) Product or process adaptations or improvements

- continual testing and customer interaction

#### (ii) Basic materials or product research

- continual testing and customer interaction

#### (iii) Rationalized research


- gain economies of scale/scope – certain R&D in certain regions

#### (iv) To acquire or gain an insight into foreign innovating activities

- monitoring, or acquiring knowledge from superior methods

### 2. Describe the Characteristics of the “Born-Global” Firm :

1. **Application of knowledge-based resources** for superior performance
2. **Ability to replicate** firm’s capabilities across numerous markets
3. **Emphasis on developing new technologies**
4. Offering **unique products** in niche markets overseas
5. **Quality focus** to meet or exceed customer expectations
6. **Rely on capabilities of facilitators** in foreign
7. **Distributor competences**
8. **Flexibility** with internal organisational structures



# **International Competitiveness and Innovation**

## **Review Questions**

### **Session 08 – Lecture 14**

## **International Transfer of Knowledge**

## session 08, lecture 14: International Transfer of Knowledge

### 1. Describe the Thirteen Barriers to Intra-Firm Technology Transfer

1. **No interest / lack of motivation** (dislikes collaboration, prefers individualism)
2. **No perceived individual incentives**
3. **'Not-invented-here' syndrome** (reluctance to accept ideas from 'outside')
4. **Threatened by new technology**
5. **Loss of jobs, control or autonomy** (fear of losing ownership, control, job)
6. **Lack of people transfer** (major barrier; lots of tacit knowledge resides with people; requires face-to-face transfer)
7. **Lack of trust** (can be serious barrier leading to arduous relationship that becomes laborious and distant)

## session 08, lecture 14: International Transfer of Knowledge

### 1. Describe the Thirteen Barriers to Intra-Firm Technology Transfer

8. **No training** (often training manuals are not enough; links back to people transfer issue)
9. **No perceived market benefits** (especially for technology Receiver who cannot relate TT to an end market requirement)
10. **Formalised structures and relationship** (little flexibility and some working routines/ prior practices are outdated)
11. **Lack of absorptive capacity** (Recipient struggles to understand complexity of technology & lacks ability to absorb)
12. **Lack of retentive capacity** (Recipient is unable to assimilate and apply any new knowledge; maybe needs Gatekeeper to decodify knowledge?)
13. **Language barriers** (not just different countries; also jargon)

## session 08, lecture 14: International Transfer of Knowledge

2. **Describe the 7 Way of Overcoming the Barriers to Intra-Firm Tech Transfer**
  1. Skills and knowledge accompanying technology transfer are not a commodity shippable as a toolbox – **develop transferred knowledge.**
  2. Transfer of some skills must be understood in context of the culture from which the technology was developed – **understand the context.**
  3. **Building of ‘trust’** is an integral component of most successful technology transfer arrangements. Action conveying long-term intent and creating reciprocal obligations (confidence in each other’s ability).
  4. **Cross-functional people transfer.**
  5. Use of **prototype models.**
  6. **Better end market feedback**
  7. **Better project management documentation procedures** highlighting the strategic importance of a transfer process.

## session 08, lecture 14: International Transfer of Knowledge

### 3. Describe the Six Senior Mgt Implications of Intra-Firm Technology Transfer

1. Introduce mechanisms that *encourage knowledge sharing* across MNC boundaries.
2. Higher *corporate funding* for technology transfer projects and levy on businesses.
3. Promote collaborative culture by *recognising achievements* and *rewarding improvements* if possible.
4. Raise the profile of technology transfer to an integral *higher priority component* in the firm's technology strategy.
5. Ensure that technology transfer decisions are aligned to *strategic intent* and are rational decisions, rather than independent business-unit level *emotional decisions*.
6. *Engage all key actors* in the management of technology transfer programmes to help create a '*learning environment*'.



**study up!**

**Fin**