COLLABORATIVE NETWORKS - WHICH WAYS TO GO?

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Distributed innovation processes

- Innovation can be interpreted as a distributed knowledge sourcing and combining process between different agents.
- Knowledge generation and implementation processes are supposed to result from social interaction between economic actors.
- Distributedness of innovation depends on: the *modes* of interrelationships between agents (knowledge base and specialization), the *dynamics* in the distribution patterns of the agents (changes in the distribution patterns), and the *scales* which address the levels of innovation (incremental steps <--> fundamental changes) (Coombs et al. 2003, p. 1126).
- The advantages of distributedness depend on the absorptive capacity of firms (Cohen/Levinthal 1990) and on a proper gatekeeper function in the firm (Tushman/Katz 1980).
- Larger firms have a higher propensity to collaborate with external partners.



Embeddedness and distributedness of networks



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Findings from empirical studies

- MNEs exploit and utilize different location-specific and market-related factors.
- Through internationalization MNEs attempt to access and use specific competences.
- MNEs combine the advantages of globallycoordinated product and production



strategies with the **advantages of local proximity and specific locational factors**.

- Applied strategies depend on the necessity to get access to specific localised knowledge and skills, on the direct access to specific markets, and on the necessity to become a player in a regional innovation system or a cluster.
- Regional environments must offer strategic advantages.

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Regional environment and headquarter location of research-oriented MNEs



- The highest number of MNEs are found in technology oriented industrial regions.
- Research and service oriented regions rank 2nd.
- The lowest absolute number of headquarters are found in lagging regions at the periphery of Europe.
- MNEs favor regions with a favorable innovation potential, a strong technological base and good economic conditions, as well as a strong university research and service orientation.



Changes in the industrial sector

- In the course of globalization and the science orientation in technological development, the complexity in technology and product development increases further.
- Own entrepreneurial resources (knowledge, capital) are often insufficient to master this complexity.



- This results in changes in the interface between science and industry - (large) companies are looking for access to long-term strategic research.
- Universities and non-university research institutes are attractive research partners in this context.

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Starting points for the establishment of new forms of collaboration

- Increasing freedom and levels of autonomy of public research organizations and increasing flexibility of institutional structures.
- In addition to contractual bilateral relations new structures and organizations at the interface between science and industry emerge.
- Starting points: collaborations in which actors from different, previously separate organizations interact and explore new forms of cooperation ("Heterogeneous cooperation").



Source: Koschatzky (2013)



ResearchCampus

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- Major characteristic: Collaboration "under one roof" on a university campus.
- Access to specific knowledge combinations.
- Partnership between large firms, SMEs and research organizations.
- Utilization of national/international networks of the partners.
- Distributed innovation with the ResearchCampus, but spatially localized.



Source: own draft



Germany: Leading-edge clusters



- Objective: generation of innovations in future technologies by establishment of strategic partnerships between science and industry.
- Starting point: spatial proximity between already excellent partners (picking the winners strategy).
- Collaboration pattern: Spatial hubs (access to specific knowledge and competencies) and international linkages (spokes).





Conclusions

- Clear indications for a reorganization of the division of labour in strategic R&D between industry and the research sector.
- New flexible collaboration patterns in the way of clusters or on-campus models.
- Besides advances in communication technologies, spatial and cultural proximity are still necessary in collaboration.



- Necessities exist to tap into locally bound knowledge, especially in emerging, still uncertain technologies or market niches.
- Localized relationships are complemented and enlarged by collaborations in global research, production and marketing networks ('hubs and spokes').

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