

# Globalization and the Changing Contextual Setting: New Challenges to NBS Research

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Globalized ownership, outsourcing, competition  
over networks networks

# Global Watershed Changes in the Constitution of Firms?

- From functionally integrated hierarchies to networked firms and open innovation systems
- Combining innovation and cost-reduction: Constantly redefinition of roles and rules among firms in global value chains
- Developing High Performance Work Organizations: Integrating planning and execution in teams; decentralizing external relations (can-ban-systems)
- New Managerial techniques: Continuous improvement, root-cause analysis, appreciative enquiry, simultaneous engineering, heuristic design.

# Percentage of U.S. Industrial R&D by Size of Enterprise

Source Chesbrough 2003

<b>Company Size</b>	<b>1981</b>	<b>1989</b>	<b>1999</b>
<1.000 Empl.	4.4	9.2	22.5
1.000-4.999	6.1	7.6	13.6
5.000-9.999	5.8	5.5	9.0
10.000-24.999	13.1	10.0	13.6
>25.000	70.7	67.7	41.3

## Table 1.1 : Foreign Direct Investments (stock) in percentage of GNP 1990 and 2002

source: Eriksson et al. 2006: 9.

Country	To/from	1990	2002
Denmark	To	6.9	41.7
	From	5.5	43.4
Sweden	To	5.3	46.0
	From	21.3	60.5
Finland	To	3.8	27.0
	From	8.2	52.8
USA	To	6.9	12.9
	From	7.5	14.4
England	To	20.6	40.8
	From	23.2	66.1
Germany	To	7.1	22.7
	From	8.8	29.0
France	To	7.1	28.2
	From	9.1	45.8
Ireland	To	72.3	129.1
	From	24.5	29.9
China	To	7.0	36.2
	From	0.7	2.9

# Dramatic Reposition of NBS

- 1990s: US and UK domination through finalization – troubled Germany and France picking up by liberal reforms
- 2000s: The Emergence of South East Asia, Latin America, China and India as realization of and challenge to global value chains.
- From 2005: The Surprising Performance of Small State Business Systems and a troubled Southern Europe
- Now: The Financial Crisis Questioning Everything.

# The Re-emergence of Europe as a set of Vibrant Economies.

- The Lisbon Scorecards:
  - 2002: Only Finland contest the US: The Finish Innovation System (NOKIA)
  - 2004: Finland, Denmark and Sweden outperform the US: Two Innovation Systems and Danish Flexicurity
  - 2006: Denmark, Finland, Sweden, Netherlands, Germany and UK outperforms the US
  - A number of Enigmas: Iceland conquering and loosing the world, Irish prosperity and bankrupcy, Italian stagnation
- WHY?

# NBS having divergent ways of constructing "Projective Cities"?

- US, UK and France constructing mobile elites (centered around finance) and immobile, servicing masses: Dual Labour Markets?
- Germany, Belgium, Italy and others restoring the position of male breadwinners through Employment Protection Agreements?
- The Nordic Welfare States as a Question Mark: Can Projective cities be inclusive?