

INNOVATION AND ADAPTATION TO COMPETE IN GLOBAL VALUE CHAINS: WHEN EXPERIENTIAL KNOWLEDGE TRUMPS PIONEERING KNOWLEDGE IN EMERGING MARKETS

Dr. Gerald McDermott

Associate Professor of International Business, University of South Carolina, Columbia, SC, USA

Email: gerald.mcdermott@moore.sc.edu

Presentation Summary (limited to 200 words)

Drawing on a variety of studies in emerging market countries, this presentation will focus on the key problems of product and process upgrading – a Schumpeterian form of innovation. In contrast to assumptions about the importance of pioneering technologies, researchers increasingly find that local firms, often as exporters or suppliers to multinational corporations, need first and foremost access to a variety of applied and experiential knowledge resources. Such resources are interdisciplinary as they help the firm understand the interface between production technologies, work practices and organizational forms. Moreover, given the tacit and contextual nature of the knowledge, the typical vehicles of dissemination and recombination are interfirm networks and non-market industry support institutions.