COURSE DESCRIPTION

An outline description of the course in Corporate Innovation and International Business:

This course shows how the multinational firm depends critically on its technological and related skills to achieve its central strategic objectives. Introductory classes consider the determinants and characteristics of corporate technological change, and the linkages between science and technology, and the consequences of their geographical localization for international business. Then we assess the contention that corporate strategy should include a strategy for managing innovation, the purpose of which is deliberately to accumulate and exploit firm-specific knowledge. The course examines the implications of technological change as a learning process, for inter-company technology-based alliances, for international technology transfer, and for capturing the returns to innovation in the multinational firm. The innovative records of large and small firms are compared. The use of corporate patent statistics is appraised as a means of measuring patterns of innovation at the firm level. The course concludes with a discussion of systems of innovation, and of technology policies.

Requirements of students on the course:

1. To attend all weekly classes, and any other additional lectures as may be advised from time to time.

2. To complete a term paper by the end of the semester, to be submitted in week 15. Term papers should not normally exceed 2,500 words of text (the bibliography is not part of this word count). The title for the term paper must be chosen from the titles given below, each associated with a particular class topic (from topics 2-11; it is not possible to write on topic 1, which is a background introduction). The term paper must demonstrate an understanding of the issues raised in the relevant lecture, and make reference to the readings set for that topic. The term paper must answer the question set, with reference to the key themes of the course articulated in the lectures and readings. It is not to be treated as an independent research paper. All students should read the chapters and articles indicated in the lists below, whether or not they are writing their term paper on that topic. The course has been designed as an integrated treatment of the subject with underlying connections between topics. The term paper should therefore also demonstrate an appreciation of how the answer to a specific question on a given topic fits into the broader context of the course. The course must not be regarded as a set of 11 separate topics that can be treated in isolation from one another. Thus, while students are welcome if they wish to undertake additional reading on the topic of their term paper, this must be related to or used to critique the central themes of the course in the term paper. Any such extra readings should not be used in the term paper merely to provide some other
alternative essentially unrelated approaches to the topic, and in particular additional readings on a
specific topic must not be regarded as a potential substitute for undertaking (and where they are
relevant, referring to) the readings for other topics that are also part of the course. To reiterate: a
term paper should answer the question set so as to (i) incorporate understandings derived from all
the readings for the relevant topic and from the lecture on that topic, (ii) incorporate reference to
other selected readings required in the course, and to general themes that recurred at various stages
during the classes, and (iii) should only incorporate other references not included in the readings
for the course to the extent that these help build upon and consolidate (but not detract from) the key
themes and content of the course.

3. For Ph.D. students, and selected M.S. students, to give a presentation on their chosen topic to the
class towards the end of the semester, prior to the submission of the paper itself at the end of
the semester. Presentations can last for a maximum of 15 minutes when given by just one student, and
for a maximum of 20 minutes when a joint presentation is given by two or more students (the
allotted time then being divided equally between them). Presentations are to be prepared in
PowerPoint, and to ensure that the necessary time limits are observed they must be contained in a
maximum of 12 slides per student for a lone presenter or 8 slides per student in the case of joint
presentations (excluding a title slide, if there is one), and all the text of each slide must be in at least
a minimum font size of 24. Any presentation that does not conform to these guidelines may be
stopped before it is completed. A hard copy of the slides to be used is to be given to the course
convenor prior to the oral presentation. Topics will be allocated in week 1 and presentations will
be scheduled for specific slots during the classes in weeks 13 or 14. Where students give
presentations, assessment will be 25% for the presentation, and 75% for the paper.

4. Those students that will give presentations are expected to consult the class materials for their topic
ahead of the session to be held on that topic, and to prepare some questions on the lecture in order
to begin a class discussion once that week's lecture has been completed.

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**LEARNING GOALS AND OBJECTIVES**

This course is designed to help graduate students to acquire advanced knowledge in the area of
specialization of International Business. Students who complete this course will demonstrate mastery of
some fundamental concepts used in research in the International Business field.

Students develop this knowledge through the following course activities and assignments:

(i) Lectures, that deliver basic concepts, arguments and methods used in research in the field, and explain
how they are related, to provide an integrated perspective on the subject area. Some common themes are
shown to apply in more than one context, and so the lecture materials ensure that the course is more than
just the sum of its parts.
(ii) A *term paper*, in which each student is required to individually complete a paper which answers a specific question on a topic covered in the course. In doing so, the student is expected to demonstrate their understanding of some selected key research themes that have been highlighted during the course.

(iii) Doctoral students on the International Business major in the Ph.D. Program in Management need to successfully pass a *qualifying exam*, following the completion of their coursework.

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**ACADEMIC INTEGRITY**


I will strongly enforce this Policy and pursue *all* violations. On all examinations and assignments, students must sign the RU Honor Pledge, which states, “On my honor, I have neither received nor given any unauthorized assistance on this examination or assignment.” I will screen all written assignments through *SafeAssign* or *Turnitin*, plagiarism detection services that compare the work against a large database of past work. Don’t let cheating destroy your hard-earned opportunity to learn. See [business.rutgers.edu/ai](http://business.rutgers.edu/ai) for more details.

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**SUPPORT SERVICES**


If you are a military *veteran* or are on active military duty, you can obtain support through the Office of Veteran and Military Programs and Services. [http://veterans.rutgers.edu/](http://veterans.rutgers.edu/)

If you are in need of *mental health* services, please use our readily available services.  
[Select for inclusion in syllabus based on course location]  
[Rutgers University-Newark Counseling Center: [http://counseling.newark.rutgers.edu/](http://counseling.newark.rutgers.edu/)  
[Rutgers Counseling and Psychological Services – New Brunswick: [http://rhscaps.rutgers.edu/](http://rhscaps.rutgers.edu/)]

If you are in need of *physical health* services, please use our readily available services.  
[Select for inclusion in syllabus based on course location]  
[Rutgers Health Services – Newark: [http://health.newark.rutgers.edu/](http://health.newark.rutgers.edu/)  
[Rutgers Health Services – New Brunswick: [http://health.rutgers.edu/](http://health.rutgers.edu/)]

If you are in need of *legal* services, please use our readily available services: [http://rusls.rutgers.edu/](http://rusls.rutgers.edu/)

If you are in need of additional *academic assistance*, please use our readily available services.
CLASS TOPICS

1. Establishing corporate technological competence as an evolutionary process.
2. Internationalization, innovation and geography: corporate networks and regional economic development.
3. The determinants of corporate technological change.
4. The role of science in technology, and the localization of science-technology linkages.
5. Alternative approaches to corporate technology strategy.
6. Inter-firm technological cooperation and international technology transfer.
7. Comparing innovation in small and large firms.
8. The connection between the internationalization and diversification of corporate technology.
9. Capturing the returns to innovation in the multinational firm.
10. The measurement of technological change: the use of corporate patent statistics.
11. National systems of innovation, institutions and technology policy.

DETAILED TOPIC SCHEDULE, OUTLINES AND READING LISTS

Week 1

1. Establishing corporate technological competence as an evolutionary process.

   (An introduction pertinent to each of the remaining topics; students should treat this as essential background material, but there is no term paper corresponding to this topic.)


Week 2

2. Internationalization, innovation and geography: corporate networks and regional economic development. [Topic to be presented by a Guest Lecturer, Professor Simona Iammarino of the London School of Economics and Political Science.]

Paper Title: The international networks of production and innovative activities organized by modern MNEs represent the strategic integration of geographically distinct paths of innovation. Discuss this contention, with reference to the opportunities and threats for regional economic development posed by cross-border corporate networks in both advanced and emerging market economies.


Week 3

3. The determinants of corporate technological change.

**Paper Title:** Describe and comment on Schmookler's analysis in support of "demand-pull" explanations of technical change.


Week 4

4. The role of science in technology, and the localization of science-technology linkages.

**Paper Title:** Assess the links between science and technology, and the implications of their geographical localization.


Week 5

5. Alternative approaches to corporate technology strategy.

   **Paper Title:** Compare and contrast the rationalist and the incremental approaches to corporate technology strategy.


Week 6

6. Inter-firm technological cooperation and international technology transfer.

   **Paper Title:** Examine the implications of technological change as a corporate learning process for technology-based alliances between firms, and for international technology transfer.


Week 7

7. Comparing innovation in small and large firms.

   **Paper Title:** Discuss the circumstances under which small firms are most likely to be relatively strong innovators.


Week 8

8. The connection between the internationalization and diversification of corporate technology.
Paper Title: In what ways has the relationship between the internationalization and diversification of corporate technology changed recently?


Week 9

Spring recess week, no class.

Week 10

9. Capturing the returns to innovation in the multinational firm.

Paper Title: Explain how the capabilities-based or competence-based approach to the multinational firm complements the contract-based approach, and how the capabilities-based approach suggests a different way of understanding the means by which multinational firms capture the returns to their innovation.


Week 11

10. The measurement of technological change: the use of corporate patent statistics.

   **Paper Title**: Discuss the use of corporate patent statistics in the light of any potential difficulties you can identify with patent statistics as a measure of innovative activity.


Week 12

11. National systems of innovation, institutions and technology policy.

   **Paper Title**: Comment on the justification for government subsidies for basic research, and on the role of technology policy in Europe, Japan and the USA.

Patel, P. and Pavitt, K.L.R. (1994), "National innovation systems: why they are important, and how they may be measured and compared", *Economics of Innovation and New Technology*, vol. 3, no. 1, pp. 77-95.


Week 13
Discussion of first set of student presentations.

Week 14
Discussion of second set of student presentations.

Week 15
No class; completion of term papers; submission of term papers due by, via the Blackboard course site (under the tab "Assignment", you'll find an assignment named "Term paper", click "View/Complete", upload your paper there, and submit).