

## What sorts of linkages can foster innovation?

### Why are linkages important for innovation?

Effective linkages play a critical role in innovation as they are a means that allows organizations to tap into a larger base of ideas and technology, find complementary expertise, and pool competencies in order to overcome barriers, such as limited funding and lack of management resources and technological competencies. In addition, they foster knowledge spillovers among actors and contribute to overcoming co-ordination failures. New ideas emerge from the combination of existing knowledge from various sources and, therefore, the diffusion of innovations is also critical for future progress: new products require components based on knowledge resulting from previous inventions.

Linkages for innovation are particularly important today as innovation relies more and more on the integration of different technologies and the combination of various types of knowledge and skills. Moreover, innovative organizations face more intense competition, increased pace of innovation and shorter life cycle which lead them to search for quicker way to innovate.

### What are the key policy dimensions regarding linkages for innovation?

- What is the adequate regulatory framework needed to support effective technology transfer from universities and PRIs to industry? What infrastructures can facilitate technology transfer and commercialisation?

→ [Technology Transfer and Commercialisation](#) [1] . Some firms and organizations are good at inventing but cannot produce or commercialize these products effectively. This is particularly the case for universities and public research institutes (PRIs).

- How can governments foster successful innovation networks and clusters?

→ [Innovation Networks and Clusters](#) [2], foster linkages for innovation. They may take multiple forms: they may be formal or informal, local or global, and may link a variety of actors (e.g. universities, public research institutes, established firms and new ventures).

- How can governments support international linkages? How can they improve the capabilities of innovative businesses to engage in effective co-operation with foreign firms?

→ [International Linkages](#) [3] include various types of linkages, such as migration, international trade, foreign direct investments (FDI), global value chains (i.e. the activities that firms perform in different parts of the world in order to produce a final product or service), and international R&D (e.g. R&D collaboration with foreign organizations, and use of R&D infrastructure located abroad). International linkages have become more important as communication costs have decreased, and as openness to trade and foreign direct investment (FDI) have facilitated diverse forms of collaboration on innovation. The important feature of international linkages is that they allow firms to gain access to a broader pool of resources and knowledge. Such connections are critical for tapping into frontier innovations.

### References

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