Contents

Lis	st of figures	vi
Lis	st of tables	•
Lis	et of boxes	хi
	Preface	
		Xi
	Introduction: innovation and social cohesion in a learning	
	economy	
1	The objective: to stimulate a knowledge-based debate about	
	innovation policy	1
2	Innovation	3
3	The innovation system	4
4	A national innovation system?	5
5	The specialization of the Danish innovation system	6
6	Education, labour markets and capital markets as fundamental	Ů
	components of the Danish innovation and competence-building	
	system	7:
7	The learning economy	94
8	The learning organization	108
9	Knowledge intensity and knowledge flows in the Danish	100
	innovation system	126
0	Inter-firm collaboration	136
1	Collaboration between firms and knowledge institutions	147
2	Qualification requirements and organizational change: new	• • •
	challenges for continuing education and vocational training	162
3	Labour market dynamics, innovation and organizational change	175
4	Lessons to be learnt	191
		171
Bibl	liography	204
nde		213
		- 10

Figures

1	TPN 4 .	
1	The basic model relating transformation pressure to the	
	activity to minuvate and to costs and have containing	_
1.1	and control rates for men women and country to	5
	- omitain compared with the average for the Err	
	020B III 1999	
1.2	Comparison of value-added per capita and per work hour	19
	in Denmark and the EU in 1996	
1.3	Competitiveness and social cohesiveness in OECD	20
	countries control contestveness in OECD	
2.1	Percentage of firms reporting that they implemented	27
	technical and organizational changes during the period	
	1993–95	
2.2		31
	The share of more or less change-oriented firms in five sectors	
2.3	Frequency of innovation; product	32
2.4	Frequency of innovation: products new for the industry Degree of change: products new for the industry	34
3.1	Frequency of collaboration in connection with the	35
	development of new products	
3.2	The importance of the collaboration partner for the	48
	completion of the project	
3.3	Share of firms that answered at	49
	Share of firms that answered the question, 'To what degree did your firm develop a classical did your firm develop and the cla	
	did your firm develop a closer relationship with the	
	following agents during the period 1993–95?' with the	
3.4	answers 'to a great extent' or 'to a certain extent' Share of firms that answers to	50
	Share of firms that answered the question, 'To what degree	
	did your firm develop a closer relationship with the	
	following agents during the period 1993–95?' with the answer 'to a great extent'	
4.1	Product development callet	51
	Product development collaboration with Danish and foreign	
	customers and suppliers respectively in connection with the most important project	
4.2	Importance of collaborate	57
	Importance of collaborators – percentage reporting that	
5.1	collaborators were of 'crucial importance' Comparison of industrial experimentations	57
	Comparison of industrial structure 1985 and 1995 in	
	Denmark, Sweden, the Netherlands and Finland	62

Figures			

ix

5.2	and low-tech sectors in 1995 (measured as a percentage of	
5.3	Export specialization for products with various technology	63
5.4	Export specialization for products with different world	64
5.5	Overview of the ten Danish firms with most patent	66
7.1	Share of firms that reported increased or unchanged	71
7.2	Technical and organizational change in firms that reported	103
7.3	years 1993–95	104
7.5	Share of firms that answer 'greater' to the question 'Has the firm altered its demands for qualifications in connection with bining 1002, 000.	
8.1	with hiring 1993–95? and change in competitive pressure Indicators for delegation of responsibility to individuals and to groups	105
8.2	Share (%) of firms that answered 'yes' to the quartier.	110
9.1	'Has the firm implemented significant organizational changes in the period 1993–95?' Internally developed versus acquired knowledge (contained in	117
9.2	a product) Knowledge flows in Denmark in 1991 (based on R&D	128
10.1	Frequency of collaboration with different types of	131
10.2a	Collaboration partners for the textile and clothing industry	138
10.2b	important project Collaboration partners for the stone, ceramic and glass	141
	industry for one or more product developments and on the most important project	142

Tables

2.1	Frequency of innovation: share of firms selling products	
2.1	new to the industry	33
2.2	Degree of improvement in the innovative firms: share of	
	turnover from products new to the industry	34
2.3	Percentage of product-developing firms that reported that	
	their product was new to the Danish and the international	
	market	36
2.4	Knowledge input and growth in five primary sectors	39
5.1	Key data for countries of varying size, 1992	68
5.2	Comparison of export specialization for Denmark, Sweden,	
	Holland and Finland for different industries in 1980 and 1994	69
5.3	Ranking of Danish manufacturing industries according to	
	degree of specialization in terms of production, employment	
	and R&D, 1990	70
5.4	Overview of the areas of technology where the firms in the	
	region in question are highly specialized in terms of patent	
	applications	72
7.1	The development in employment 1992–97 for three groups	
	of firms arranged according to change in competitive	400
	pressure	103
7.2	Employment of unskilled workers and all workers 1992–97	
	in groups of firms experiencing varying degrees of increased	100
	competition during the period 1993-95	106
8.1	Share of workplaces with more than 50 employees that	
	have implemented chosen management initiatives in the	117
0.0	last three years	112
8.2	Dissemination of four organizational techniques promoting	113
0.0	functional flexibility in Danish firms, 1996	11.
8.3	Dissemination of two organizational techniques (delegation	
	and integration of functions involving more than 50% of	
	employees) in firms of varying size and with different	114
8.4	sectoral affiliations given as %	11.
0.4	The connection between the degree of organizational and technological change, and productivity in the areas of	
	services (1993) and manufacturing (1994)	110
	services (1993) and manufacturing (1994)	111

r

Tables xi

8.5	Share (%) of firms that have implemented at least one	
	significant organizational change during the period	
	1993-95 divided by sector and firm size	118
8.6	Share (%) of firms that report heavily increased competition	
	in the period 1993-95 divided by sector and firm size	119
8.7	Conditions emphasized as the most significant help or	
	hindrance to firms at different levels of organizational	
	development and innovative behaviour	120
8.8	Share (%) of firms that have implemented at least one	
	significant organizational change during the period 1993-95	
	and report that to a great degree it was to promote the	
	development of knowledge in the firm, divided by sector and	
	firm size	123
9.1	Sectors with the highest total knowledge intensity in Denmark,	
	1991	129
9.2	The share of indirect knowledge in sectors with low knowledge	
	intensity, Denmark 1991	130
11.1	Collaboration with research institutions according to firm size:	
	share in % that reported collaboration in connection with	
	product development	151
11.2	Share of firms that have strengthened their collaborative ties to	
	knowledge institutions according to firm size and presence of	
	highly educated employees (LAE)	153
11.3	Product-innovating manufacturing firms' collaboration	
	with Danish and foreign technological consultants and	
	research institutions according to firm size – share in %	
	reporting collaboration in connection with product	
	development	157
12.1	Change in the nature of the work for employees during the	
	period 1993–95 for firms that have carried out organizational	
	changes compared to firms that have not	165
12.2	Distribution of employees, 1990 and 1994 in firms that had	
	not and firms that had carried out organizational change	167
12.3	Elements with great or some significance for management	
	efforts to ensure that employees develop their skills	169
12.4	Share of unskilled workers that participated in AMU courses,	
	1994	171
13.1	Employment development in the DISKO labour market	
	subset compared to the development of the entire private	
	labour market	176
13.2	Employment 1992–97 in firms with and without product and	
	service innovations 1993–95	177

13.3	index for employment development, divided into	
	product/service innovation and branch subset	178
13.4	Index for employment development for top and middle	
	management in firms with high, intermediate and low levels	
	of HRM	180
13.5	Employment in dynamic and static firms, 1992-97	181
13.6	Jobs created and jobs lost at firm level in dynamic and static	
	firms	182
13.7	Hiring and leaving of personnel at firm level in dynamic	
	and static firms	183
13.8	Personnel turnover ('hiring and firing' rates) for different	
	educational groups in dynamic and static firms 1993-94	185
13.9	Share of core workforce in dynamic and static firms, 1994	185
13.10	The index of employment development for highly educated	
	and for unskilled labour in dynamic and static firms,	
	1990–94	186
13.11	Employment of unskilled workers in dynamic and	
	static firms, 1992–97	187
13.12	Share of the core workforce in dynamic and static firms for	
	employees with different educations, 1994	188
13.13	The situation of the more loosely connected employees the	
	year after their registration as such, 1990-93	189

Boxes

1.1	Labour supply and productivity	21
1.2	The need to connect the analysis of what is going on inside	
	firms to the productivity of the entire economy	23
1.3	Striking a balance between work and learning	24
1.4	The Danish emphasis on consensus-building and technology	
	assessment	26
1.5	Social capital and industrial policy	28
2.1	A warning against glamorous innovation policy in small	
	and less-developed countries	37
2.2	Two studies of the impact of organizational forms on	
	innovation performance	41
5.1	Productivity and high technology	67
5.1	In the learning economy one of the key competencies is the	
	ability to build bridges between people	80
7.1	We need to know more about how knowledge is produced	95
7.2	Social capital and its importance to the learning economy	100
1.1	Grundtvig and Ørsted: their impact on the innovation system	191
1.2	Six lessons from the DISKO study	200