

# Session 7

## Innovation and Performance

### INGENIO PhD Days

8th April 2014

# Learning and diffusion of innovations in project-based industry -H. Nykamp-

## Strengths

- Interesting and under-investigated setting:  
construction industry
  - Pro-cyclical industry
  - Key industry in the 'green economy'
  - Project-based organisational form

# Clarifications

- Project based organizational form. There is literature linking different types of organisational forms to innovation (Gann & Salter, 2000; Keegan & Turner, 2002).
- Project based organisational form is a well established way of carrying out innovation activity as it tends to minimize uncertainty in the innovation process.
- Nice albeit general propositions, but discussion should lead to 4/5 clear hypotheses to be empirically tested
- Data, empirical approach?

# Project-based Structure

**Advantages:** (i) Flexible; (ii) Good accountability and control (clear tasks/defined time) (iii) Effective knowledge exchange; (iv) Attract international members due to short project times

**Disadvantages:** (i) Possible lack of coordination; (ii) Proliferation of projects; (iii) Breaking up teams hinders knowledge accumulation; (iv) Members keep on working on a dead-end project just because of formal commitment

# Dual labour markets and firm productivity -S. Fano-

## **Strengths**

- Very interesting contribution. A way to link short -run policy changes with long-run outcome. Tries to provide a theoretical foundation on empirical facts linking temporary contracts and firm productivity

## Clarifications

- Counterintuitive and interesting result comes from mechanism properly modelled or assumption?
  - when share of temporary contracts is too high, workers put less effort as they expect to be confirmed, lower productivity
  - Labour as only factor of production is a standard assumption in these models? This limits the substitution or complementarity between labour and capital and the impact of technology on that
  - Duration of contract
  - You can investigate how changes in unemployment benefits for temporary workers affect the participation in the labour market
  - I understand there is no way to be employed under a permanent contract when you are unemployed
  - Acting on parameters' values you can provide sensitivity to different macroeconomic conditions, eg economic crisis
  - I do not understand which are the three different simulations you refer to in the results section.

# Financial barriers and sources of funding for innovation in Colombia

-A. Méndez-

## Strengths

- Sexy topic: relevant for academics and policy makers
- Financial obstacles to innovation activity in developing countries
- Different sources of funding (cash flow, firm group, public funding, bank loans, equity funds, cooperative funds, other firms)

## Clarifications

- Development of theoretical arguments.
  - If your main contribution is to study financial constraints in developing countries, spend more time and develop the argument further of why it is interesting and relevant to study financial barriers in developing countries
  - Conclusions: how do your results differ from those for developed countries?
- Empirical part
  - Descriptive statistics to understand distribution of firms across categories
  - Model: ordered probit/logit and not count model



# Trade status, innovation activities and skill structure of firms

-M. Lindic-

## **Strenghts**

- Link together trade (imports and exports), innovation and skill upgrade
- Nice work on data collection and merge of different dbs. Lot of potential for analysis

## Clarifications

- In the sequencing of events I do not see innovation
- You rely on a ATT approach
  - You should make it clearer how treatment variables are defined. Are they defined just the first time the treatment is activated? Every year?
  - Why propensity score matching? You adopt an empirical strategy relying on conditional independence assumption. To mitigate this you can adopt other strategies such as conditional propensity score matching, panel data or diffs-in-diffs
- The steps beyond the first sequence have every few observations. Reliability problem.