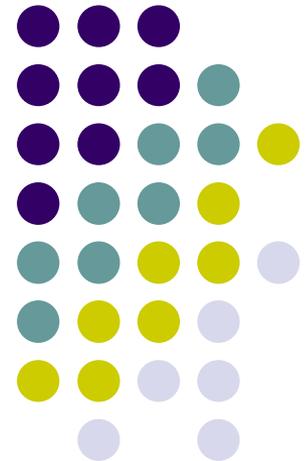


Conditions for innovation in KIBS: evidence from small KIBS firms in Ontario

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Context of the research



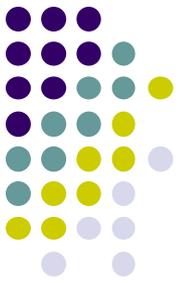
- The key aim of the research project was to analyse the conditions for innovation in KIBS with a focus on the use of ICTs in knowledge production and diffusion, and the internal and external knowledge search strategies pursued by KIBS to innovate.
- The data used in the quantitative analysis originate from a firm-level survey – sample of 392 KIBS in Ontario-.
- The sampling was restricted to Computer Services (NAICS 5415), Legal Services (NAICS 5411) and Management Services (NAICS 5416). Firms with fewer than 5 and over 200 employees were not included in the sample.

Research questions



- What is the role that ICTs play in supporting the innovation process of KIBS firms?
- What kinds of internal and knowledge sourcing strategies impact innovation?
- To what extent KIBS innovation varies across regions?

Major findings



- Innovation in KIBS is not directly driven by the use of ICTs
 - The use of these technologies is most useful to optimize existing processes rather than to create new forms of technological and non-technological innovation.
- Innovation appears to be influenced by external openness to different innovation sources
 - We show a positive relationship between innovation type and openness, be it in terms of external sourcing and external partnering strategies.
- Innovation does not differ with respect to the location of KIBS firms

Policy implications



- Policies should not neglect the KIBS sector and rather recognize the role of KIBS as key knowledge generators and providers in the economy.
 - Awareness
- KIBS are key structural elements for the development of strong ecosystems both in, and outside metropolitan areas.
 - KIBS as intermediaries
 - Multiplier effects
 - Importance of KIBS outside metropolitan regions