

Thinking Straight in a Non-linear World



Brainovation

Innovation & Expertise Advice to Grow your Business

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To our new readers, welcome to Brainovation®!
And to our returning readers, welcome back.



As always, I look forward to continue to share insights into global developments in the Innovation and Expertise fields - and how they can work in and improve your business. This month I continue the commentary on growth and share a study published earlier this year by the Swedish research institute of industrial economics. I also updated the compilation of Brainovation expert interviews to include the latest feature. The download link is at its usual place further down.

Is your organization in pursuit of high growth?
Share your thoughts on my blog, the Brainovation Twitter feed, Facebook page, or by email.

Our contact information is at the bottom, as well as reprint permissions. Also included is a brief taste of what you can expect in upcoming issues. And remember, "In knowledge organizations, learning is work, thinking is doing"

Anders Hemre

R&D and High Growth Firms

There is a wide spread assumption that R&D fuels growth and therefore that high R&D intensity would fuel high growth. In line with this, innovation and growth stimulating national and regional policies often target the high-tech sector to encourage firms to undertake more, or more expensive, R&D through tax credits and other incentives. As a consequence one would expect

High-Growth Firms (HGFs) to be overrepresented in technology industries. A Swedish study suggests otherwise. HGFs were instead found to be overrepresented in knowledge-intensive service industries, i.e., service industries with a high share of human capital. Researchers conclude that “the policy implications of our results are troubling because they suggest that the relationship between R&D and high growth is, at best, highly complex but is most likely negative; while there may be exceptions, the knowledge required for policy-makers to be able to pick winners (whether industries or firms) simply does not exist”.

The working paper report from earlier this year is an easy and interesting read: [Are High-Growth Firms Overrepresented in High-Tech Industries?](#)

To get more Brainovation business briefs, follow me on [Blogger](#), [Twitter](#) & [LinkedIn](#), where I try to think straight in a non-linear world and where I share "micro thoughts" on life and work in the knowledge economy.

In the Previous Issue

In case you missed the September issue, here it is again:
[From Gazelle to Unicorn: a study of growth](#)

In Upcoming Issues

Planned features for future issues of our newsletter include conversations with leading management gurus, interviews with international technology management executives as well as more readers' spotlights.



If you have feedback or questions about Brainovation, please contact me by email or through my twitter feed [@geoffdahl](#)

[Geoff Dahl](#)
Brainovation editor

Guru Interviews (updated with the August feature)

Since our inception, sharing management and technology insights from around the world has been a focus of Brainovation. Now we give you the chance to enjoy all our previous guru interviews in one document.

[What The Gurus Say: Brainovation® Interviews 2007-2015](#) (PDF)



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