

Innovation Management with Chinese Characteristics – Knowledge Flows between Enterprises and Academia

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Educating 21st Century Corporate Leaders Chinese and Western Perspectives
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GLOBALIZATION • INNOVATION • ENTREPRENEURSHIP • RESPONSIBILITY



Hangzhou, China



*Hangzhou,
The Capital city of
Entrepreneurship*



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Hangzhou: the Paradise City

West Lake, Grand Canal
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培养引领中国未来发展的健康力量
CULTIVATING THE HEALTHY POWER LEADING THE FUTURE OF CHINA

Zhejiang University, 1897-



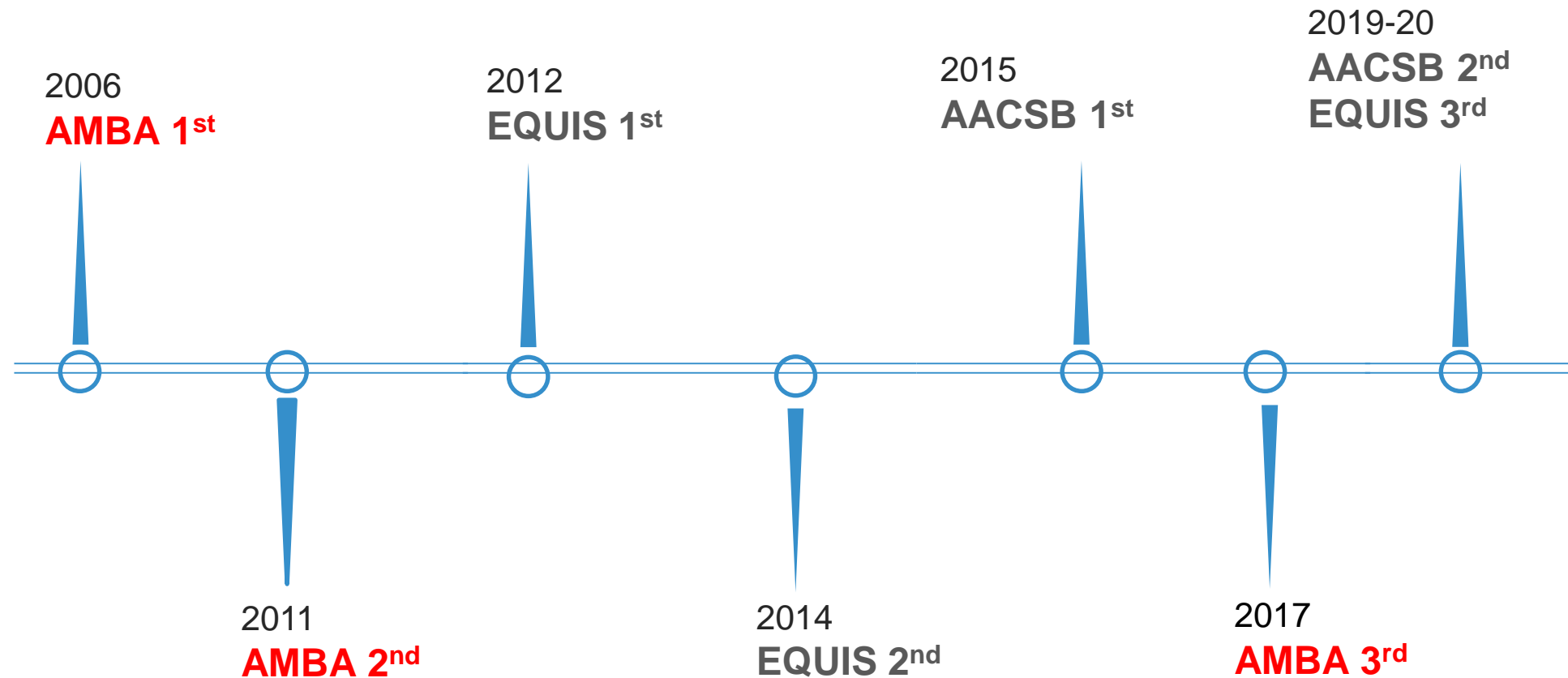
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International Accreditations





Outlines

- New Normal in China: Innovation-driven Rising
- The Changing Demands for B-Education
- Paradigm Shift and Beyond the Catch-up



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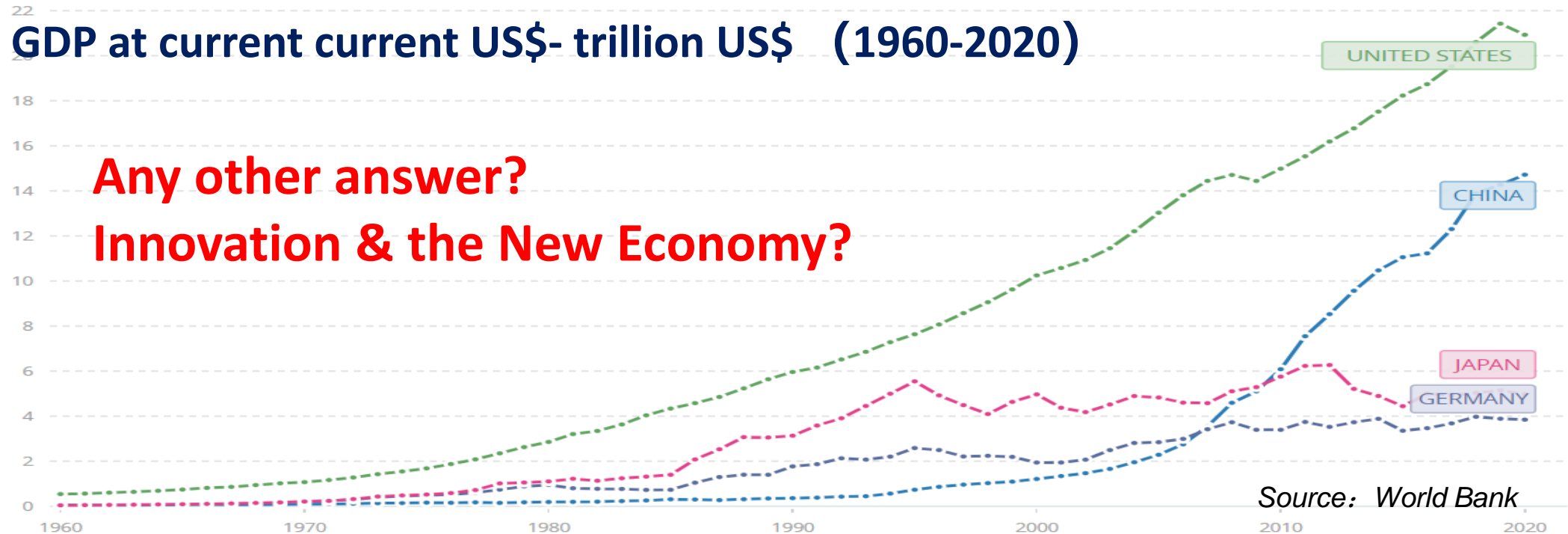
China's success owes more to its entrepreneurs than its bureaucrats. Time to bring them out of the shadows



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The **worst policies** make China a big success?



Over the past 39 years, China's annual growth rate has reached 9.4%.

Can China sustain such rapid growth?

The answer depends on how much late-comer's advantage China still has, depending on the income gap between China and high-income countries.

— Justin Lin at China Development Forum (CDF)



China vs. USA

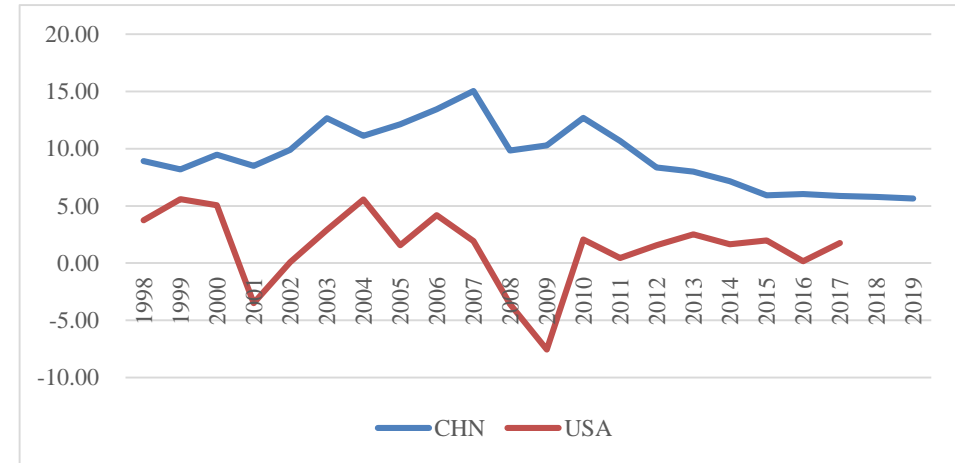
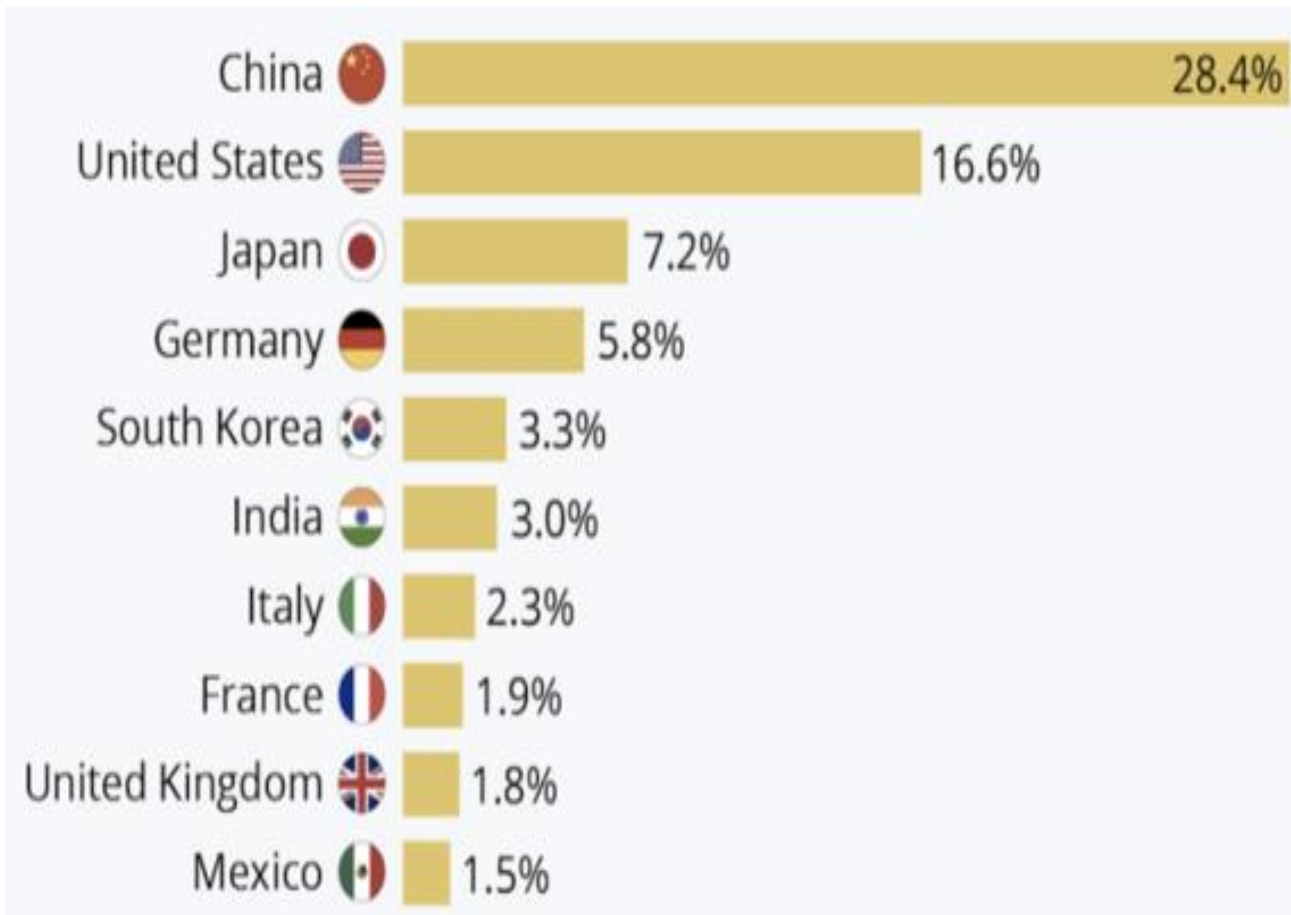


VS

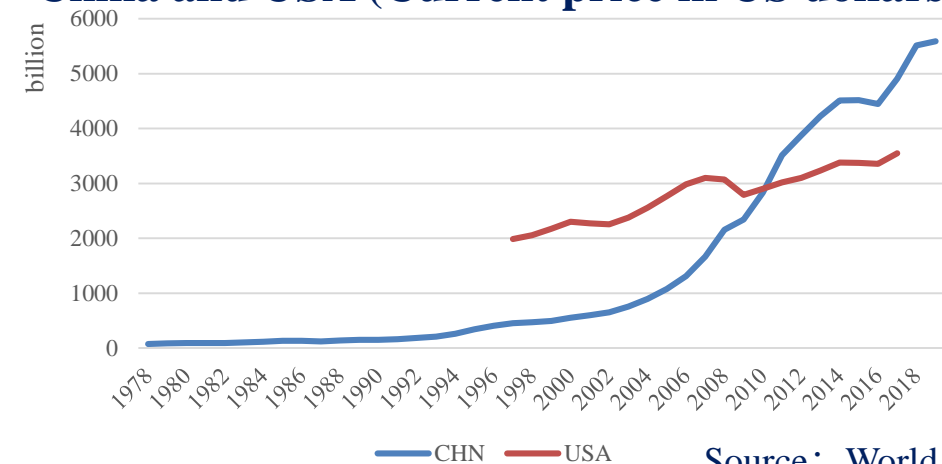


Annual growth rate of manufacturing added value from 1961 to 2019 in China and USA

Top ten Share of global manufacturing output



Manufacturing added value from 1961 to 2019 in China and USA (Current price in US dollars)



Source: World Bank, 2021



What Happened in CHINA?

Retail Ecommerce Sales (Feb 2019)

Number of People Using Mobile Payments (2017, 2018E, 2019E)

Top 5 Countries, Ranked by Retail Ecommerce Sales, Feb 2019

billions



Note: includes products or services ordered using the internet, regardless of the method of payment or fulfillment; excludes travel and event tickets, payments (such as bill pay, taxes or money transfers), food services and drinking place sales, gambling and other vice good sales; *excludes Hong Kong

Source: eMarketer, March 2019

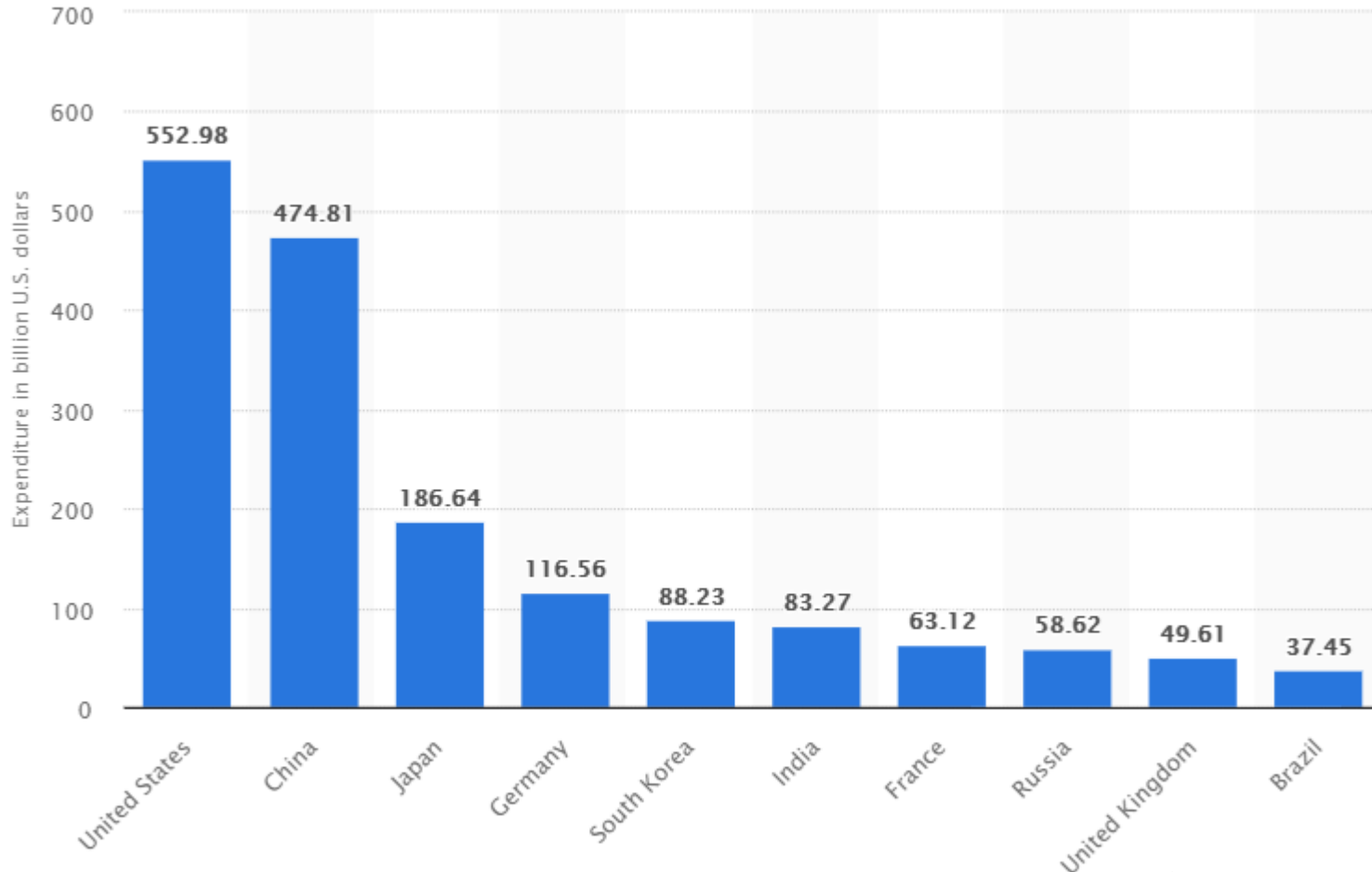
Source: eMarketer



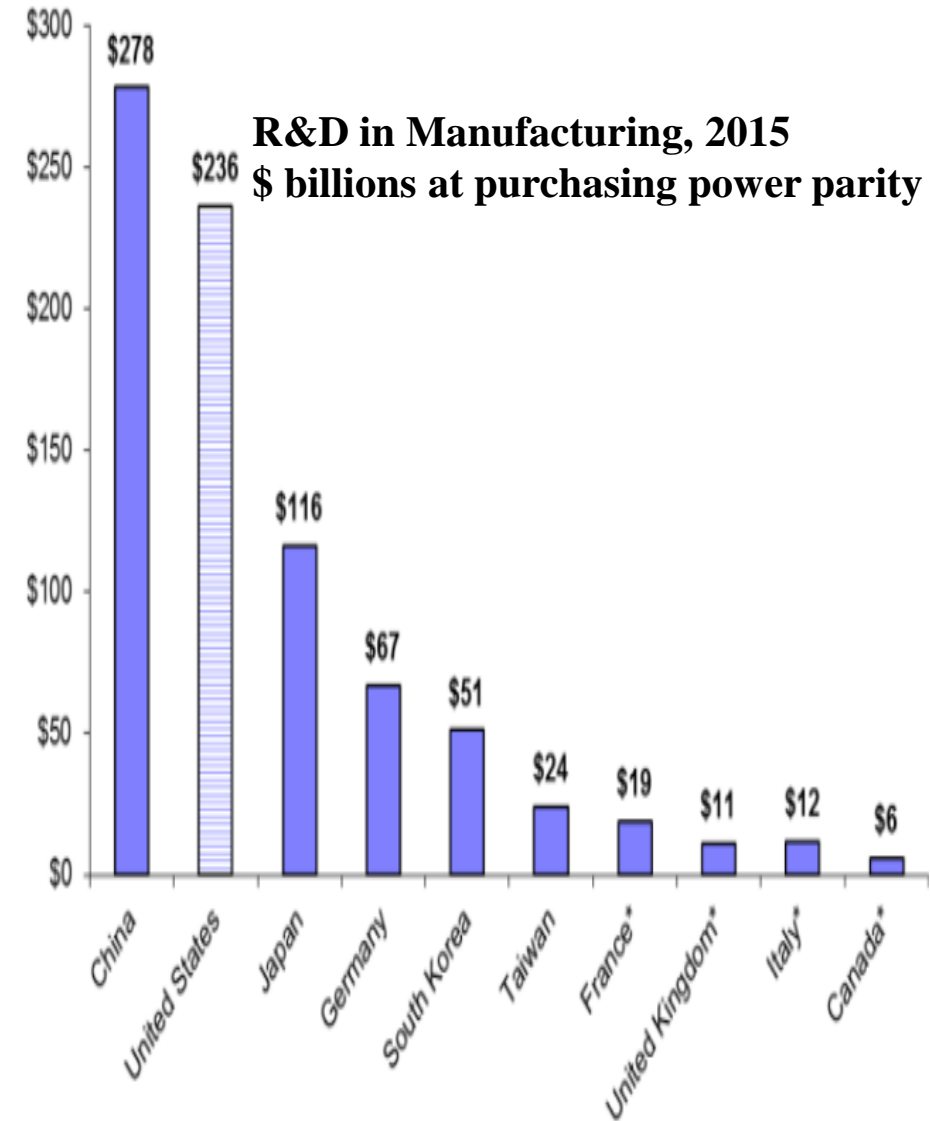
How could China beyond catch up with OTHERS?



Leading countries by gross R&D expenditure worldwide in 2018 (in billion U.S. dollars)



(Source: Statista, 2018)

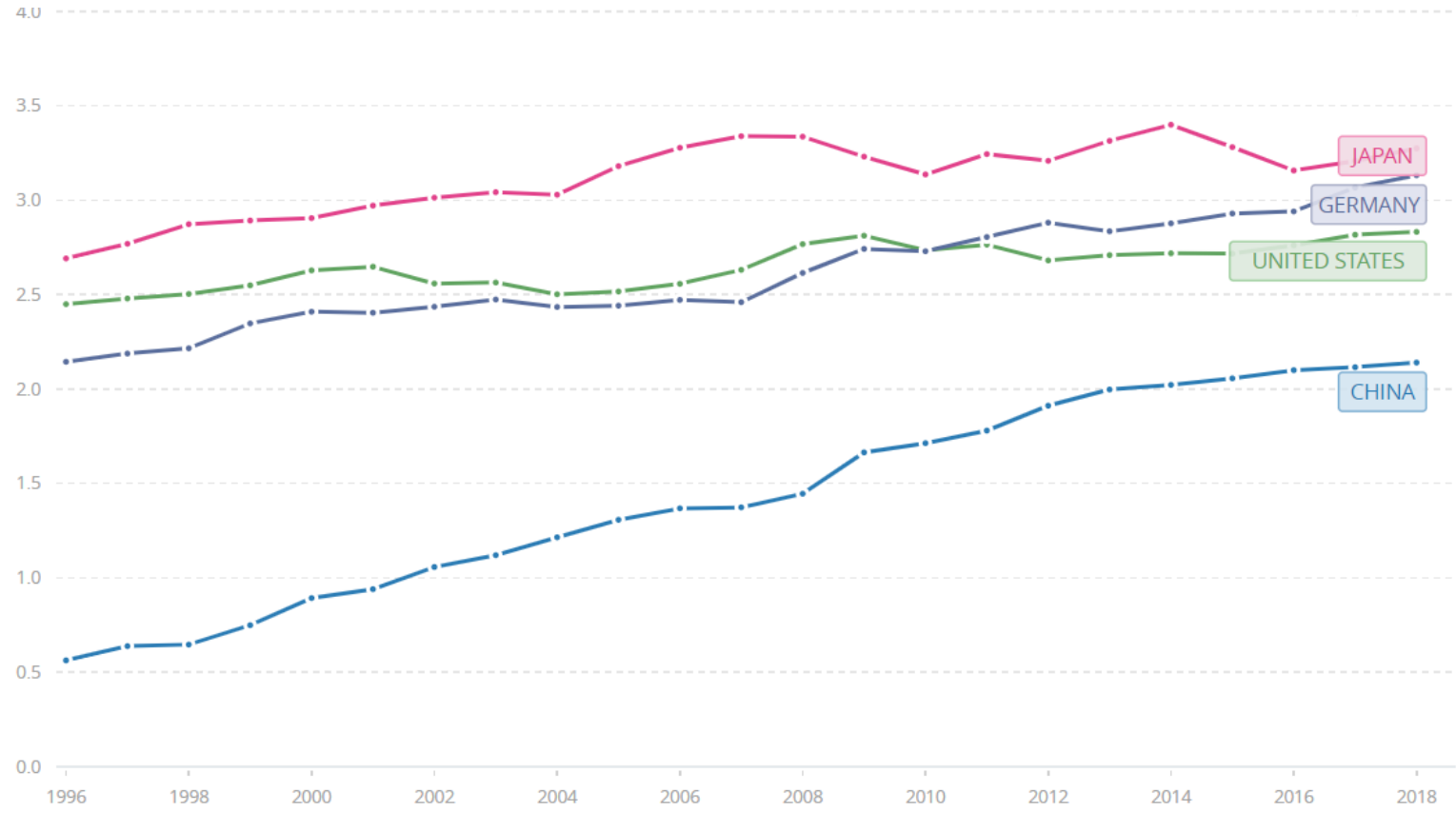


(Source: OECD STAN R&D database)



United States, Japan, Germany & China Compared

R&D expenditure (% of GDP) (1996-2018)



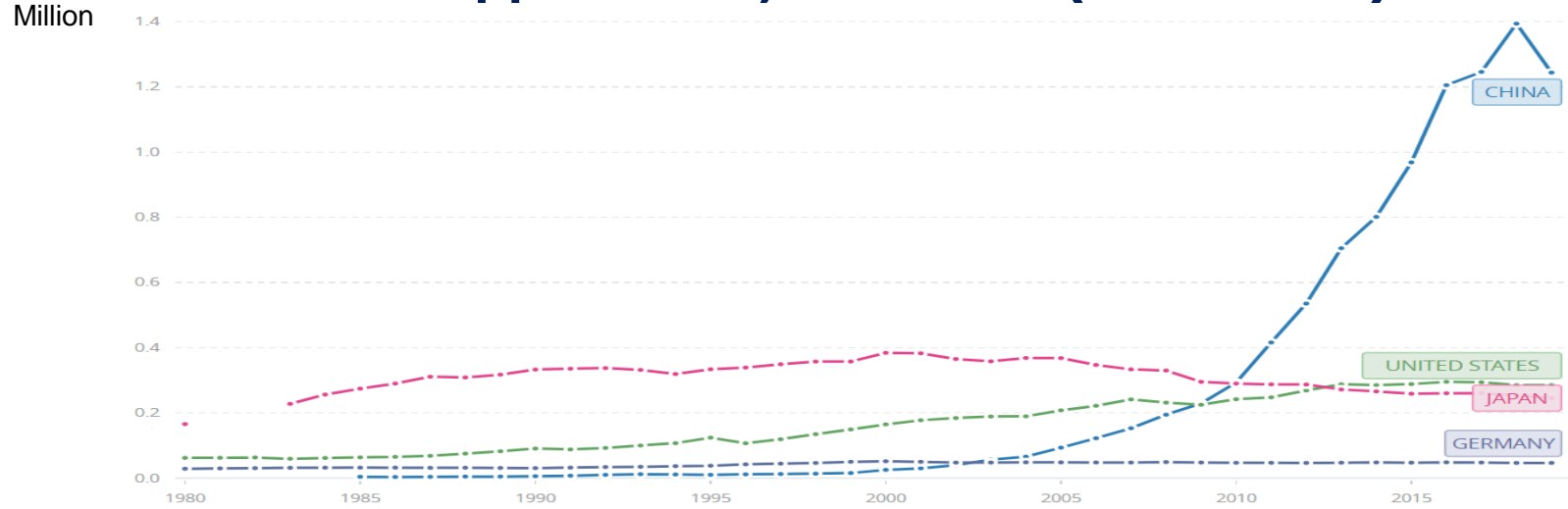
- CHINA
- Lowest R&D/GDP
- Fastest growth rate

Source: World Bank



United States, Japan, Germany & China Compared

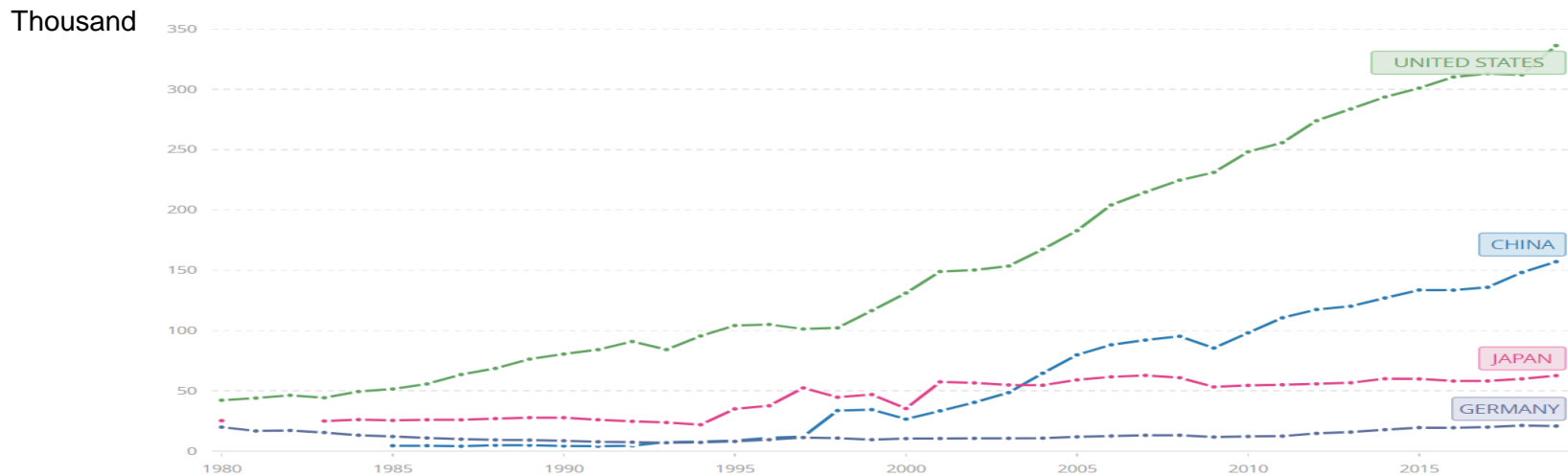
Patent applications, residents (1985-2016)



■ China

- Most patent applications, residents
- Highest growth rate of patent applications, residents
- Relatively lower patent applications, nonresidents than U.S.

Patent applications, nonresidents (1985-2016)

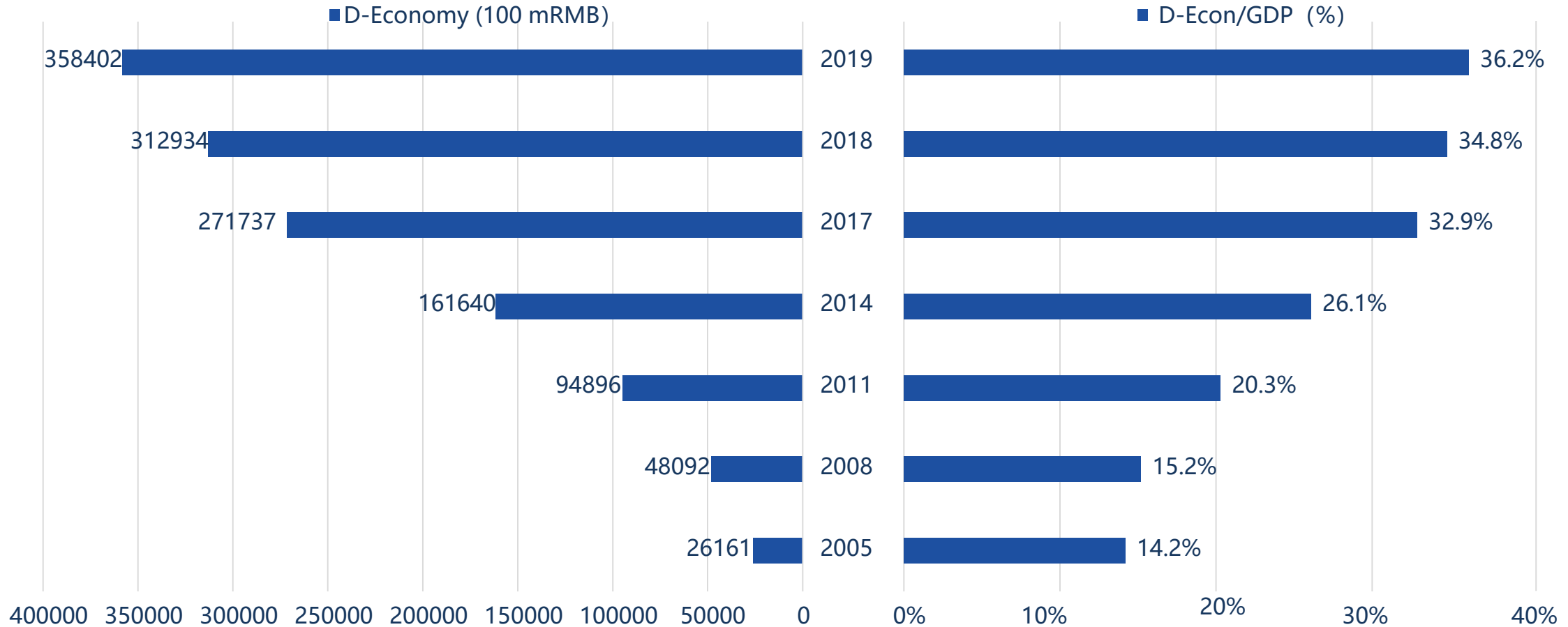


Source: World Bank



Digital Economy in CN-over 35 trillion

2005-2019, D-Econ. /GDP, (100 m RMB, %)



资料来源：前瞻产业研究院

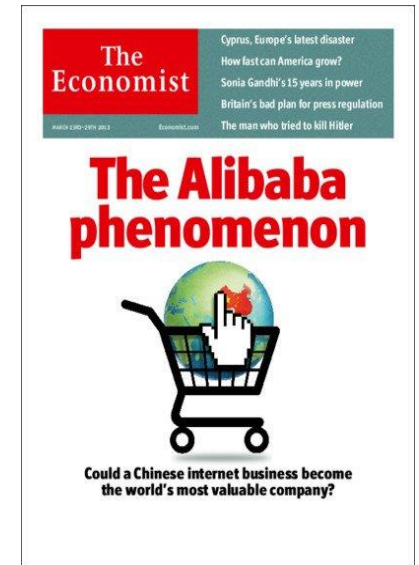
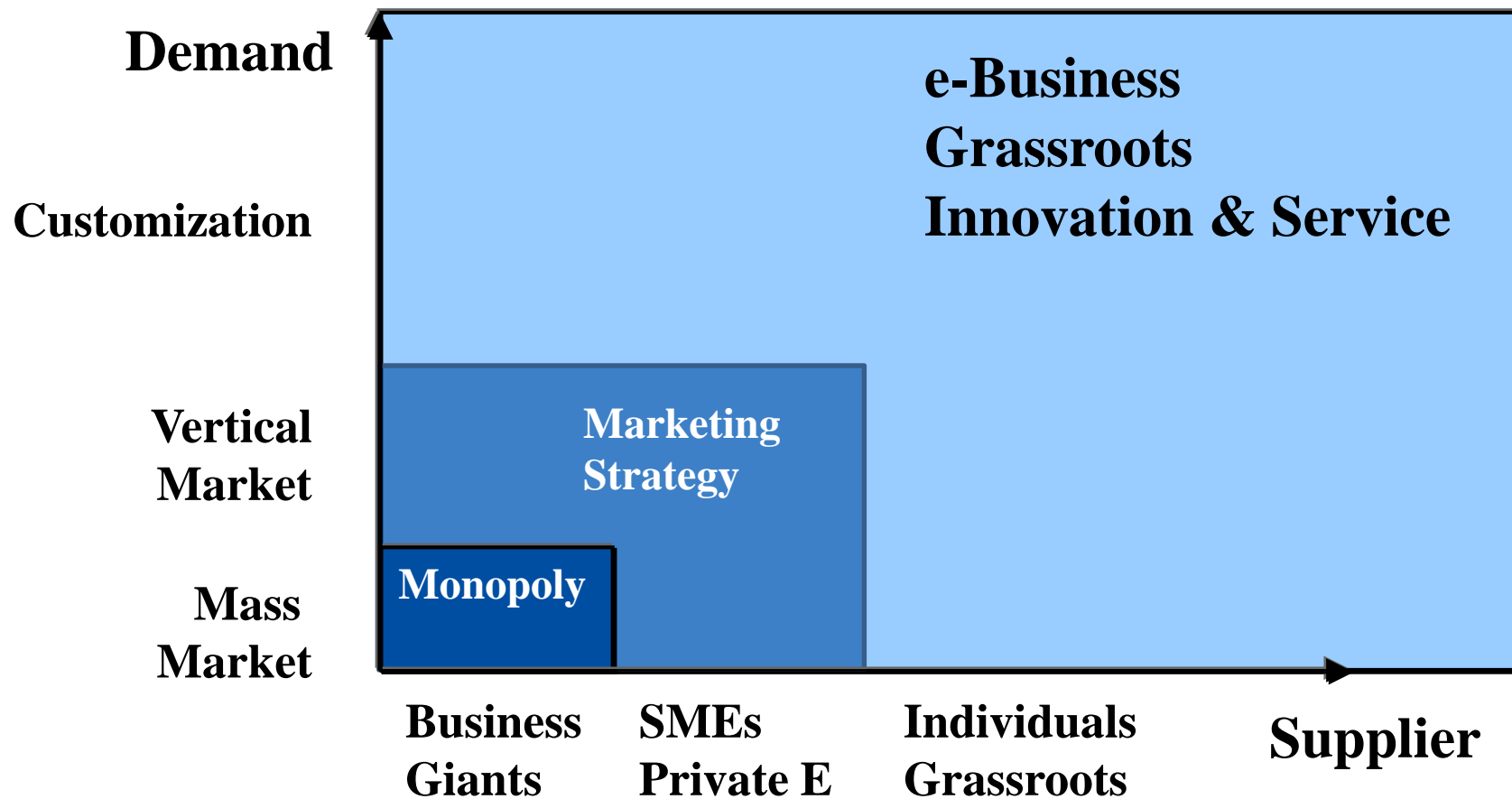


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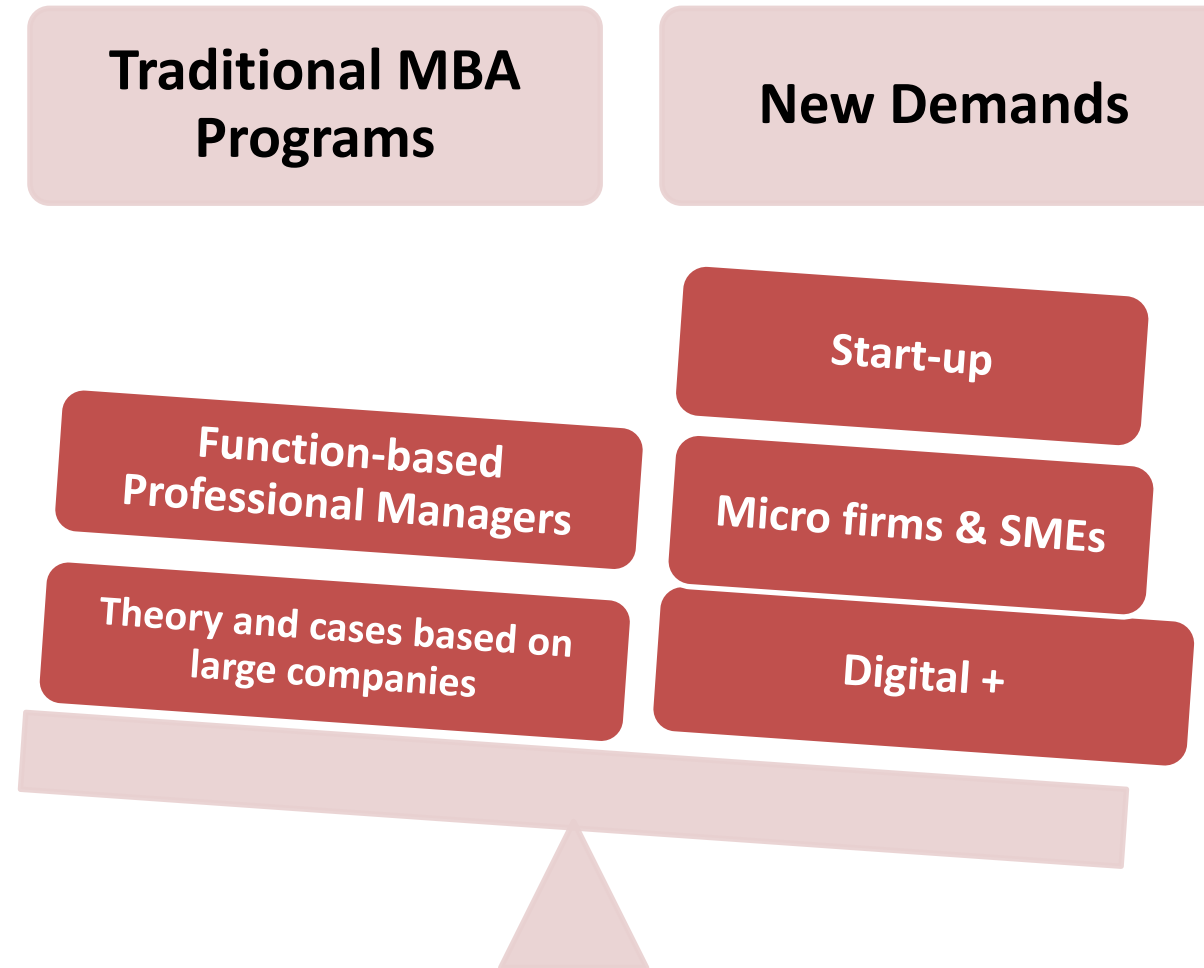


The changing demand for MBA education





Challenges of MBA Education





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CN B-School: Catch-up & Beyond

■ Catch-up: Knowledge Pool

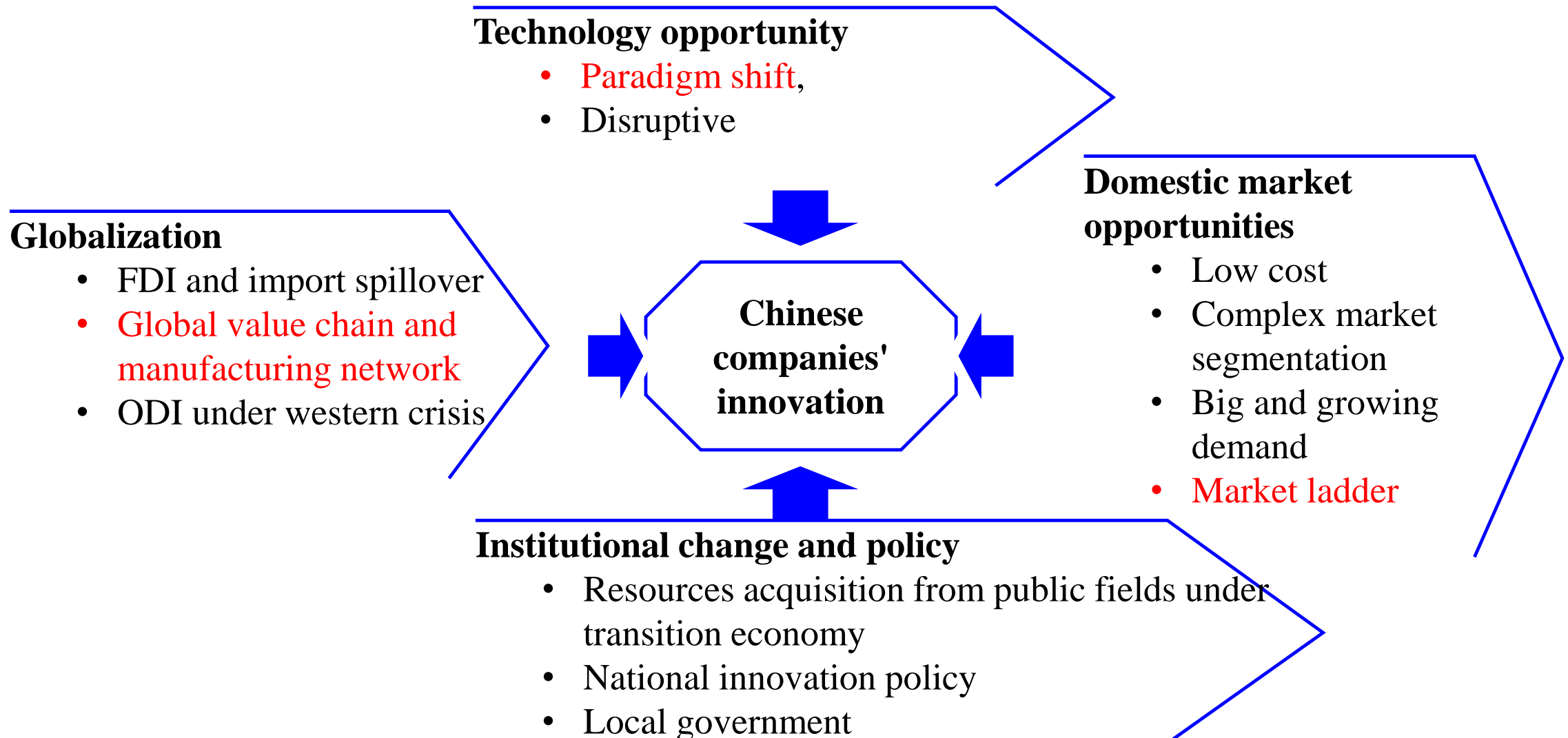
- ❑ Textbooks & Strategic alignment
- ❑ Quality Assurance Mechanism
 - Advisory committee: external stakeholder
 - Assurance of Learning towards relevant
- ❑ Distinctiveness
 - research expertise
 - focus specific areas
- ❑ Benchmarking leading schools
(aspirant, competitive, comparable groups)

■ Beyond: Gateway to a wider world

- ❑ Interaction with regional **Glocal** Industries
- ❑ Rising new business models
- ❑ Emerging business leaders
- ❑ Social impact
- ❑ Attractiveness, image & reputation toward Ind.



The Unique Context of Chinese Enterprises





Technology Evolution

Performance

Un-learning

Paradigm Shift

Technological trajectory

New technology

Windows of Opportunity

Existing technology

How Could we Seize the Opportunities and Catch up & Beyond?

Time

Source: Dosi (1982)

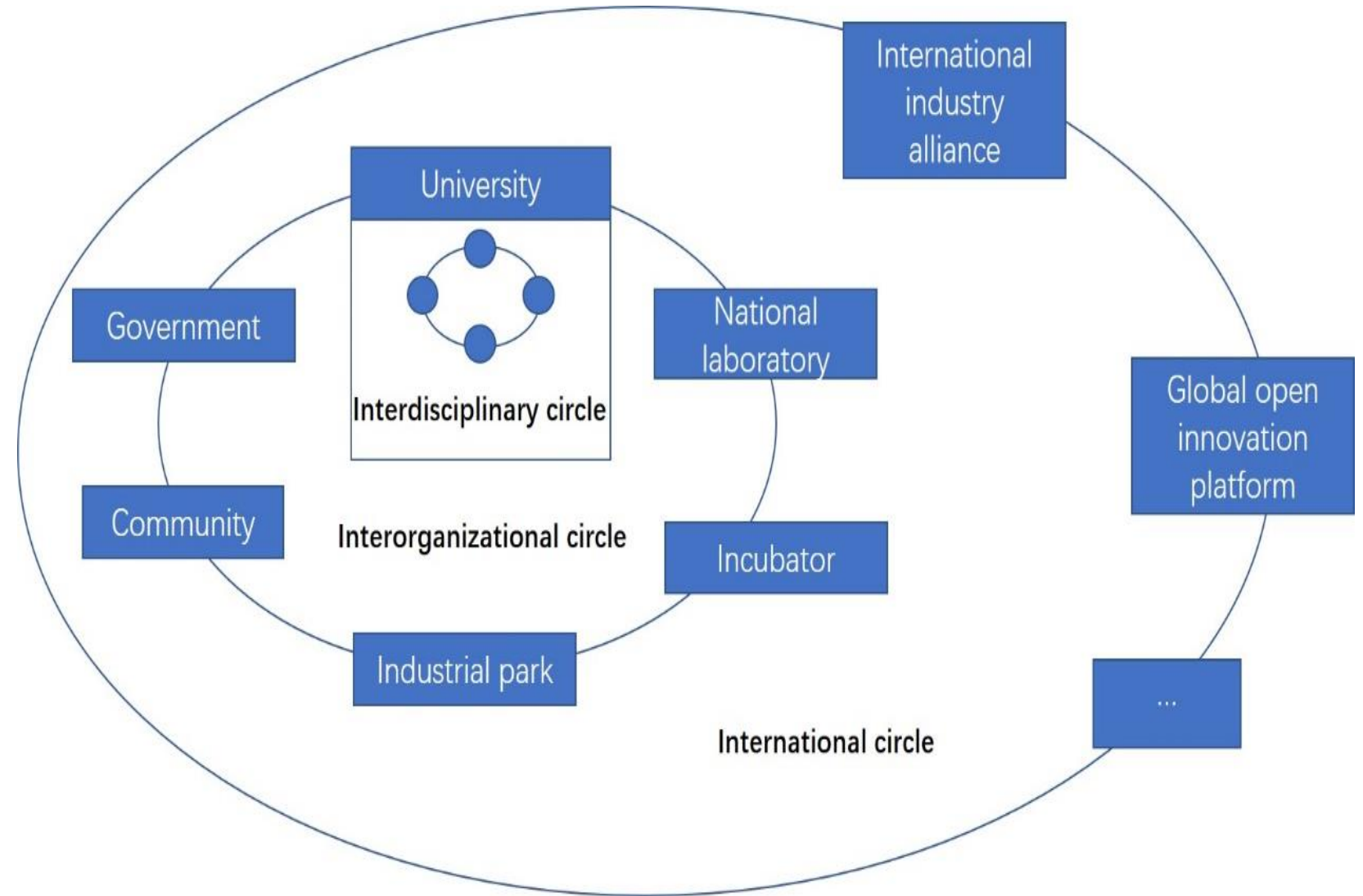


New Programme: Innovation & Entrep.

- **Industry-Partnered innovation management and entrepreneurship in MBA curriculum**
- MBA special tracks
 - Entrepreneurship, Maker, Internet Marketing...
- EMBA/DBA customised programmes/specialised courses
 - NexGen (Audi), New Stratum, FEMBA
 - Entrepreneurial Finance, Business Model Innovation, Venture Capital Markets and Operations...
- Experiential learning:
 - E.g. GEP, GMSCM; Health care...



Rising Model of "3I" Circles



Model of "3I" circles in innovation and entrepreneurship education

Special supplement | Rising Model of "3I" Circles | Xiaobo WU and Linan LEI, EFMD Global Focus_Iss.02 Vol.15



The “New Normal” ?

Current management mind set:
Establish a stable system to gain high performance
Core competence



Eliminating uncertainties



Embracing uncertainties



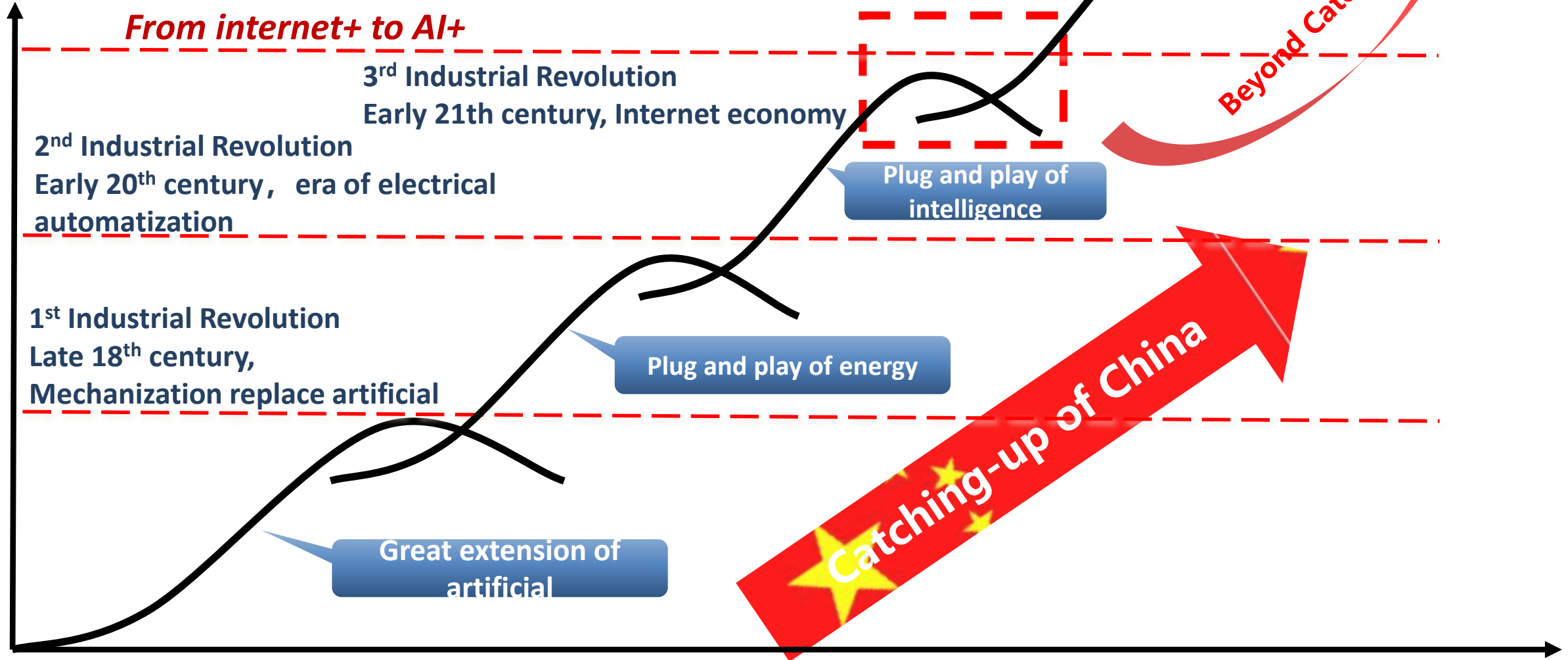
Cutting edge (HUAWEI etc.):
Fast renewing、 trial with errors、 grey (compromising)、 organized abandoning....
Complementarity-based advantage, Cross-boundary, Co-create/construct/share/win



4th Industrial Revolution

Window of Opportunity: 2010s, Intellectualization and digitalization
Made in China towards 2025-2035

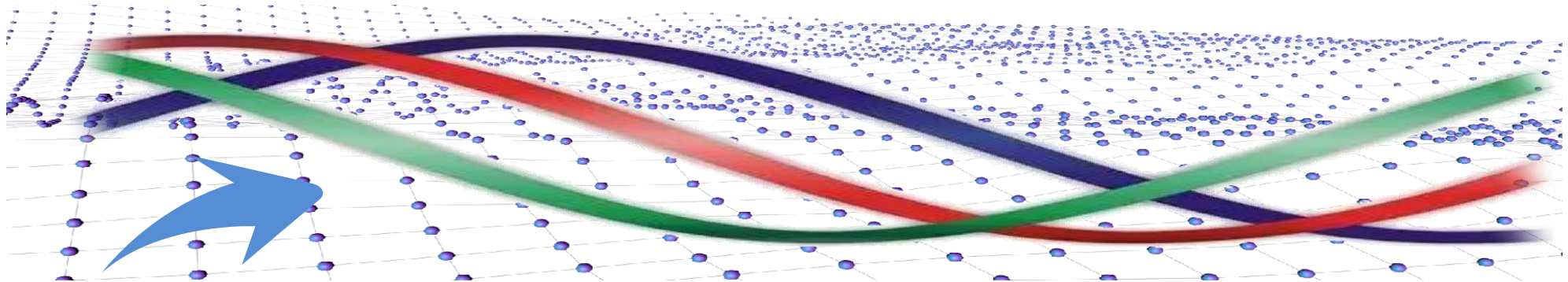
From internet+ to AI+





Restructuring a new ecosystem:

Enterprise-Academia incorporate with the **networked data economy**



More innovative elements and players should be involved in:

- Government guidance fund, the model of Public-Private Partnership;
- Maker's space, platforms to accelerate technology transfer;
- Facilitating the new knowledge/technology generators: National laboratories etc.;

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Questions? Comments? Thanks for your attention!



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