
Foreword

Jingyuan Zhao*

Business Administration Postdoctoral Center,
Harbin Institute of Technology,
No.92, West Da-Zhi Street, Harbin, Heilongjiang 150001 China
E-mail: jingyzh@gmail.com
*Corresponding author

Patricia Ordóñez de Pablos

Department of Business Administration and Accountability,
Facultad de Ciencias Económicas,
University of Oviedo, 33071 Oviedo, Asturias, Spain
E-mail: patriop@uniovi.es

Biographical notes: Jingyuan Zhao is a Postdoctoral Researcher and Senior Lecturer at the Postdoctoral Center & School of Management, Harbin Institute of Technology. She obtained her PhD in Management Science and Engineering in Chinese Academy of Sciences and University Science and Technology of China. Her expertise is on regional innovation management, high-tech industry cluster, knowledge management, technology diffusion, organisation learning. She serves as a Guest Editor for several international journals and is an Invited Reviewer for China state-run newspaper *West Times* to provide comments on the economy.

Patricia Ordóñez de Pablos is a Professor in the Department of Business Administration and Accountability at The University of Oviedo (Spain). She received her degree in Business Administration and PhD from The University of Oviedo and completed her education in the London School of Economics and Political Science. She is the Executive Editor of the *International Journal of Learning and Intellectual Capital*, *International Journal of Strategic Change Management* and *International Journal of Chinese Culture and Management*. Her teaching and research interests are on the areas of strategic management, knowledge management, intellectual capital, organisational learning and human resources management.

Because of the information and communications technologies, the emergence of full competitive market is gradually becoming a reality. In other words, consumers can find any supplier's price of all the products. A clear characteristic of knowledge-based economy is that the knowledge-based economy is real globalisation. The market is no longer constrained by national borders. Globalised knowledge-based economy has changed the dynamic nature of competition. More and more countries will no longer be the geographical restrictions and can be connected with the outside world through information and communication technology on the basis of fair competitive conditions.

Along with the arrival of economy globalisation and knowledge-based economy, multinational corporations implement R&D globalisation strategy to support overseas market exploitation in order to improve competitive power by using overseas science and technology resources. Multinational corporations' R&D organisations, with strong capital advantage, establish laboratories and research institutions across the world to reduce production costs and improve localisation and diversity of product design by using local human resources, technical resources and market information.

The global R&D transfer of multinational corporations rose in the 1980s and in the 1990s created an upsurge, its main distribution being in developed countries. At the end of the 20th century, an emerging tendency saw multinational corporations transferring R&D institutions to developing countries with rapid economic development. Asia Pacific countries, such as China, India, South Korea, Singapore and China Taiwan are committed to attracting multinational corporations' R&D transfer.

With the era of knowledge-based economy, intellectual capital has become one of the most important strategic resources for enterprises to build sustainable competitive advantage (Kogut and Zander, 1992; Drucker, 1993; Grant, 1996). It also makes a number of scholars concerning on the research of enterprises' competitiveness adopt the views of intellectual capital management to discuss the use of organisation's strategy resources (Stewart, 1997; Roos et al., 1998; Lepak and Snell, 1999; Ordóñez de Pablos, 2006; Lytras and Ordóñez de Pablos, 2008). However, in the framework of the view of open systems, all the organisations are not self-sufficient and need to circulate each other's resources with other groups in order to meet demand for its resources. In other words, the environment provides the resources necessary to survive for organisation, in the process of interacting with its environment; the organisation is affected by professional division of labour and competition of resources and shows a different pattern of dependence with other organisations in the environment (Pfeffer and Salancik, 1978). As for the resources required for business operations, Johanson and Mattsson (1987) further divide into its own internal resources controlled by organisation and external resources obtained through a network of links and the network link is to get the exchange of resources or output according to resource dependence when the network theory is combined with strategy management.

As a result, the early researchers (Hymer, 1960) of foreign direct investment focused on the use of internal resources and can not provide adequate rationale for enterprises' investment activities of crossing the boundaries. Dunning (1988) put forward to eclectic theory through the point of view of resources integration. Due to differences of investment environment, many of the existing resources and capacity can not fully play the role in the market of host country, it is necessary to restructure its resources to increase the investment of complementary resources in order to adapt to the new market environment of competition. As the intellectual capital are brought together by a variety of knowledge resources in the organisation. In comparison with tangible assets, it is extremely difficult to manage intangible assets. From the view of knowledge management process, the organisation's acquisition of knowledge is the primary job for knowledge management activities, when enterprises want to implement cross-territory investment activities, in order to overcome the disadvantages of unfamiliar position of overseas markets, the intellectual capital management for overseas subsidiaries of enterprises is very important, in addition to manage the necessary internal resources transferred from the parent enterprises, also manage the complementary external resources obtained in the local market. For local enterprises, intellectual capital

management is becoming more complex as well. Owing to technology spill-overs of MNCs' R&D transfer, local enterprises should manage not only internal knowledge resources, but also learn external advanced technologies and management models.

For using local R&D resources, adapting to the complexity of market demands, reducing the costs and risks in new product development process, MNCs' gradually transfer home country' R&D to international R&D. From the geographical distribution, the developing countries particularly the newly industrialised countries are becoming emerging markets of developed countries' overseas R&D investment. China and India are one of the destinations of foreign multinational R&D investment. The paper 'Transfer characteristics of MNCs' R&D: the perspective of China' by Qiong He and Jingyuan Zhao researches on location factors of MNCs' R&D and finds that location factors are mainly impacted by market size, foreign direct investment, intellectual property rights protection and human capital, which are the important driving factors for MNCs' R&D transfer to China. The study has a great practical value and can provides a reference for developing countries to attract MNCs' R&D investment, so as to have access to advanced technologies and learn new management models.

By the Patent Amendment Act 2005, India approved Trade Related Aspect of Intellectual Property Rights (TRIPS) Agreement of the World Trade Organization (WTO) and implemented product patent protection for pharmaceutical and biopharmaceutical products. China too became a WTO member in 2001 and the TRIPS came into force for China at the end of 2002, China enacted regulations to strengthen pharmaceutical and biopharmaceutical patents. The paper 'India and China as partner of choice for the western multinational companies in the era of globalisation' by Rakhi Rashmi explores the potential of Indian and Chinese biopharmaceutical industries in becoming the best trading partner of western multinational biopharmaceutical companies in the globalised world.

In the era of globalisation and knowledge-based economy, with the expansion and development of overseas R&D, new subjects of intellectual capital management are emerging, at the same time, learning as a means to talent education and training is endowed with new element in the era and the opportunities of learning innovation are emerging in the field of education and training.

Knowledge is the main resource for the knowledge society, in other words, the knowledge society is such a society which creates value by knowledge application. In traditional society, the application of knowledge was still at the level of thinking application until the 18th century, when knowledge began to be applied to tools, processes and products and created the industrial revolution. In the past several decades, with the rapid advances of technology, knowledge in the fields of energy, electronics, information, communications, biotechnology and others has developed largely because of the active input of enterprises, research institutions and universities and increasingly knowledge is rapidly converted into products with economic value. Along with the advent of the knowledge-based economy, knowledge and innovation have been the core elements of national competitive power. Education and training plays an important role in improving individual and/or organisational creativity and innovation power, as well as culture, society and system reform. The arrival of the era of the knowledge-based economy brings new opportunities to school education, because knowledge will be used creatively, directly, actively, instead of bring applied repeatability. In other words, we are shifting to a period of relying on knowledge from a period when information could be profitable. Knowledge is an actionable asset and the competitive advantage that other

organisations cannot copy and imitate. Knowledge also becomes the schools' important intangible assets and the organisational intellectual capital demanded by school organisational development.

Schools are now tasked to be innovative in initiating school-based reform and to develop the spirit of innovation and enterprise in their students among the many initiatives in the Singapore education system. To do so, school leaders will be the key. The Leaders in Education Programme (LEP) is a six-month full time programme for specially selected vice-principals and ministry officers in Singapore to prepare them for school leadership. The paper 'Towards innovation: a paradigm shift in the school leadership preparation programme in Singapore' by Pak Tee Ng and David Foo Seong Ng describes how the programme attempts to develop innovative school leaders and identifies the key underlying principles of the programme. In particular, it examines one component, the innovation project, in detail so as to illustrate these principles and show how they operate in reality.

The evolution of telecommunications, information and multimedia technologies compel for the design of platforms that support the e-learning processes in a multimodal variety. These platforms benefit from the web resources to enhance their courses. However, the structure of the web is labyrinthine and the facilitation of the learner to the personalised content-retrieval in these complex information environments is of great significance. The paper 'Semantic web technologies anchored in learning styles as catalysts towards personalising the learning process' by Kerkiri Tania et al. submits a method emerging from the semantic web technologies, such as metadata and ontologies, which is embedded in a constructivist socio-psycho-pedagogical model. The method personalises material based on the alignment of properties of the learning resources and the profile of the e-learners, as derived from their learning style in conjunction with other personality and demographic characteristics. An application is described using an experimental case that exemplifies the proposal. The initial findings justify an optimistic view for future precision in information retrieval and efficient matching of the learners' requirements with the educational content.

Modern training methods call for active engagement of the trainees in the training process. Simulation games are among the most effective methods of training. As waste elimination concepts become more popular, numerous lean training packages have been developed. Most of these packages include simulation games as a hands-on training tool. So far, lean simulation games have largely focused on manufacturing. However, administrative or office processes also contain a great deal of waste and could benefit from a game aimed at their processes. The paper 'Enhancing lean training for the office environment through simulation and gaming' by Moussa Mirehei et al. proposes a lean office simulation game to demonstrate the effect of lean implementation on office processes. The game uses four phases to simulate the impact of several lean tools. Various performance metrics are recorded during the game to capture the impact of these tools. A case study of the game played by administrative personnel is included along with an analysis of the results.

References

- Drucker, P.F. (1993) *Post Capitalist Society*, Harper Business, New York.
- Dunning, J.H. (1988) 'The eclectic paradigm of international production: a restatement and some possible extensions', *Journal of International Business Studies*, Vol. 19, No. 1, pp.1–31.
- Grant, R.M. (1996) 'Toward a knowledge-based theory of the firm', *Strategic Management Journal*, Vol. 17, pp.109–122.
- Hymer, S. (1960) 'The international operations of national firms: a study of direct investment', PhD Thesis, MIT, Published by MIT Press under Same Title in 1976.
- Johanson, J. and Mattsson, L.G. (1987) 'Interorganizational relations in industrial systems: a network approach compared with the transaction-cost approach', *International Studies of Management and Organization*, New York: Vol. 17, No. 1, pp.34–48.
- Kogut, B. and Zander, U. (1992) 'Knowledge of the firm and the evolutionary theory of the multinational corporation', *Journal of International Business Studies*, Vol. 24, pp.625–645.
- Lepak, D. and Snell, S. (1999) 'The human resource architecture: toward a theory of human capital allocation and development', *Academy of Management Review*, Vol. 24, No. 1, pp.31–48.
- Lytras, M.D and Ordóñez de Pablos, P. (2008) 'Competencies and human resource management: implications for organizational competitive advantage', Special issue on 'Competencies management: integrating semantic web and technology-enhanced learning approaches for effective knowledge management', *Journal of Knowledge Management*, Vol. 12, No. 6, pp.48–55.
- Ordóñez de Pablos, P. (2006) 'Transnational corporations and strategic challenges: an analysis of knowledge flows and competitive advantage', *The Learning Organization*, Vol. 13, No. 6, pp.544–559.
- Pfeffer, J. and Salancik, G.R. (1978) *The External Control of Organizations: A Resource Dependence Perspective*, Harper & Row Publishers.
- Roos, J., Roos, R., Edvinsson, L. and Dragonetti, N. (1998) *Intellectual Capital: Navigating in the New Business Landscape*, New York University Press, New York.
- Stewart, T.A. (1997) *Intellectual Capital: The New Wealth of Organizations*, Bantam Doubleday Dell Publishing Group, Inc., New York.