

Case study 9.4.1: A Case Study on Measuring Skills in Technological Leadership

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Abstract Innovation is changing from a process that is based on exploiting the technological competencies that a company possesses to one that is dependent on being able to access and make use of external sources of technology and expertise.

For any company that regards itself as being at the leading edge of technological developments in its area of business, it is important to maintain skills in technological leadership. This involves being able to relate new technologies to existing capabilities and predict which ones will fit best with future business strategies.

This case study illustrates this theme by examining the introduction of a new production technology into the process of designing and manufacturing high technology optics. It adds to the understanding of innovation in industries where a key factor is the ability to develop new skills and capabilities in emerging technologies.

The contribution to the intangibles project is that it highlights the skills issues that need to be considered when a company is moving into a higher technological domain. This in turn contributes to the debate on how to measure such intangibles and relate them to business strategy and performance.

The key learning point relates to the extent that measurement of skills should come into the business planning process. In situations where both market and technology factors are changing rapidly, it is vital to have a skills planning system that gives a company the information upon which commitments can be made, but also allows for flexibility in the event that circumstances change.