

RELATIVE KNOWLEDGE PROPORTIONS IN R&D PARTNERSHIPS

Abigail Richard, School of Business, University of Indianapolis, 1400 E Hanna Ave, Indianapolis, IN 46227, 317-788-3287, richarda@uindy.edu

Fred Ahrens, College of Business and Innovation, The University of Toledo, 2801 W Bancroft St, Toledo, OH, 43606, 419-530-2987, fred.ahrens@utoledo.edu

Benjamin George, College of Business and Innovation, The University of Toledo, 2801 W Bancroft St, Toledo, OH, 43606, 419-530-2040, benjamin.george3@utoledo.edu

ABSTRACT

It is well-accepted that innovation has the potential to be greatly beneficial to firms. However despite the competitive advantage that innovation can provide, the innovation process tends to be risky. Resources invested in research and development (R&D) may be wasted if projects are unsuccessful. As a consequence, it is important for firms to strategically select collaborators for R&D projects. To aid in this selection process, we examine the consequences of various relative proportions of knowledge on innovation, and the corresponding role of these knowledge proportions in partnerships.

Keywords: R&D, innovation, knowledge, partnership, risk