

TECHNOLOGY CENTERS. A SECTOR UNDERGOING RESTRUCTURING. PART II

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In the [previous post](#) reflected on the need to **restructure** Spanish technology centers to adapt to changes in the environment and the needs of the business fabric. Logically, it is time to get wet and reflect on possible paths. First of all, nobody expects universally valid magic recipes, but rather reflections that can be used to help those who are responsible for making decisions. In this specific case, what strategy should be chosen by a technology center that is committed to being a technological partner of leading companies that compete in global markets? (Obviously this is just one scenario and there

are other alternatives with different implications)

Undoubtedly the strategy involves "reaching critical mass" and "internationalizing" the technology center. It seems really complicated and highly unlikely that a small and unspecialized technology center such as the Spanish in general can add value to this type of company. The level of dialogue is beyond the regional/national scope and the type of technological and innovation solutions demanded require global operators that dominate the structure and strategic-technological functioning of the market in which the company operates.

At the risk of seeming trivial, I dare to emphasize that **"reaching critical mass" is not synonymous with "gaining dimension"**. Building larger centers through mergers or acquisitions, which seems to be the instrument that is being used the most in the Spanish case, does not necessarily lead to a greater critical mass, if there are no clear technological or market synergies between the centers that join. can be used commercially. Strategy should not be confused with instruments. Mergers and acquisitions must be subordinated to the strategy because in this way the fundamental pieces fit much better. Who are the right partners? What do they contribute in technological terms? What do they contribute in terms of the market? How do they contribute to the new challenges? If this is not done, the merger processes, by themselves very complex to manage, have all the tickets to end up like the "rosary of the dawn".

Furthermore, "gaining critical mass" involves focusing on the center, betting on a certain level of **specialization** neither in the market, in technology or both, and also in seeking **broader markets**. that escape regional borders to take advantage of scale, the demands of an increasingly sophisticated demand and, of course, diversify the risk that this type of bet implies.

"Internationalization" and "critical mass" are thus two sides of the same coin. They go together and each of them without the other, they make very little sense.

This type of strategic positioning implies, in the Spanish case, a radical change in the center model that implies transformations at all levels. In the first place, in the system of **governance** that requires partners/patrons willing to assume a higher level of risk and commitment, highly professionalized administration and strategic management systems, and growing independence from the public sector. Secondly, a human capital policy that incorporates **people** with more international profiles and with a strategic vision of the functioning of the markets and significant investments in own R&D carried out jointly with the main clients to reinforce capitalization and technological differentiation of the institution. Finally, a **economic model** more oriented towards adding value to the market and growing long-term agreements with clients within the framework of a joint competitive development strategy.

With these transformations, it is important to bear in mind that we are moving away from the traditional conceptualization of the technology center as a public instrument/tool to support innovation of the business fabric in the region and we are moving towards another in which **the center is based in its own contribution of value to companies and also to the society in which it is established due to its ability to attract investments of strategic interest, its potential to retain and attract talented people and, especially, for its contribution to the great**

technological and innovation challenges faced by developed societies (good examples can be found in the field of health provision, the transformation of the energy model and the improvement of the environment).

Logically, **the model of public support for these types of centers is also being transformed** which would take on a new dimension of industrial policy and business diversification that would have the objective of anchoring a global technology center locally. What region would not want to have a center that supplies high-value technology and services to the leading companies in Europe or the world?

There are no comments yet.