

# Co-evolution between MNEs and Knowledge Intensive Business Services (KIBS) in the 'Northwing' of the Randstad



Universiteit Utrecht

Wouter Jacobs

Urban and Regional Research Center Utrecht, Section Economic Geography

[jacobs@geo.uu.nl](mailto:jacobs@geo.uu.nl)

## Background

Knowledge-intensive business services (KIBS) can act as a local asset to attract multi-national enterprises (MNE) and foreign direct investment (FDI), while the local presence of MNE provide KIBS with market demand and scope for growth. In theory, this interplay will lead to a process of co-evolution between different industries in a region. The outcome of such co-evolution might be a stronger relatedness between KIBS and MNE, a stronger embeddedness of MNE in the region and the insertion of local based KIBS in the global flows of knowledge. However there remains a lack of empirical knowledge on the nitty-gritty of this specific interplay and its evolutionary character. Empirical insights can further our theoretical understanding of the process of co-evolution in time and space

The Dutch Ministry of Economic Affairs issued the United We Stand (UWS) consortium for further research. The UWS is a research consortium between Utrecht University, VU University Amsterdam and the University of Amsterdam.

## Research Aim

The aim of this research is to *gain empirical insights on the spatial and functional-economic co-evolution between multi-national enterprises and knowledge-intensive business services* in the Amsterdam-Utrecht region in order to make theoretical statements on the process of co-evolution upon which strategic policy recommendation will be provided to relevant project stakeholders.

## Research Questions

### Empirical:

Is there a process of co-evolution between knowledge-intensive business services and multi-national enterprises in the Amsterdam-Utrecht region, and what are the consequences for the international competitive position of the Northwing of the Randstad?

### Theoretical:

How can we understand the process of co-evolution of knowledge-intensive business services and multi-national enterprises in time and space?

## Methodology

### DATA-ANALYSIS:

- Employment and establishments of KIBS and MNE in the Northwing of the Randstad in 1996-2002 and 2008.

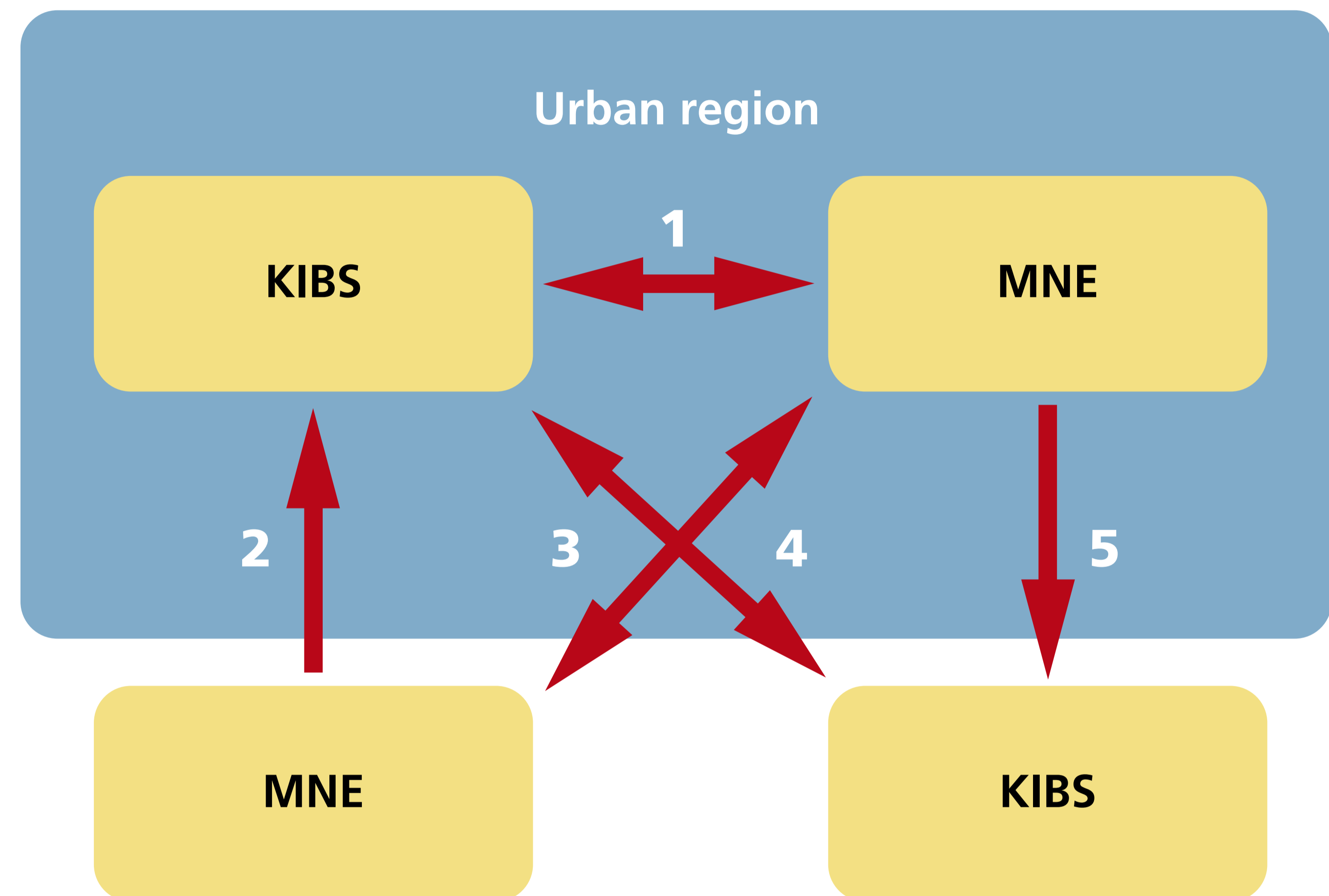
### Corporate Network Analysis:

- The international connectivity of Northwing-based KIBS upon the intra-firm corporate networks.

### Questionnaire Among Mne And Kibs

### In-Depth Interviews

## Conceptual Framework



1: Regional Interaction between KIBS and MNE

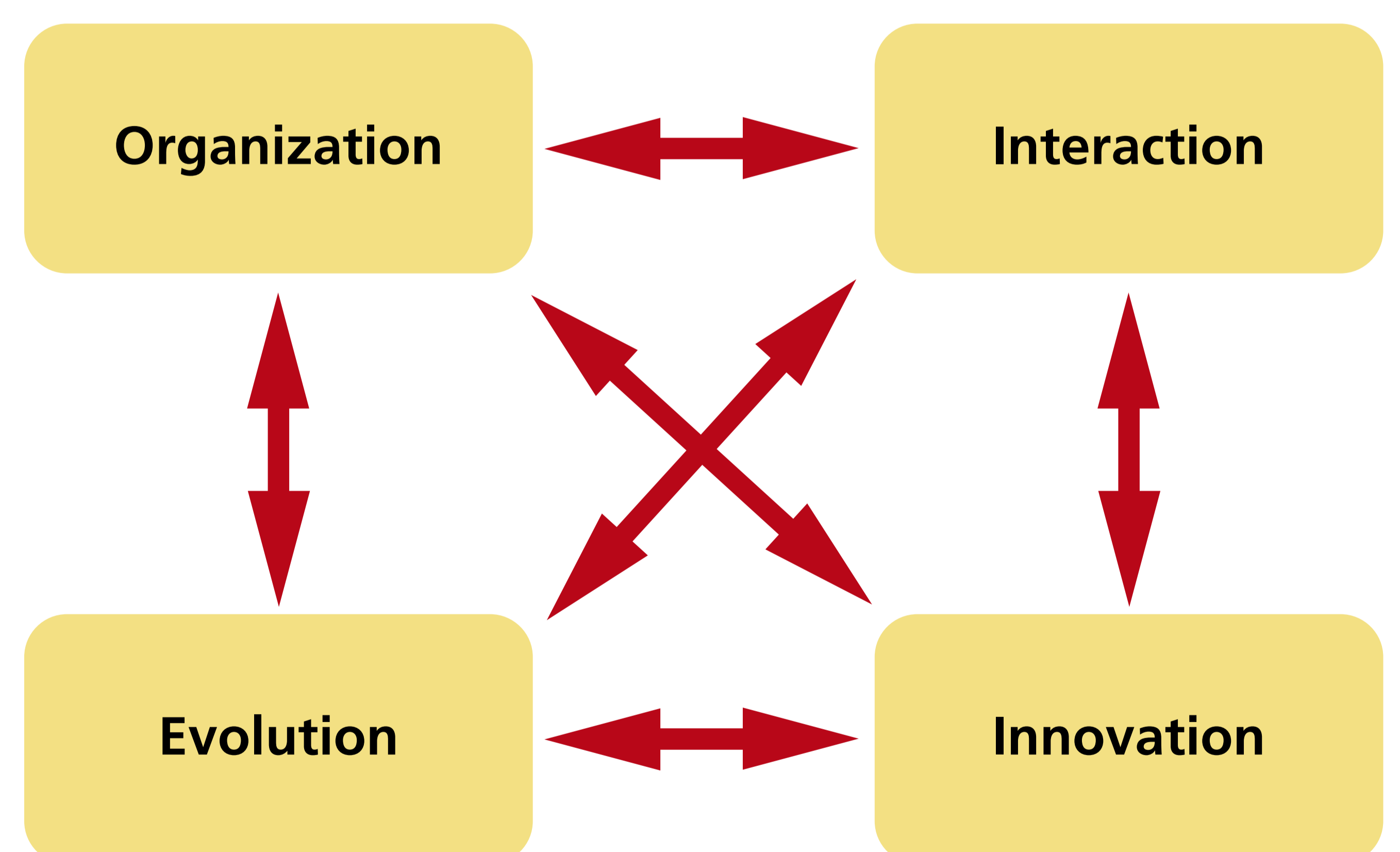
2: Inward investment MNE facilitated by KIBS

3: Outward investment MNE facilitated by KIBS

4: Intra-firm division of labour of MNE in terms of functions and mandates

5: Intra-firm division of labour of KIBS in terms of functions and mandates

Co-evolution



Four Ions Of Relational Eco.geo (Bathtelt & Glucker, 2003)