Licensing Foreign Technology and the Moderating Role of Local R&D Collaboration: Extending the Relational View

The relational resource-based view posits that performance differences among firms can be explained not only by the possession of internal resources but also by maintaining and developing relationships with external partners. However, studies in the extant literature usually address the separated roles of various external relationships of focal firms, but the literature has not addressed how relationships with different sets of knowledge partners are related to each other and influence focal firms’ performance. Therefore, to fill this research gap, this study focuses on how technological resources acquired from one set of partners (licensing foreign technologies) may generate subsequent internal and relational rents in terms of technological innovation in the context of collaboration with an entirely different set of knowledge partners (local R&D partners). Specifically, we propose that local R&D collaborations need to be large in scale and broad in scope. The empirics are based on the analysis of a sample of 160 high-tech Chinese firms observed from 2000 to 2011. Consistent with our predictions, our findings contribute to extending the relational view by addressing the relations among the relationships of focal firms.