

Megacities – Megachallenge (2): Agile Firm Organisation

Megacities are more than just cities: they are both results and drivers of global change processes. At the same time, we globally witness a loss of urban governability – processes are taking place unregulated, self-organized, informally. The Priority Program “Megacities – Megachallenge. Informal Dynamics of Global Change” focuses on investigating these aspects of global change and informal processes in megaurban areas.

All in all the Megacities – Megachallenge programme by the German Research Foundation comprises seven research projects in the Pearl River Delta (China) and four projects in Dhaka (Bangladesh) in which around 100 Chinese, Bengali and German academics and researchers from 15 different disciplines are currently working.

Four individual projects in the Pearl River Delta are described on these three boards. The Pearl River Delta is one of the most active economic regions in China, comprising mega-urban growth nodes such as Guangzhou, Shenzhen, Dongguan and Hong Kong.

"Informal Dynamics of Agile Firm Organisation in the Greater Pearl River Delta" is one of the seven individual projects in China. It investigates informal, i.e. non-contractually regulated, company relationships and arrangements between producers and (major) customers in the Greater Pearl River Delta.



Starting points of the research project:

- Identification of informal relationships and arrangements in the business world;
- Analysis of the implications of informal relationships and arrangements on flexibility, innovation, speed of response and competitiveness;
- Investigation of social aspects that are affected by agile firm organisation (e.g. social organization and consumption patterns of employees, influence on job hunting and employee selection);
- Development of a framework model for agile firm organisation on the basis of the research findings.

Initial outcomes of the research work:

- The existence of informal arrangements and agile firm organisation was confirmed in initial investigations;
- Production in an agile firm organisation context is heavily dependent on the flexibility of the employees;
- Hierarchical and informal organisation of producer networks increases the performance capability of the firms.

Duration: since 2006

www.megacities-megachallenge.org/projects/china/6-agile-firms

