

1. Record Nr.	UNINA9910965582103321
Titolo	Time horizons and technology investments // Committee on Time Horizons and Technology Investments, National Academy of Engineering
Pubbl/distr/stampa	Washington, D.C., : National Academy Press, 1992
ISBN	9786610211517 9781280211515 1280211512 9780309584104 0309584108 9780585119809 0585119805
Edizione	[1st ed.]
Descrizione fisica	1 online resource (118 p.)
Disciplina	600
Soggetti	Business planning - United States Capital investments - United States Technological innovations - Economic aspects - United States Competition - United States
Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Includes bibliographical references (p. 74-77).
Nota di contenuto	TIME HORIZONS AND TECHNOLOGY INVESTMENTS -- Copyright -- Preface -- Contents -- Executive Summary -- 1 The Issue and the Approach -- THE APPROACH AND METHOD OF THE STUDY -- DO U.S. CORPORATE EXECUTIVES HAVE SHORT TIME HORIZONS? -- MACROECONOMIC EVIDENCE: RELATIVE RATES OF INVESTMENT IN FIXED CAPITAL AND R&D -- SUMMARY AND CONCLUSION -- 2 Explaining Time Horizons and Technology Investments -- WHAT IS "NEAR-TERM ORIENTED" MANAGEMENT AND GOVERNANCE? -- THE MECHANICS OF CAPITAL COSTS, RISK, AND THE SPECIAL CHARACTERISTICS OF INVESTMENTS IN TECHNOLOGY DEVELOPMENTS -- Perspectives on the Cost of Capital -- Financial Markets and Technology Investments -- Investment Hurdle Rates and Technology

Investments -- DETERMINANTS OF COMPANY INVESTMENT TIME
HORIZONS -- SUMMARY AND CONCLUSION -- 3 Company Time
Horizons and Technology Investments: The Roles of Corporate
Governance and Management -- THE IMPORTANCE OF GOVERNANCE:
THE ROLES OF BOARDS OF DIRECTORS -- Boards of Directors' Choices
and Time Horizons -- Compensation and Selection of Board Members
-- THE PREROGATIVES OF MANAGEMENT AND CORPORATE TIME
HORIZONS -- The Development and Execution of Corporate Strategy --
Design and Implementation of Career Development Systems and
Compensation Schemes -- Decision-Making Methods and Performance
Measurement -- SUMMARY AND RECOMMENDATIONS -- 4 Time
Horizons and Cost of Capital -- FINANCIAL MARKETS AND TIME
HORIZONS IN THE 1990S -- A COMPANY'S CONTROL OVER ITS COST OF
CAPITAL -- Financial Markets, Technology, and Company Valuation --
Time Horizons, Technology Investments, and Ownership Structures --
THE ECONOMIC COST OF CAPITAL: NATIONAL DIFFERENCES AS A
CRUCIAL ISSUE -- SUMMARY AND RECOMMENDATIONS -- 5 The
Influences of Government Investments and Regulatory Policies on
Corporate Time Horizons -- GOVERNMENT POLICIES AND A STABLE
ENVIRONMENT FOR INVESTMENT.
The Mixed Impact of Regulation and the Legal Environment -- The
Government's Role in the Creation of Stable Markets -- GOVERNMENT
INVESTMENTS, COMPLEMENTARY ASSETS, AND PRIVATE-SECTOR TIME
HORIZONS FOR INNOVATION -- Infrastructure -- Research and
Development -- Time Horizons and the Public-Sector Investment
Portfolio -- SUMMARY AND RECOMMENDATIONS -- 6 Summary
Argument: Understanding Time Horizons and Technology Investments
-- References -- Appendix A Cost of Capital-The Managerial
Perspective -- ABSTRACT -- APPROACH -- THE INTERVIEWS --
Question 1: Is the Cost of Capital an Important Source of Competitive
Disadvantage? -- Group 1: Cost of Capital is a Critical Competitive
Factor -- Group 2: The Cost of Capital Is Not a Major Competitive
Factor -- Group 3: The Mixed View -- Question 2: How Do the Firms
that Emphasize the Competitive Impact of the Cost of Capital Manage
the Problem? -- Question 3: What Accounts for the Differences in Views
on the Cost of Capital? -- Industry Type -- Size -- Capital Intensity --
Financial Health and Capital Availability -- Market Leadership --
Conclusion -- NOTES -- REFERENCES -- Appendix B Biographical
Information on Committee Members.

Sommario/riassunto

It is frequently argued that U.S. corporations have shorter time horizons for planning and investment than their Japanese and German competitors. This argument, though widely accepted in studies of U.S. competitiveness, has rarely been examined in depth. Time Horizons and Technology Investments explores the evidence that some U.S. corporations consistently select projects biased toward short-term return and addresses factors influencing the time-related preferences of U.S. corporate managers in selecting projects for investment. It makes recommendations to policymakers and managers about policies to mitigate negative external influences and about strategies to remove internal biases toward noncompetitive decisions.