

# Preface

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Whether we like it or not, we are already living in a globalised world. 'Globalisation' means that people are living in a world without distance – express transportation and instant communication are the norm. Globalisation also proves that each country's or region's development can reflect its own historical tradition and self-definition rather than simply following the developmental route of Western countries. For economic development, the capitalism/modernisation model is not a 'one size fits all' solution. While capitalism has varied modes, modernisation also has various paths to progress. Since the modernisation model is multi-faceted, globalisation has the role of stimulating communication between diverse 'modernisations' in order to create economic development.

The writing of this book is based on the thesis of such intercommunication, and attempts to contrast the success of the semiconductor industry in Taiwan with its development in other countries and regions. Although the semiconductor industry in Taiwan has since 1970 enjoyed rapid growth and some significant success in worldwide competition, there has still been little investigation into the key factors driving this success. The few existing discussions generally focus on macro issues of national politics and industrial environment rather than micro issues of organisational strategies. As a result, our knowledge on the organisational factors underpinning the semiconductor industry in Taiwan is still very limited.

As the Chinese idiom says, 'Chih Nan Hsing Yi' – To know is always easier than to take action. For most scholars what is lacking when doing research is not awareness of the problem but how practically to tackle it. At Professor Terence Tsai's invitation, Professor Paul Beamish from the Richard Ivey School of Business of the University of Western Ontario in Canada visited Taiwan in 1997, which motivated us to begin our investigation. After visiting some high-tech electronic companies such as Philips Taiwan and United Microelectronics Corporation (UMC), Professor Beamish agreed that Taiwan's success story deserved to be disseminated worldwide. He sent a special case study team to Taiwan to visit some corporations, and four cases regarding high-tech electronic companies in Taiwan were published; that on Acer received the Ivey Award as one of the top ten most popular cases in 2002 and 2004. We then wrote case studies on the Industrial Technology Research Institute (ITRI), the Macronix

International Corporation (MXIC), the Taiwan Semiconductor Manufacturing Corporation (TSMC), Applied Materials Taiwan (AMT), the United Test Centre (UTC) and Philips Semiconductors Kaohsiung (PSK), to show the practical application of vertical integration for job-sharing in high-tech industries in Taiwan, and to elucidate how the semiconductor industry in Taiwan had achieved its success. Professor Beamish's insight and action thus made a seminal contribution to the successful completion of this book.

This book took some five years to complete, and we want here to show our sincere appreciation to those people and departments that were supportive and encouraging in our research. First, we want to thank those supervisors and organisations that facilitated our visits and interviews, including Kung Wang and Jen-Tsung Pan (Hsinchu Science Park), Ta-Hsien Lo (ITRI), Y.S. Tan and Y.L. Lin (MXIC), David Wang and Arthur Tsao (TSMC), Andy Chang, E.N. Chou and Jeff Ma (UMC), I.K. Yin and Rund van der Linden (Philips Semiconductors), C.C. Tsai, J.L. Yang and Monica Chang (UTC), M.Y. Lin, George Hsu, B.Y. Chang and S.C. Lin (Acer). Second, we want to thank Professor Yau-De Wang, who introduced our team and the interviewees to each other. Third, we want to thank Professor Chong-Jen Chuang, Dr Yueh-Tsen Lin and all the assistants and graduate students of the Industrial and Commercial Psychology Research Unit at the National Taiwan University, who helped us with impressive interviewing and manuscript transcribing skills.

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