

## **The internationalisation of Hungarian small and medium sized enterprises in the engineering activities and technical research and development**

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The practical application of the scientific knowledge is a potentially innovative activity, creating high added value. Common belief, that the firms with highly-skilled workforce, employing high technology are present on the world market in an above-average proportion and intensity. In practice, this picture is somewhat more tinged. The article investigates the internationalisation of the Hungarian small and medium sized enterprises interested in engineering services and technical research and development. It looks for the answers for the following questions: what are the main characteristics of the internationalisation of these firms, what are the most powerful incentives and hindering forces of the entry to foreign markets in this industry? The empirically studied firms proved to be innovative, though the capital intensive and matured forms of traditional internationalisation are not characteristic among them. The various forms of development and innovation co-operations constitute the main field of the foreign market presence. The self-reliant international expansion seems to go beyond the firms' opportunities. It has three main reasons: the lack of capital, the unfavourable domestic regulative and demand conditions and the deficient management knowledge and market experiences of the firms.