

**R&D and innovation in the light of internationalization –
the case of Hungarian IT SMEs**

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This paper investigates the internationalisation of RDI active SMEs in the field of information technology services. This is a field where Hungarian SMEs can be competitive also on the international market based on their highly skilled workforce. The paper would like to highlight to what extent the SMEs are involved in the globalization of RDI or what other forms of internationalization are typical among them? Statistical data supports the important role of information technology in the Hungarian economy but these also warn the stakeholders of the danger of low level investments in general and in R&D and innovation. The empirical results of the research analysed here shed light on the fact that even the innovative SMEs are mostly involved in pre-internationalisation and very few of them achieve significant international success. Although few of them take part in international RDI collaborations or research projects the responses suggest that there is a growing awareness of importance of and need for up-to-date knowledge which is the most important motivation for internationalization. In order to broaden the scope of SMEs who will join the international flow of knowledge and RDI results it is necessary to improve their capital adequacy, the overall economic environment and to enhance their ability to access knowledge necessary for international expansion.