



TRINITY COLLEGE DUBLIN
COLÁISTE NA TRÍONÓIDE, BAILE ÁTHA CLIATH

THE
UNIVERSITY
OF DUBLIN

Regionalism & Globalisation

The Academy of International Business
(UK & Ireland Chapter)

37th Annual Conference, 8-10 April 2010

**hosted by the School of Business,
Trinity College Dublin**





Welcome

Friends and Colleagues,

We are delighted to welcome you to the 37th Annual Conference of the Academy of International Business (UK and Ireland Chapter), hosted this year by the School of Business at Trinity College Dublin. Founded in 1592, Trinity College is Ireland's oldest university with a rich history of scholarship that continues today, contributing to its international reputation as one of the world's top 50 universities. We are proud of our beautiful campus, and we hope you will take some time to have a look around.

The AIBUKI Conference, with its mix of competitive and developmental papers and the ever-popular Doctoral Colloquium, has always provided a collegiate and lively forum for discussion and debate across the full range of international business issues. Our conference theme this year is 'Regionalism and Globalisation'. We are fortunate to have two world-renowned keynote speakers address the theme: Professor Peter Buckley will speak on 'The regional and global implications of the rise of the global factory', and Professor Alan Rugman will ask 'Has the world financial crisis reinforced regionalism at the expense of globalization?'

In addition to our two keynote plenary sessions on the conference theme and five parallel sessions throughout most of the conference, we have four special interest sessions:

- Global networks and contemporary forces affecting IB;
- From local to global; IB to IE – a tribute to the work of the late Jim Bell;
- Advanced research methods – teaching and learning for IB graduates; and
- International knowledge flows.

Inevitably in a conference like this, some sessions with related themes have had to be tabled in parallel, and chairs are asked to keep a very tight check on time to allow people to move between presentations.

The AIBUKI conference has a long tradition of encouraging new scholars in international business through the Doctoral Colloquium, at which panellists provide constructive advice to students at early and advanced stages of their research in a critical but supportive spirit. The Doctoral Colloquium Convenor, Dr Anna Morgan-Thomas, is supported by Ms Jane Brittin and many volunteers dedicated to doctoral education in IB. I would like to thank all of the many people who will participate in this Conference and those behind the scenes, including the AIBUKI Executive Committee and the many reviewers and doctoral panellists who willingly give their valuable time to support and advance the work of colleagues and students.

This year's Conference in Dublin is taking place as the Irish economy struggles to recover from very deep recession, and it is widely agreed that recovery will be highly dependent Ireland's demonstrated ability to succeed in the world of international business. We hope that the insights from this Conference will help to instil encouragement and hope while pointing to the way forward. Understandably, finances have been very tight, and we are particularly grateful to our sponsors: DCC, Fáilte Ireland, IDA Ireland, Palgrave Macmillan, Surecom Network Solutions, the Institute for International Integration Studies at Trinity College Dublin, and the School of Business at Trinity College (which has underwritten the conference).

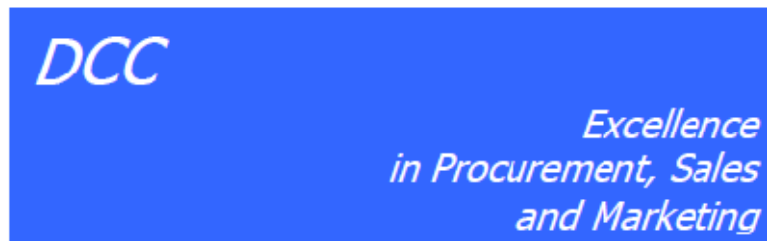
Finally, I would like to thank the members of the AIBUKI 2010 Organising Committee here in Dublin, which has met regularly since last September, working diligently and effectively to make the conference a success: Frank Barry, Jenny Berrill, Rachael Carroll, Denise Crossan, Elaine Hutson, Brian Lucey, Aleksandar Sevic, Lisa Spencer and Linda Soriton.



Colm Kearney
AIBUKI 2010 Conference Chair
Trinity College Dublin

Sponsors

The Academy of International Business (UK and Ireland Chapter) acknowledges the support of the following sponsors of the 37th Annual Conference hosted by Trinity College Dublin.



DCC generously sponsors the Keynote Speakers

DCC plc, one of Ireland's largest public companies, is a broadly based Group, operating across 5 focused divisions: DCC Energy; DCC Sercom (IT & Entertainment Products); DCC Healthcare; DCC Food & Beverage; and DCC Environmental. 85% of DCC's profits are derived from procurement, sales, marketing and distribution businesses, with 15% from business support service activities. DCC currently employs approximately 8,000 people, is listed under Support Services on the Irish and London Stock Exchanges and currently has a market capitalization of approximately €1.6 billion. Since DCC became a public company in May 1994, it has an unbroken record of profit growth and in its most recent financial year to 31 March 2009, had revenues of €6.4 billion and operating profits of €180.4 million. In that year 67% of operating profits came from the UK, 25% from the Republic of Ireland and 8% from other geographies.



Fáilte Ireland generously sponsors the 2010 AIBUKI Conference

Fáilte Ireland provides strategic and practical support to develop and sustain Ireland as a high-quality and competitive tourist destination. Fáilte Ireland works with the tourism industry in areas including business support, enterprise development, training and education, research, marketing and regional development.



IDA Ireland generously sponsors the 2010 AIBUKI conference

Ireland's inward investment promotion agency, IDA Ireland (Industrial Development Agency) is responsible for the attraction and development of foreign investment in Ireland, and the provision of ongoing support for companies from across the globe to excel in their sector and reach their target markets efficiently and effectively. Almost 1,000 companies – including some of the world's best known brands – have chosen Ireland because of the winning combination Ireland offers them.



Surecom generously sponsors the Doctoral Colloquium

Established in 2005, based in Tipperary with offices in Dublin, Surecom is a leading provider of engineering solutions and services to the telecommunications and IT industry. Surecom provides a single source of managed services to business partners such as O2, Meteor, Telefonica and Ericsson. Key to Surecom's success is its technical competence and professionalism. Surecom's workforce is highly qualified and very experienced. Surecom was awarded the 2008 SFA National Business Award for achievement, innovation and excellence; it won the services category of the 2009 Small Firms Business Awards 2009, and was shortlisted for the 2010 Ernst & Young Entrepreneur of the Year award.

Palgrave Macmillan

Palgrave Macmillan is a generous long-time supporter and sponsor of the AIBUKI annual conference

Palgrave Macmillan is a global academic publisher, serving learning and scholarship in higher education and the professional world. Palgrave Macmillan publishes textbooks, journals, monographs, professional and reference works in print and online, focusing on the Humanities, the Social Sciences and Business. As part of the Macmillan Group, the company represents an unbroken tradition of 150 years of independent academic publishing, continually reinventing itself for the future.



The IIIS in Trinity College Dublin conducts rigorous academic research on the global and regional dimensions of international economic, political and cultural integration. By developing new theoretical and empirical perspectives, the IIIS seeks to improve understanding about the many dimensions of the integration process. Research in this area is vital for informed policy making at national and supra-national levels and for the promotion of informed debate on the pros and cons of the international integration process. In addition to supporting basic research on international integration, the IIIS disseminates its findings in policymaking, business and general media circles.

Current research themes include: Business as a conduit for globalisation; Global networks; Globalisation and political party competition; Globalisation and the nation state; Globalisation, productivity dynamics and labour market outcomes; Historical antecedents of contemporary globalisation; International Financial Integration (INFINITI); International regulation; Interreligious ethics religions in the cultural dynamics of globalisation; Public policies and regulatory structures in the global economy; and The world economy.

The IIIS operates a visiting academic scheme, see www.tcd.ie/iiis for details.



Trinity College Dublin

Trinity is proud to be the only Irish university to rank in the top 100 world universities (43rd), and amongst the top 10 universities in the UK and Ireland, by the Times Higher Education Supplement (THES) university league tables.

Founded in 1592, whilst Shakespeare was still writing “Romeo and Juliet”, Trinity College is the oldest university in Ireland and one of the older universities of Western Europe. Based on the general pattern of the ancient colleges at Oxford and Cambridge, Trinity has a city centre campus occupying some 51 acres (including the Trinity Technology and Enterprise Campus). Currently, the College has a student population of over 15,000, and an alumni body of over 82,500. Playwrights Oscar Wilde, Oliver Goldsmith and Nobel-prize winner Samuel Beckett honed their craft at here at Trinity, as did novelists Bram Stoker and Jonathan Swift. The College has also produced political leaders such as the father of modern conservatism Edmund Burke, revolutionaries Henry Grattan and Theobald Wolfe Tone, Ireland’s first president Douglas Hyde, and Ireland’s first female president Mary Robinson. Ireland’s current President, Mary McAleese, was a Professor in Trinity’s School of Law.

While you are here, make sure to visit the Book of Kells, which is the centerpiece of an exhibition in the Old Library that attracts over 500,000 visitors to Trinity College every year. Written around 800 AD, the Book of Kells contains a richly decorated copy of the four gospels in a Latin text based on the Vulgate edition (completed by St Gerome in 384 AD).



Table of Contents

Welcome.....	1
Sponsors	2
Trinity College Dublin	5
Table of Contents	6
Conference Organisation.....	7
Doctoral Colloquium Organisation	7
Reviewers	8
Prizes.....	9
Publishers	9
Conference Maps.....	10
General Information regarding the Conference	11
Keynote Speakers	14
Programme	15
Doctoral Colloquium at a Glance	16
Parallel Sessions at a Glance.....	17
Doctoral Colloquium Part I	18
Parallel Sessions.....	20
Doctoral Colloquium Part II	31
Abstracts.....	33
Minutes of Members' Meeting.....	58
Agenda for Members' Meeting	59
Delegate Listing	60
Notes	64

Conference Organisation

The AIBUKI Conference 2010 was organised by the School of Business at Trinity College Dublin.

Colm Kearney,
Conference Chair

Frank Barry
Jenny Berrill
Rachael Carroll
Denise Crossan
Elaine Hutson (UCD)
Brian Lucey
Aleksandar Sevic
Lisa Spencer
Linda Soriton

216 Papers were submitted this year in response to the Call for Papers, and 102 of these will be presented at the Conference. We have 179 delegates attending, representing 82 different organisations in 20 countries.

There are 38 nationalities represented amongst the delegates, with the 4 largest contingents – excluding the 29 from Ireland – from the UK (25), Finland (15), the USA (10) and China (7). Hailing from further afield, we are also delighted to have delegates from countries such as Australia, Canada, Ghana, India, Iran, Japan, Jordan, Malaysia, Mozambique, Nigeria, Pakistan, South Korea, Taiwan, Tanzania, Thailand, Turkey, Vietnam, Zambia, and Zimbabwe.

Doctoral Colloquium Organisation

The Convenor of the Doctoral Colloquium is Anna Morgan-Thomas, and she was assisted this year by Jane Brittin. Both of them are based in the University of Glasgow.

The purpose of the Doctoral Colloquium is to provide doctoral researchers in International Business with the opportunity to present and discuss their research with a panel of distinguished scholars in the field, in interactive sessions that are open to all conference delegates. The Colloquium also provides doctoral researchers with an opportunity to interact with colleagues from other institutions working on International Business topics, and to join and feel part of the AIB community of researchers. There are two streams in the Doctoral Colloquium. Stream A is the competitive stream and is for students who have made progress in the development of their research, or who have recently completed their doctoral thesis. Papers submitted for Stream A are eligible for both the *Neil Hood and Stephen Young Prize for the Most Original New Work* and the *Michael Z Brooke Doctoral Prize*. Stream B is for students who are in the very early stages of their doctoral research. Papers submitted for Stream B may be considered for the *Neil Hood and Stephen Young Prize for the Most Original New Work*, but will not be eligible for the *Michael Z Brooke Doctoral Prize*.

40 papers were accepted this year, 13 papers for presentation in Stream A and 27 papers for presentation in Stream B.

Reviewers

We would like to thank the many reviewers who volunteered their time to help out with our double blind peer review process:

José Luís Abrantes, Polytechnic Institute of Viseu, Portugal
Francisco J Acedo, Universidad de Sevilla, Spain
Mohammad Ahammad, Nottingham Trent University, UK
Amelia Au-Yeung, Kingston University, UK
Sourindra Banerjee, University of Cambridge, UK
Elif Bascavusoglu-Moreau, Imperial College London, UK
Jenny Berrill, Trinity College Dublin, Ireland
Kirsimarja Blomqvist, Lappeenranta University of Technology, Finland
Trevor Buck, Loughborough University, UK
Caroline Burr, Bournemouth University, UK
Yanto Chandra, Universiteit van Amsterdam, Netherlands
Shing Wan Chang, University of Westminster, UK
Gary Cook, University of Liverpool, UK
Bruce Cronin, University of Greenwich, UK
Maria Teresa Cuomo, Università degli Studi di Salerno, Italy
Louise Curran, Toulouse Business School, France
Giorgia Maria D'Allura, Università degli Studi di Catania, Italy
Tom Delaney, Delaney Executive, Ireland
Anne Marie Doherty, University of Glamorgan, UK
Nigel Driffield, Aston University, UK
Taina Eriksson, Turku School of Economics, Finland
Marko Forsell, University of Oulu, Finland
Marco Galvagno, Università degli Studi di Catania, Italy
Colin Haslam, University of Hertfordshire, UK
Colette Henry, Royal Veterinary College, University of London, UK
Elaine Hutson, University College Dublin, Ireland
Mario Kafourous, University of Leeds, UK
Oskar Kayasan, European Research Centre, UK
Breda Kenny, Tipperary Institute, Ireland
Mari Ketolainen, Turku School of Economics, Finland
Suthikorn Kingkaew, University of Cambridge, UK
Markus Kittler, University of Stirling, UK
Tanja Kontinen, University of Jyväskylä, Finland
Jorma Larimo, University of Vaasa, Finland
Svetlana Ledyeva, Aalto University, Finland

Xiaohui Liu, Loughborough University, UK
Jason MacVaugh, University of Gloucestershire, UK
Mark McGovern, Queensland University of Technology, Australia
Simona Mihai Yiannaki, European University Cyprus, Cyprus
Fiona Moore, Royal Holloway, University of London, UK
Surender Munjal, University of Leeds, UK
Huu Le Nguyen, University of Vaasa, Finland
Niina Nummela, Turku School of Economics, Finland
Arto Ojala, University of Jyväskylä, Finland
Mohammad Fateh Panni, City University, Bangladesh
Haris Papoutsakis, TEC of Crete, Greece
Luis Perez-Batres, Central Michigan University, USA
Noemi Pezderka, The University of Manchester, UK
Rebecca Piekkari, Aalto University, Finland
Hosein Piranfar, University of East London, UK
Shameen Prasantham, University of Glasgow, UK
Francisco Puig, Universitat de Valencia, Spain
George Ryder, 1st Advisory Ltd and Kingston University, UK
Birgitta Sandberg, University of Turku, Finland
Viveca Sasi, Aalto University, Finland
Aleksandar Sevic, Trinity College Dublin, Ireland
Minna Soderqvist, Aalto University, Finland
Lisa Spencer, Trinity College Dublin, Ireland
Misagh Tasavori, The University of Manchester, UK
Evangelos Tsoukatos, Technological Educational Institute of Crete, Greece
Asli Tuncay-Celik, Isik University, Turkey
Annalisa Tunisini, Università di Urbino "Carlo Bo", Italy
Fernando Ubeda, Universidad Autónoma de Madrid, Spain
George White, The University of Michigan-Flint, USA
Qunyong Xie, University of Agder, Norway
Yong Yang, Brunel University and Queen Mary, University of London, UK
Lena Zander, Uppsala University, Finland
Peter Zettinig, Turku School of Economics, Finland

Prizes

There are three awards presented at the AIBUKI Annual Conference:

- The *Palgrave Award* for the Best Competitive Paper.
- The *Michael Z Brooke Doctoral Prize*, awarded to the doctoral researcher who presents the best paper in the competitive stream (Stream A) of the Doctoral Colloquium.
- The *Neil Hood and Stephen Young Prize* for the Most Original New Work, awarded to the doctoral researcher from either stream (A or B) of the Doctoral Colloquium who presents the 'best new research'.

Publishers

The following publishers have stands at the 2010 Conference, beside the Conference Registration Desk outside the Columba Meeting Rooms:

Edward Elgar

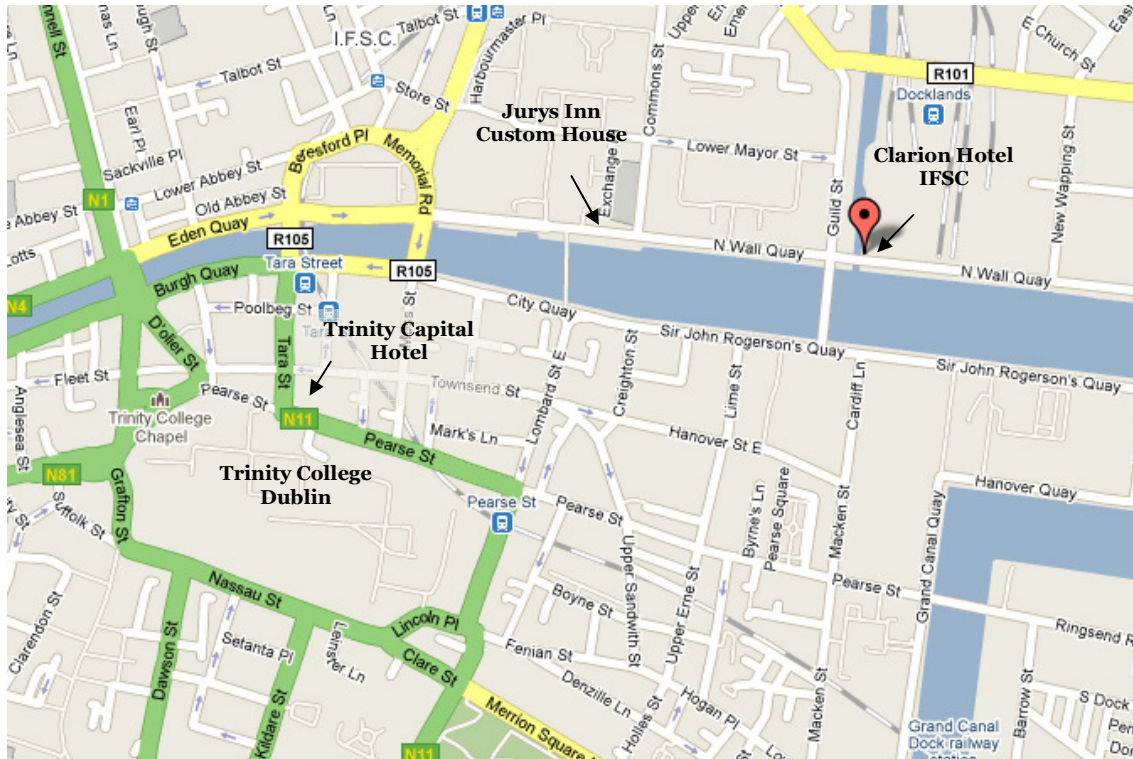
Emerald Group

Palgrave Macmillan

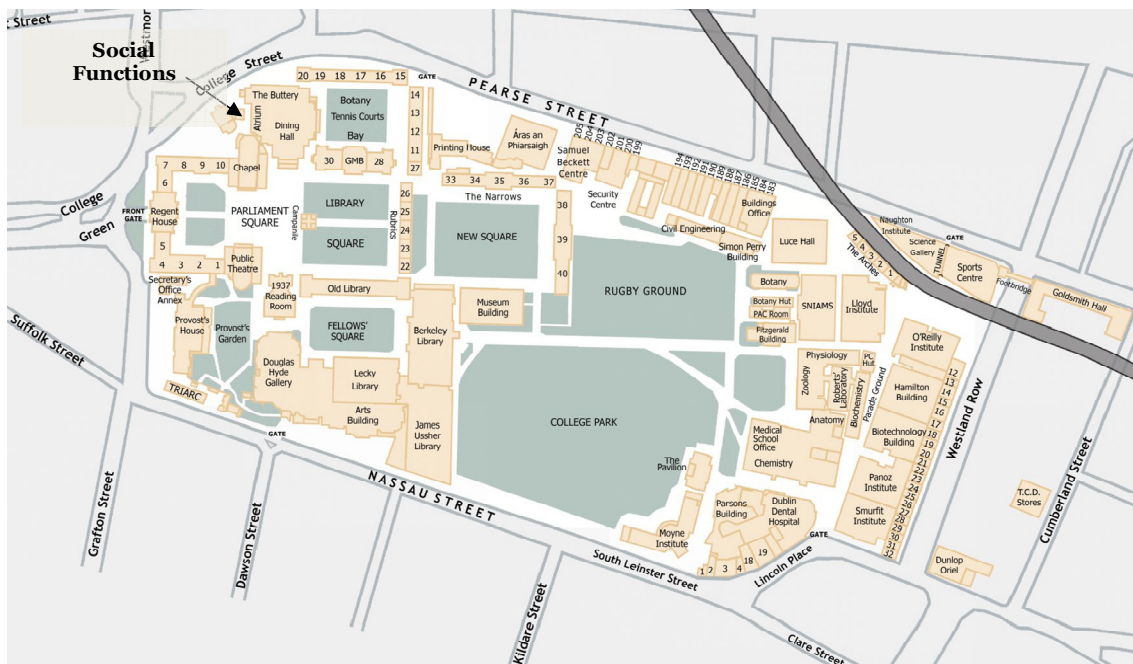
Sage

Conference Maps

Map of Dublin and Conference Venues



Map of Trinity College Campus



General Information regarding the Conference

Conference Reception Desk

We have a dedicated Conference Reception Desk located outside the Columba meeting rooms at the Basement Level of the Clarion Hotel IFSC. It will be open at the following times:

Friday, 9 April	0800 to 1800 hrs
Saturday, 10 April	0830 to 1800 hrs

Conference Assistants

There are Conference Assistants to help all throughout the Conference – they are wearing Trinity College t-shirts. They are here to help with Registration, guide you to the specific rooms on every level, and/or upload your presentations onto the computers.

Completion of Registration

All registration fees and other charges must be paid in full in order to complete your Registration. At this time, you will receive your Conference Programme & Book of Abstracts, as well as a Conference Badge. Please wear your badge at all times during the Conference, as only delegates with official Conference ID will be allowed into any of the Conference Sessions and functions.

There are Conference Assistants to help guide you to the specific rooms on every level.

Dress Code

The dress code for the entire Conference, including the Conference Gala Dinner, is smart casual.

Catering

Tea, coffee and water will be served during the breaks, in the areas as indicated in the Conference Programme.

Delegates are reminded that they should make their own arrangements for lunch. The hotel offers some excellent food, and outside there are many coffee shops, cafes, pubs and restaurants.

Conference Gala Dinner

The Conference Gala Dinner will be held in the Dining Hall at Trinity College on Friday evening at 1930 hrs. If you would like to buy an additional place for this, the cost is €100 and you can do this at the Conference Registration Desk any time before noon on Friday, 9 April.

Parallel Sessions

All presenters may upload their presentations in either MS PowerPoint or pdf format. They are responsible for ensuring that their presentations are uploaded onto the computer in the room in advance of the start of their Session. A Conference Assistant will be available to assist in the process – please note that the rooms are only available for the last 15 minutes of the break prior to the start of the

Session. For example, upload anytime between 0815 and 0830 hrs for a Doctoral Colloquium I presentation or anytime between 1300 and 1315 hrs for Parallel Sessions 1. Presentations may of course be uploaded during any of the breaks (last 15 minutes) prior to the allocated session, however please do so only on the same day that you will present as we cannot guarantee that the laptops will be returned to the same rooms the next day.

During the Parallel Sessions, each Presenting Author will make a 15-20 minute presentation on their paper (depending on the number of papers in the Session). The Session Chair is responsible for directing any Q&A and for ensuring that the Session ends on time. Any time left at the end of the each Session will be devoted to general Q&A on all papers presented during the Session. Presenting Authors are therefore asked to remain in their rooms until the end of the Session if possible.

Papers

In the Conference Bag, you will receive a CD containing all the conference papers presented during the Parallel Sessions. The papers are saved under the Presenting Author's last name and paper title (or a part of it). If you can't find the paper you're looking for, please feel free to contact the Presenting Author directly using the email provided in the Delegate Listing at the back of this Conference Programme & Book of Abstracts.

Keynote Speakers

Professor Peter J Buckley

Peter J Buckley is Professor of International Business and Director of the Centre for International Business, University of Leeds (CIBUL). He has written 26 books and edited another 17, many being translated into other languages. He has published over 175 refereed articles in European, American and Japanese journals, including twenty contributions to the Journal of International Business Studies. He is a Fellow of the Academy of International Business, the British Academy of Management, the Royal Society of Arts, and the European International Business Academy. In December 1998 he was made an Honorary Professor at the University of International Business and Economics, Beijing, China, and he is also an Honorary Member of the 48 Group Club. He was President of the Academy of International Business 2002-04, and is currently Chair of the European International Business Academy (2009-2012). Professor Buckley was awarded the Viipuri Prize for his "Outstanding record in the field of International Business research" in September 2006, and in August 2008 was awarded the Academy of Management (International Management Division) Booz Allen Hamilton Strategy and Business Eminent Scholar in Management prize. In January 2010 he received an Honorary Doctorate from the Faculty of Economics of the University of Uppsala. He was recently awarded the Changjiang Scholarship at the University of International Business and Economics, Beijing, 2010-2013.



Professor Alan Rugman



Alan M Rugman is Professor of International Business at the Henley Business School of the University of Reading. He is the Director of Research in the School of Management. Previously he held the L Leslie Waters Chair of International Business at the Kelley School of Business, Indiana University, 2001-2009. Professor Rugman's forty books include *Inside the Multinationals* (Columbia University Press 1981, reissued by Palgrave 2006); *Multinationals and Transfer Pricing* (St. Martin's Press 1985); *Global Corporate Strategy and Trade Policy* (Routledge 1990); *Foreign Investment and North American Free Trade* (University of South Carolina Press 1994); *International Business*, 4th Edition (Pearson/Prentice Hall 2006); *Environmental Regulations and Corporate Strategy* (Oxford University Press 1999); *Multinationals as Flagship Firms* (Oxford University Press 2000); *The End of Globalization* (Random House 2000; AMACOM 2001); *The Oxford Handbook of International Business* (Oxford University Press 2001, 2nd Edition 2008); *The Regional Multinationals* (Cambridge University Press 2005); and *Regional Aspects of Multinationality and Performance* (Elsevier 2007). Professor Rugman is a Fellow of the Academy of International Business and the Royal Society of Arts. He has served as a consultant to major companies, research institutes, government agencies, and as an advisor on trade, foreign investment and international competitiveness to two Canadian Prime Ministers. From 2004-2006, Professor Rugman served as President of the Academy of International Business (AIB).

Programme

Thursday, 8 April 2010

1900-2000	Welcome Reception and Early Registration	Trinity College The Vaults (via the Atrium)
-----------	--	---

Friday, 9 April 2010

0800-1815	Registration Desk Open	Clarion Hotel IFSC Columba Rooms, Basement Level
0830-1030	Doctoral Colloquium Part I	
1030-1100	Tea & Coffee	Basement Level & Level 1
1100-1215	Welcome & Plenary Session Keynote Speaker: Professor Peter Buckley "The Regional and Global Implications of the Rise of the Global Factory"	Orion Suite, Ground Level
1215-1315	Lunch (delegates' own arrangements)	
1315-1445	Parallel Sessions 1	
1445-1500	Tea & Coffee	Basement Level & Level 1
1500-1630	Parallel Sessions 2	
1630-1645	Tea & Coffee	Basement Level & Level 1
1645-1815	Parallel Sessions 3	
1930	Conference Gala Dinner	The Dining Hall, Trinity College

Saturday, 10 April 2010

0800-1730	Registration Desk Open	Clarion Hotel IFSC Columba Rooms, Basement Level
0900-1030	Parallel Sessions 4	
1030-1100	Tea & Coffee	Basement Level & Level 1
1100-1215	Plenary Session Keynote Speaker: Professor Alan Rugman "Has the World Financial Crisis Reinforced Regionalism at the Expense of Globalisation?"	Orion Suite, Ground Level
1215-1315	Lunch (delegates' own arrangements)	
1315-1345	AIBUKI Members' Meeting (all delegates welcome)	Orion Suite, Ground Level
1345-1515	Parallel Sessions 5	
1515-1530	Tea & Coffee	Basement Level & Level 1
1530-1730	Doctoral Colloquium Part II Informal Evening Social	

Doctoral Colloquium at a Glance

	Doctoral Colloquium I See page 18	Doctoral Colloquium II See page 31
	Fri, 9 Apr 0830-1030	Sat, 10 Apr 1530-1730
a Orion Suite, Ground Level	STREAM A, Session A1: Internationalisation Processes and Strategies	STREAM B, Session B3: International Marketing Strategies
b Club Lounge, Level 1	STREAM A, Session A2: FDI and the Less-Developed Country	STREAM B, Session B4: International Strategic Alliances
c Tucana, Level 1	STREAM A, Session A3: International Management	STREAM B, Session B5: Opportunities, Risks and Entrepreneurial Behaviour in Internationalisation
d <i>See different locations</i>	STREAM A, Session A4: Subsidiary Management (Location: Corvus, Level 1)	STREAM B, Session B6: Dynamic Capabilities in Internationalisation (Location: Columba 2, Level 2)
e Dorado, Level 1	STREAM B, Session B1: New Forms of Internationalisation	STREAM B, Session B7: MNE Practices and Policies
f Columba 1, Basement Level	STREAM B, Session B1: Improving Performance through Internationalisation	STREAM B, Session B8: Resources and Strategies in Subsidiary Management

Parallel Sessions at a Glance

	Parallel Sessions 1	Parallel Sessions 2	Parallel Sessions 3	Parallel Sessions 4	Parallel Sessions 5
	Fri, 9 Apr 1315-1445	Fri, 9 Apr 1500-1630	Fri, 9 Apr 1645-1815	Sat, 10 Apr 0900-1030	Sat, 10 Apr 1345-1515
a Orion Suite, Ground Level	Conference Theme Special Session 1: Globalisation & Regionalism	Special Interest 2: Global Networks & Contemporary Forces Affecting International Business	Special Interest 3: From Local to Global; IB to IE – A Tribute to the Life and Work of the Late Jim Bell	Special Interest 4: Advanced Research Methods – Teaching & Learning for International Business Graduates	Special Interest 5: International Knowledge Flows
b Club Lounge, Level 1	International Strategy & Management	International Marketing	International Networks	Alliances, Clusters & New Ventures	Culture & Cross- Cultural Management
c Tucana, Level 1	Knowledge Management & Transfer in the MNE	Regional & Global Knowledge Spillovers	Knowledge through Internationalisation	Location, Internationalisation & Entry Mode Choice	Knowledge & Entry Modes
d Corvus, Level 1	Internationalisation Theory	International Human Resource Management	Conceptualisation & Methodology in International Business Research	NO SESSION	NO SESSION
e Dorado, Level 1	International Business Ethics	FDI Consequences I	FDI Consequences II	Finance & Globalisation	Outward FDI
f Columba 1, Basement Level	International Equity Markets	International Banking & Finance	Corporate Governance & Responsibility	Firm-Level Internationalisation	International Entrepreneurship
g Columba 2, Basement Level	Internationalisation of New and Young Firms	Subsidiary Management, Mandates & Performance	Economic Geography	International Business History	NO SESSION

Doctoral Colloquium Part I

Friday, 9 April 2010 0830-1030	
<p>a</p> <p>Orion Suite, Ground Level</p>	<p>STREAM A, Session A1: Internationalisation Processes and Strategies Chair: Jorma Larimo, University of Vaasa, Finland</p> <p>Panellists: Mo Yamin, The University of Manchester, UK Niina Nummela, Turku School of Economics, Finland</p> <p>Factors for the (un)successful internationalisation of small to medium-sized management consultancies in the UK Brynn Deprey, Anglia Ruskin University, UK</p> <p>SME internationalisation through the learning lens: the role of business network relationships Alexandra Kaar, Johannes Kepler University Linz, Austria</p> <p>The future of internationalization in sustaining competitiveness in the global market – a case of Malaysia's Southern Steel Berhad Azlina Ahmad, University of Stirling, UK</p>
<p>b</p> <p>Club Lounge, Level 1</p>	<p>STREAM A, Session A2: FDI and the Less-Developed Country Chair: Peter Buckley, University of Leeds, UK</p> <p>Panellists: Jeremy Clegg, University of Leeds, UK Paul Ryan, National University of Ireland, Galway, Ireland</p> <p>Bank foreign direct investment: a Russia perspective Grant Webber, Kingston University, UK</p> <p>Possibilities and limitations for attracting foreign direct investment to less developed transition economies: a case study of Tajikistan Dilshod Makhmadshoev, Queen's University Belfast, UK</p> <p>Determinants of EU foreign direct investment in China: a firm-level panel study, 1998-2007 Huifen (Helen) Cai, University of Hull, UK</p> <p>IFDI to the Middle East Region: a comprehensive multi-level analysis Ahmad Shadid, Trinity College Dublin, Ireland</p>
<p>c</p> <p>Tucana, Level 1</p>	<p>STREAM A, Session A3: International Management Chair: Frank McDonald, University of Bradford, UK</p> <p>Panellists: Amon Chizema, Loughborough University, Denmark Simon Harris, The University of Edinburgh, UK</p> <p>Talent management in practice: the case of European Internationally Operating Businesses Chitalu Kabwe, University of Central Lancashire, UK</p> <p>Motivation, culture and language in cross-cultural knowledge transfer: Swedish MNEs in China Daniella Fjellström, University of Leeds, UK</p> <p>An investigation into the formation, nature and growth of entrepreneurial teams within the video games industry Isobel Cunningham, University of Ulster, UK</p>

<p>d</p> <p>Corvus, Level 1</p>	<p>STREAM A, Session A4: Subsidiary Management Chair: Alan Rugman, University of Reading, UK</p> <p>Panellists: Antonella Zucchella, Università degli Studi di Pavia, Italy Ulf Andersson, Copenhagen Business School, Denmark</p> <p>Examining the Role of Functional Units in Strategy Development of Foreign Subsidiaries: The Case of Foreign Subsidiaries of American MNCs in Taiwan's IT Industry Pi-Chi Chen, University of London, Birkbeck College, UK</p> <p>Gaining external legitimacy through corporate responsibility by subsidiaries: an emergent model Eshani Beddewela, University of Bradford, UK</p> <p>Solution finding in subsidiaries: how middle managers do (not) think and act global Esther Tippmann, Dublin Institute of Technology, Ireland</p>
<p>e</p> <p>Dorado, Level 1</p>	<p>STREAM B, Session B1: New Forms of Internationalisation</p> <p>Discussants: Rod McNaughton, University of Waterloo, Canada Stan Paliwoda, University of Strathclyde, UK</p> <p>New forms of internationalization of Chinese SMEs Xiaotian Zhang, University of Tartu, Estonia</p> <p>Internationalization and regionalism: a review of the strategic operations of multinationals in the petroleum industry Colin Dale, University of Reading, UK</p> <p>Pharmaceutical companies and responsible corporate strategies in developing economies Frederick Ahen, Turku School of Economics, Finland</p> <p>FDI and infrastructure development in LDCs Kalindi Agarwal, The University of Manchester, UK</p>
<p>f</p> <p>Columba 1, Basement Level</p>	<p>STREAM B, Session B2: Improving Performance through Internationalisation</p> <p>Discussants: Sharon Loane, University of Ulster, UK Rudolf Sinkovics, The University of Manchester, UK</p> <p>Where in the global value chains can firms from developing countries become successful? A case of Thailand in the complex global food industry Suthikorn Kingkaew, University of Cambridge, UK</p> <p>FDI spillovers in emerging markets: the case of innovation-intensive FDI and external technological cooperation in the Republic of Korea Yoo Jung Ha, The University of Manchester, UK</p> <p>Small and medium-sized enterprises' selection of international mode of market entry: proactive and reactive motivators and mode of entry choice Vasilios Stouraitis, University of Reading, UK</p> <p>Corporate social entrepreneurship: antecedents and outcomes Misagh Tasavori, The University of Manchester, UK</p>

Parallel Sessions

*Where there are multiple authors, an asterisk indicates the presenting/corresponding author.

Parallel Sessions 1: Friday, 9 April 2010 1315-1445	
<p>a</p> <p>Orion Suite, Ground Level</p> <p>ABSTRACTS Page 33</p>	<p>CONFERENCE THEME Special Session 1a: Globalisation & Regionalism</p> <p>Chair: Colm Kearney, Trinity College Dublin, Ireland</p> <p>Exploiting Knowledge Externalities in the Global Economy: The Role of International Depth and Breadth *Mario Kafourous, University of Leeds, UK Peter Buckley, University of Leeds, UK Jeremy Clegg, University of Leeds, UK</p> <p>Home Region Bias in Multinational Enterprises *Elitsa Banalieva, Northeastern University, USA Charles Dhanaraj, Indiana University, USA</p> <p>Key Developments in the Regionalisation of Trade: An Analysis of Intermediate Product *Louise Curran, Toulouse Business School, France Soledad Zignago, BBVA Madrid & CEPII Paris, Spain & France</p> <p>Researching the Emergence of Southern Multinationals and their Impact on Europe Louis Brennan, Trinity College Dublin, Ireland</p>
<p>b</p> <p>Club Lounge, Level 1</p> <p>ABSTRACTS Page 34</p>	<p>Session 1b: International Strategy and Management</p> <p>Chair: Dorota Piaskowska, University College Dublin, Ireland</p> <p>Forging the Link between Business Model and Value Chain Constructs in the Context of an Internationalizing Entrepreneurial Firm Liisa-Maija Sainio, Lappeenranta University of Technology, Finland *Sami Saarenketo, Lappeenranta University of Technology, Finland Niina Nummela, Turku School of Economics, Finland Taina Eriksson, Turku School of Economics, Finland</p> <p>In Pursuit of Value Co-Creation: What is Strategic Corporate Responsibility in a Global Context? *Frederick Ahen, Turku School of Economics, Finland Peter Zettinig, Turku School of Economics, Finland</p> <p>Managers' Perceptions of the Resource/Performance Relationship *Elena Beleska-Spasova, University of Reading, UK Keith Glaister, University of Sheffield, UK</p> <p>Internationalization of Manufacturing SMEs: Organizational Changes *Igor Kalinic, Università di Padova, Italy Cipriano Forza, Università di Padova, Italy</p>
<p>c</p> <p>Tucana, Level 1</p> <p>ABSTRACTS Page 35</p>	<p>Session 1c: Knowledge Management and Transfer in the MNE</p> <p>Chair: Jim Love, Aston University, UK</p> <p>Role and Nature of Trust in Global Knowledge Interaction *Kirsimarja Blomqvist, Lappeenranta University of Technology, Finland Charles Snow, Pennsylvania State University, USA</p> <p>Subsidiaries as Learning Engines: Understanding Middle Managers' Searching for Knowledge as Micro-Foundation *Esther Tippmann, Dublin Institute of Technology, Ireland Pamela Sharkey-Scott, Dublin Institute of Technology, Ireland Vincent Mangematin, Grenoble Ecole de Management, France</p> <p>Knowledge Governance in Multinational Enterprises at Multiple Levels: The Impact of Hierarchical and Network Level Mechanisms on Knowledge Transfer Effectiveness *Ulf Andersson, Copenhagen Business School, Denmark Peter Buckley, University of Leeds, UK Henrik Dellestrand, Uppsala University, Sweden</p> <p>Subsidiary Willingness and Reverse Knowledge Transfer: The Case of Knowledge-Intensive Services in the UK *Zhaleh Najafi Tavani, The University of Manchester, UK Axele Giroud, The University of Manchester, UK Rudolf Sinkovics, The University of Manchester, UK</p>

<p>d</p> <p>Corvus, Level 1</p> <p>ABSTRACTS Page 36</p>	<p>Session 1d: Internationalisation Theory Chair: Pervez Ghauri, King's College London, UK</p> <p>Legal System Voids and Wholly Owned Foreign Subsidiary Performance: The Mediating Role of Government Relation-Based Strategies *George White, The University of Michigan-Flint, USA Anne Canabal, University of Maine, USA Thomas Hemphill, The University of Michigan-Flint, USA</p> <p>Exploring the Neglected Factor in the Eclectic (OLI) Paradigm Naresh Pandit, University of East Anglia, UK *Gary Cook, University of Liverpool, UK Jonathan Beaverstock, University of Nottingham, UK Pervez Ghauri, King's College London, UK</p> <p>Exploring the Complementarity between Home and Host Country Linkages with the Eclectic Paradigm Peter Buckley, University of Leeds, UK Nicola Forsans, University of Leeds, UK *Surender Munjal, University of Leeds, UK</p>
<p>e</p> <p>Dorado, Level 1</p> <p>ABSTRACTS Page 37</p>	<p>Session 1e: International Business Ethics Chair: Mary Keating, Trinity College Dublin, Ireland</p> <p>Conceptual, Operational, and Methodological Considerations in Studying the Trust-Performance Relationship: A Critical Review of the Empirical Research in International Strategic Alliances *Tahir Ali, University of Vaasa, Finland Jorma Larimo, University of Vaasa, Finland</p> <p>Intercultural Ethical Leadership Competence: Contrasting Ireland and Germany *Mary Keating, Trinity College Dublin, Ireland Gillian Martin, Trinity College Dublin, Ireland Christian Resick, Drexel University, USA</p> <p>Strategic Humanitarian Supply Chain Management *Kirsten Scholten, Dublin Institute of Technology, Ireland Pamela Sharkey-Scott, Dublin Institute of Technology, Ireland Brian Fynes, University College Dublin, Ireland</p>
<p>f</p> <p>Columba 1, Basement Level</p> <p>ABSTRACTS Page 37</p>	<p>Session 1f: International Equity Markets Chair: Aleksandar Sevic, Trinity College Dublin, Ireland</p> <p>Liquidity and Stock Size Premia in Japanese Regional Financial Markets: An Industry Level Analysis *Bruce Hearn, University of Leicester, UK Byoung Lee, King's College London, UK Roger Strange, University of Sussex, UK Jenifer Piese, King's College London, UK</p> <p>Bucharest Stock Exchange: the Assessment of Its Evolution and Position Among Emerging Market Exchanges in the Region *Cornelia Pop, Babes-Bolyai University, Romania Thomas David Delaney, Delaney Executives</p> <p>Size and Liquidity Effects in Australasian and South East Asian Equity Markets *Bruce Hearn, University of Leicester, UK Roger Strange, University of Sussex, UK Jenifer Piese, King's College London, UK</p>
<p>g</p> <p>Columba 2, Basement Level</p> <p>ABSTRACTS Page 38</p>	<p>Session 1g: Internationalisation of New and Young Firms Chair: Mika Gabrielsson, Aalto University, Finland</p> <p>The Internationalisation Process of Small Knowledge Intensive Firms *Antonella Zucchella, Università degli Studi di Pavia, Italy Diala Kabbara, Università degli Studi di Pavia, Italy</p> <p>Network Intermediaries in the Internationalisation of New Firms *Natasha Evers, National University of Ireland, Galway, Ireland Colm O'Gorman, Dublin City University, Ireland</p> <p>The Link between Born Global Growth, Network Development, and Firm Performance *Fabian Sepulveda, Aalto University, Finland Mika Gabrielsson, Aalto University, Finland</p>

**Parallel Sessions 2: Friday, 9 April 2010
1500-1630**

a

Orion Suite,
Ground Level

ABSTRACTS
Page 39

SPECIAL INTEREST Session 2a: Panel on Global Networks & Contemporary Forces Affecting International Business

Chair: Rudolf Sinkovics, The University of Manchester, UK

Keywords: Global Manufacturing Networks; Risks; Risk Mitigation, Regulation; Social Entrepreneurship

This panel addresses contemporary challenges to IB. The emergence of global networks hosts circumstances that are challenging managers in unprecedented ways, involving comprehensive new vulnerabilities that need to be addressed and pushing towards new pro-active rather than reactive forms of market servicing. Above these issues, environmental and regulatory uncertainties, which surfaced strongly in the recent financial crisis, challenge scholarly thoughts and provoke the thought of more regulation in IB. The panel also addresses poverty-related questions which are traditionally attributed to the development policy literature and thus suggests to put 'steam back into the IB engine' by focusing on the implications of changing structures of MNEs and the potentially beneficial outcomes of MNEs in pursuing socially entrepreneurial strategies and serving bottom of pyramid markets.

Risk Mitigation in IB and Global Manufacturing Networks

Tamer Cavusgil, Georgia State University, USA

Global Supplier Networks and Market Driving Strategy

Pervez Ghauri, King's College London, UK

Does IB Need More Regulation?

Tevfik Dalgic, The University of Texas at Dallas, USA

Corporate Social Entrepreneurship

Rudolf Sinkovics, The University of Manchester, UK

Development Implications of Changing Structures of the Multinational Enterprise

Mo Yamin, The University of Manchester, UK

b

Club Lounge,
Level 1

ABSTRACTS
Page 40

Session 2b: International Marketing

Chair: Norah Campbell, Trinity College Dublin, Ireland

Understanding Host Country Partners: Research Propositions on the Link Between Growth Modes and Retail Internationalization Behaviors

*Fatima Wang, King's College London, UK

John Dawson, The University of Edinburgh, UK

The Role of Socio-Economic Development and National Values in Variability of Consumer Ethnocentrism Tendencies and Effects across Societies

*Anna John, Dublin City University, Ireland

Malcolm Brady, Dublin City University, Ireland

Moderators of Marketing Strategy Adaptation and Export Performance Relationship in SME Exports

*Jorma Larimo, University of Vaasa, Finland

Minnie Kontkanen, University of Vaasa, Finland

Entrepreneurial Marketing Strategies and the Growth of International New Ventures – A Case Study

*Johanna Hallbäck, University of Vaasa, Finland

Peter Gabrielsson, University of Vaasa, Finland

<p>c</p> <p>Tucana, Level 1</p>	<p>Session 2c: Regional & Global Knowledge Spillovers Chair: Mario Kafourous, University of Leeds, UK</p>
<p>ABSTRACTS Page 41</p>	<p>Human Mobility, Global Networks and International Knowledge Spillovers: Evidence from High-tech Small and Medium Enterprises in an Emerging Market *Xiaohui Liu, Loughborough University, UK Mike Wright, University of Nottingham, UK Igor Filatotchev, City University London, UK Ou Dai, Loughborough University, UK Jiangyong Lu, Peking University, China</p> <p>Main Trends in the Study of Regional Innovation Systems: An Author Co-Citation Analysis *Giorgia Maria D'Allura, Università degli Studi di Catania, Italy Marco Galvagno, Università degli Studi di Catania, Italy Arabella Mocciano Li Destri, Università degli Studi di Palermo, Italy</p> <p>Indigenous and Foreign Innovation Efforts and Drivers of Technological Upgrading: Evidence from China *Yundan Gong, Aston University, UK Xiaolan Fu, University of Oxford, UK</p> <p>Proximity, Appropriability and EU Membership: Influences on R&D Outsourcing and International Licensing from the UK Suma Athreye, Brunel University, UK *Elif Bascavusoglu-Moreau, Imperial College London, UK Yong Yang, Brunel University, UK</p>
<p>d</p> <p>Corvus, Level 1</p> <p>ABSTRACTS Page 42</p>	<p>Session 2d: International Human Resource Management Chair: Oskar Kayasan, European Research Centre, UK</p> <p>Is it a Matter of Time? Analyzing the Impact of Timing, Duration and Intensity of Training Programmes on Expatriate Adjustment. *Markus G Kittler, University of Stirling, UK Jenoah Joseph, University of Stirling, UK Anna Kuzmanova, University of Stirling, UK</p> <p>Interpersonal Relationships in Transnational, Virtual Teams – Towards a Configurational Perspective Angelika Zimmermann, Loughborough University, UK</p> <p>Disclosure of Individual Executive Compensation and Firm Performance Amon Chizema, Loughborough University, UK</p>
<p>e</p> <p>Dorado, Level 1</p> <p>ABSTRACTS Page 42</p>	<p>Session 2e: FDI Consequences I Chair: Nigel Driffield, Aston University, UK</p> <p>Firm Performance and the Geography of FDI: Evidence from 46 Countries *Yong Yang, Brunel University, UK Pedro Martins, Queen Mary, University of London, UK & CEG-IST, Lisbon, Portugal</p> <p>Stock Market Reactions to Foreign Investments: Effects of Investment Purpose, Stock Market Characteristics, and Business Group Affiliation ByoungYoup Lee, King's College London, UK Jenifer Piesse, King's College London, UK *Roger Strange, University of Sussex, UK</p> <p>Acquisitions from Emerging to Advanced Countries: Theoretical and Empirical Investigation on the Performances of Target Firms Peter Buckley, University of Leeds, UK *Stefano Elia, Politecnico di Milano, Italy Mario Kafourous, University of Leeds, UK</p> <p>Ireland's Inward FDI over the Recession and Beyond *Frank Barry, Trinity College Dublin, Ireland Adele Bergin, ESRI, Ireland</p>

f	Session 2f: International Banking & Finance Chair: Elaine Hutson, University College Dublin, Ireland
Columba 1, Basement Level	Positioning International Business in Subprime Times Mark McGovern, Queensland University of Technology, Australia
ABSTRACTS Page 43	Factors Influencing the Profitability of Commercial Banks in the GCC Countries *Ritab Al-Khouri, Qatar University, Qatar Abdulkhader Abdullah, Khartoom University
	On the Efficacy of Corporate Bailouts: Evidence from Around the World Zhan Jiang, State University of New York at Buffalo, USA *Kenneth Kim, State University of New York at Buffalo, USA Hao Zhang, Rochester Institute of Technology, USA
	Currency Offer Curves: Going Beyond Supply and Demand Graphs in Teaching Exchange Rates *Janett Highfill, Bradley University, USA Raymond Wojcikewych, Bradley University, USA
g	Session 2g: Subsidiary Management, Mandates & Performance Chair: Mike Crone, Queen's University Belfast, UK
Columba 2, Basement Level	Coordination at the Edge of the Empire: Subsidiary Regional Administrative Mandates in the Multinational Enterprise *Eva Alföldi, The University of Manchester, UK Jeremy Clegg, University of Leeds, UK Sara McGaughey, University of Strathclyde, UK
ABSTRACTS Page 44	From Federations to Global Factories; Assessing the Contribution of the Subsidiary Middle Manager in Today's MNE *Donal O'Brien, Dublin Institute of Technology, Ireland Pamela Sharkey-Scott, Dublin Institute of Technology, Ireland Pat Gibbons, University College Dublin, Ireland
	MNC Subsidiary Innovation & the Dual Context *Johanna Fahy, National University of Ireland, Galway, Ireland Paul Ryan, National University of Ireland, Galway, Ireland
	A Longitudinal Study of RHQ Dynamics: The Survival of the Fittest? *Perttu Kähäri, Aalto University, Finland Rebecca Piekkari, Aalto University, Finland Wilhelm Barner-Rasmussen, Hanken School of Economics, Finland

Parallel Sessions 3: Friday, 9 April 2010 1645-1815

a

Orion Suite,
Ground Level

SPECIAL INTEREST Session 3a: From Local to Global; IB to IE – A Tribute to the Life and Work of the Late Jim Bell

Chair: Rod McNaughton, University of Waterloo, Canada

Jim Bell - the man, friend and colleague
Rod McNaughton

The Early Years - Reflections on Jim's PhD and early research in IB
Stephen Young

Early Internationalisation Perspectives and most Cited Papers
Stephen Young, Rod McNaughton and Dave Crick

Exploiting Psychic Distance – Collaborative Work with Nordic Neighbours
Olli Kuivalainen and Sami Saarenketo

Following the Trade Routes – Collaborations in Asia-Pacific
Alan Smithee

An International Calling – Cross-national Data Collection and Doctoral Outreach
Sharon Loane

New Developments – Exploring Hyperspace
Rudolf Sinkovics

Globalisation – the Contribution of Jim Bell to International Entrepreneurship
Marian Jones

Jim's Legacy – Where do we go from here?
Rod McNaughton

b

Club Lounge,
Level 1

ABSTRACTS
Page 45

Session 3b: International Networks

Chair: Stan Paliwoda, University of Strathclyde, UK

Network Ties in the International Opportunity Recognition of Family SMEs
*Arto Ojala, University of Jyväskylä, Finland
Tanja Kontinen, University of Jyväskylä, Finland

Converging Themes: Networks, International Performance and the Telecoms Sector
*Breda Kenny, Tipperary Institute, Ireland
John Fahy, University of Limerick, Ireland

The Influences of Knowledge Sharing, Network Capabilities, and Innovation Appropriability on Alliance Performance
*Chia-Ling (Eunice) Liu, National Cheng Kung University, Taiwan
Wen-Chun Chen, National Chung Cheng University, Taiwan

The Influence of Social Networks on Export Barriers: Evidence from Developing Country Firms
Mursali Milanzi, University of Agder, Norway

c

Tucana,
Level 1

ABSTRACTS
Page 46

Session 3c: Knowledge Through Internationalisation

Chair: Kirsimarja Blomqvist, Lappeenranta University of Technology, Finland

Learning by Exporting: Lessons from high-technology SMEs
*Jim Love, Aston University, UK
Panagiotis Ganotakis, Aston University, UK

Effectual Reasoning in the Internationalization Process: Evidence from Italian SMEs
*Igor Kalinic, Università di Padova, Italy
Saras Sarasvathy, University of Virginia, USA
Cipriano Forza, Università di Padova, Italy

External and Internal Knowledge Learning and Growth Strategies of Chinese Knowledge-Intensive New Ventures
Huan Joy Zou, Loughborough University, UK

Regional and Global Tensions in New Product Development: Comparing High and Low Agglomeration Regions
*Yazid Abubakar Abdullahi, University of Essex, UK
Jay Mitra, University of Essex, UK

d	Session 3d: Conceptualisation & Methodology in International Business Research Chair: Fiona Moore, Royal Holloway, University of London, UK
Corvus, Level 1	What is a Multinational Corporation? Classifying the Degree of Firm-Level Multinationality Raj Aggarwal, University of Akron, USA *Jenny Berrill, Trinity College Dublin, Ireland
ABSTRACTS Page 47	Elaine Hutson, University College Dublin, Ireland Colm Kearney, Trinity College Dublin, Ireland Survey Research and Response Rates in International Business Studies *Anna Morgan-Thomas, University of Glasgow, UK Agnieszka Childlow, Manchester Metropolitan University, UK Pervez Ghauri, King's College London, UK Global Interest Intervening Regional Advantages: The Sustainability of Appreciative Strategy for Russia and China in Central Asia Oskar Kayasan, European Research Centre, UK Heterarchy: the Career of a Concept *Ray Griffin, Waterford Institute of Technology, Ireland Thomas O'Toole, Waterford Institute of Technology, Ireland
e	Session 3e: FDI Consequences II Chair: Frank Barry, Trinity College Dublin, Ireland
Dorado, Level 1	Foreign Direct Investment in Emerging Asia: Implications of International Production Network Juthathip Jongwanich, Asian Development Bank, Philippines
ABSTRACTS Page 48	Export-Platform Foreign Direct Investment as a Strategic Behavior of Multinational Firms: the Case of Vietnam *Huu-thanh Tam Nguyen, Université Toulouse 1 Capitole, France Alexandre Minda, Université Toulouse 1 Capitole, France Med Kechidi, Université Toulouse 1 Capitole, France Is Hong Kong competing with Mainland China in attracting FDI from Canada William X Wei, Grant MacEwan University, Canada
f	Session 3f: Corporate Governance & Responsibility Chair: Amon Chizema, Loughborough University, UK
Columba 1, Basement Level	Economic Organization and Social Solidarity: Can Keiretsu be Universal? Tomoko Oikawa, University of Limerick, Ireland
ABSTRACTS Page 49	Institutional Determinants of Good Corporate Governance: the Case of Nigeria *Emmanuel Adegbite, City University London, UK Chizu Nakajima, City University London, UK Corporate Responsibility Practices of Multinational Subsidiaries – Models of Implementation Eshani Beddewela, University of Bradford, UK Bridging the Gap? Corruption, Knowledge and Foreign Ownership *Nigel Driffield, Aston University, UK Tomek Mickiewicz, University College London, UK
g	Session 3g: Economic Geography Chair: Gary Cook, University of Liverpool, UK
Columba 2, Basement Level	Spatial Filtering, Model Uncertainty and the Speed of Income Convergence in Europe Jesús Crespo Cuaresma, University of Innsbruck, Austria *Martin Feldkircher, Oesterreichische Nationalbank (Austrian Central Bank), Austria
ABSTRACTS Page 50	A Linear Spatial Model with Monetary Restrictions Dirk Ehnts, University of Oldenburg, Germany Geographical Context and the Emergence of Early Internationalizing Firms: Towards an Inter-Disciplinary Conceptualization Mike Crone, Queen's University Belfast, UK Global Competition Versus Regional Interests: FDI and Pharmaceuticals in India Mine Cinar, Loyola University Chicago, USA *William Duperon, Loyola University Chicago, USA

Parallel Sessions 4: Saturday, 10 April 2010 0900-1030	
<p>a</p> <p>Orion Suite, Ground Level</p>	<p>SPECIAL INTEREST Session 4a: Panel on Advanced Research Methods – Teaching & Learning for International Business Graduates Chair: Jeremy Clegg, University of Leeds, UK</p> <p>Eva Afoldi, The University of Manchester, UK Norah Campbell, Trinity College Dublin, Ireland Marian V Jones, University of Glasgow, UK Rudolf Sinkovics, The University of Manchester, UK Lena Zander, Uppsala University, Finland</p>
<p>b</p> <p>Club Lounge, Level 1</p> <p>ABSTRACTS Page 51</p>	<p>Session 4b: Alliances, Clusters & New Ventures Chair: Peter Gabrielsson, University of Vaasa, Finland</p> <p>Investigating the Relationship between Alliance Entrepreneurship, Alliance Capability and Foreign Market Strategic Goals – Empirical Evidence *Saba Khalid, University of Vaasa, Finland Jorma Larimo, University of Vaasa, Finland</p> <p>Momentum and Inertia in Cluster Development *Peter Zettinig, Turku School of Economics, Finland Zsuzsanna Vincze, Umeå University, Sweden</p> <p>Growth Phases and Survival of International New Ventures: Empirical Evidence of Finnish Firms *Peter Gabrielsson, University of Vaasa, Finland Mika Gabrielsson, Aalto University, Finland</p>
<p>c</p> <p>Tucana, Level 1</p> <p>ABSTRACTS Page 51</p>	<p>Session 4c: Location, Internationalisation & Entry Mode Choice Chair: Elif Bascavusoglu-Moreau, Imperial College London, UK</p> <p>How Home Country Environments in a Newly-Industrialised Country Impact on Domestic Firms' Expansion to International Markets? Hsiang-Lin Cheng, Feng-Chia University, Taiwan</p> <p>Ethnic (Offshore) Investors vs. Foreign Investors in Russia: Location and Entry Mode Choices *Päivi Karhunen, Aalto University, Finland Svetlana Ledyeva, Aalto University, Finland</p> <p>Determinants of International Joint Venture Performance Measurement: A Theoretical Framework *Huu Le Nguyen, University of Vaasa, Finland Jorma Larimo, University of Vaasa, Finland</p>
<p>d</p> <p>Corvus, Level 1</p>	<p>Session 4d: NO SESSION</p>
<p>e</p> <p>Dorado, Level 1</p> <p>ABSTRACTS Page 52</p>	<p>Session 4e: Finance & Globalisation Chair: Jenny Berrill, Trinity College Dublin, Ireland</p> <p>Are Chinese Banks Exposed to Foreign Exchange Rate Movements? Elaine Hutson, University College Dublin, Ireland *Min Ye, University College Dublin, Ireland</p> <p>Internationalisation, Financial Incentives and Firm Growth: Evidence from Italy Mariasole Bannò, Università degli Studi di Brescia, Italy Lucia Piscitello, Politecnico di Milano, Italy *Celeste Amorim Varum, Universidade de Aveiro, Portugal</p> <p>Towards a Financial Theory of the Global Firm: Arbitrage, Conjuncture and Relative Earnings Capacity *Edward Lee, University of Hertfordshire, UK Tord Andersson, University of Hertfordshire, UK Nick Tsitsianis, University of Hertfordshire, UK George Katechos, University of Hertfordshire, UK Colin Haslam, University of Hertfordshire, UK</p>

<p>f</p>	<p>Session 4f: Firm-Level Internationalisation Chair: Johanna Hallbäck, University of Vaasa, Finland</p>
<p>Columba 1, Basement Level</p>	<p>Rapid Internationalization of Traditional SMEs: Between Stage Models and Born Globals *Igor Kalinic, Università di Padova, Italy Cipriano Forza, Università di Padova, Italy</p>
<p>ABSTRACTS Page 53</p>	<p>Going Global: Why Some Firms from Emerging Markets are More Successful at International Expansion than Others *Sourindra Banerjee, University of Cambridge, UK Jaideep Prabhu, University of Cambridge, UK</p>
	<p>The Impact of Firm Characteristics, Industry Drivers and Environmental Influences on Export Intensity: An Analysis of MNE Subsidiaries Pavlos Dimitratos, Athens University of Economics and Business, Greece Dimitris Manolopoulos, American University of Greece, Greece *Stephen Young, University of Glasgow, UK</p>
	<p>Firm-Level Corporate Governance Features and the Foreign Exchange Exposure of US Corporations Elaine Hutson, University College Dublin, Ireland *Elaine Laing, University College Dublin, Ireland</p>
<p>g</p>	<p>Session 4g: International Business History Chair: Elisabeth Paulet, ESCEM Tours-Poitiers-Paris, France</p>
<p>Columba 2, Basement Level</p>	<p>Conceptualizing the Business of Space: A Globalization Perspective *Alessandra Vecchi, Trinity College Dublin, Ireland Louis Brennan, Trinity College Dublin, Ireland</p>
<p>ABSTRACTS Page 53</p>	<p>Globalisation, Financial Innovation and National Governance: 16th - 19th century *Elisabeth Paulet, ESCEM Tours-Poitiers-Paris, France Philippe Norel, Université de Poitiers, France</p>
	<p>The Demise of the Halcyon Days in Hungary *Ádám Banai, Magyar Nemzeti Bank (Central Bank of Hungary), Hungary Júlia Király, Magyar Nemzeti Bank (Central Bank of Hungary), Hungary Márton Nagy, Magyar Nemzeti Bank (Central Bank of Hungary), Hungary</p>

Parallel Sessions 5: Saturday, 10 April 2010 1345-1515

a

Orion Suite,
Ground Level

SPECIAL INTEREST Session 5a: Panel on International Knowledge Flows

Chair: Roger Strange, University of Sussex, UK

Knowledge-intensive firms have become a central focus of recent economic development policy. Such high-tech industries are often associated with regional spillovers in knowledge and localisation in clusters. As a consequence, there has been a considerable amount of work, particularly at the EU level, supporting clusters and conceptualising the regional development process in terms of interconnections between small firms. Recent research has started to question this approach. Scholars such as Thompson and Lissoni have questioned the conceptual and empirical value of 'local knowledge spillovers' as useful ways of understanding how firms accumulate knowledge and how regions develop. Similar concerns have been raised about the practical value of the concepts for public policy. While there are clear examples of clustering effects in the US biotech industry around San Francisco and Boston, for example, there has been limited success at building such clusters elsewhere. This reflects in part the global as well as local nature of knowledge flows, and the way that links between firms operate at different spatial scales. Moreover, the focus on local links between small firms tends to overlook the importance of large firms, which are key institutions for transferring knowledge and capabilities around the world. This session will present a series of papers on the changing inter-relationships between large and small firms and their influences on patterns of innovation. It will explore the relationships between stocks and flows in these industries at the regional, national and international levels, and look at the mediating influence of technology.

b

Club Lounge,
Level 1

ABSTRACTS
Page 54

Session 5b: Culture & Cross-Cultural Management

Chair: Markus G Kittler, University of Stirling, UK

Antecedents and Consequences of International Key Account Management Capabilities: the Role of Culture and Information Technology

Ruey-Jer (Bryan) Jean, National Chengchi University, Taiwan
*Rudolf Sinkovics, The University of Manchester, UK
Daekwan Kim, Florida State University, USA

Assets Characteristics and Cultural Influences on Share ownership by Foreign Partners in Cross-border Joint Ventures

Sougand Golesorkhi, Manchester Metropolitan University, UK
Mike Bowe, The University of Manchester, UK
*Mo Yamin, The University of Manchester, UK

The Diorama: The Impact of Gender and Ethnic 'Native Categories' on Cross-Cultural Management in a Transnational Automobile Manufacturer

Fiona Moore, Royal Holloway, University of London, UK

Geocentric Aspirations, Ethnocentric Backlash, and Polycentric Adaptations: Towards an Individual- and Culture-Based Theory of Managing the MNC

Lena Zander, Uppsala University, Sweden

c

Tucana,
Level 1

ABSTRACTS
Page 55

Session 5c: Knowledge & Entry Modes

Chair: Tamer Cavusgil, Georgia State University, USA

The Barriers to Internationalisation faced by Young Innovative SMEs

Hannah Chaplin, UK Trade & Investment, UK

Antecedents of Marketing Integration in Cross-Border Mergers and Acquisitions: Evidence from Malaysia and Indonesia

*Mohd Haniff Jedin, The University of Manchester, UK
Rudolf Sinkovics, The University of Manchester, UK

A Small Open Economy Perspective on Innovation Capacities in Advanced Economies

Eleanor Doyle, University College Cork, Ireland
*Fergal O'Connor, University College Cork, Ireland
Adrian Kuah, University of Bradford, UK

Does Performance Matter in Service MNCs' Strategic Choice of Entry Mode?

Zeng Yu Huang, University College Dublin, Ireland
*Xia Han, University College Dublin, Ireland

d

Corvus,
Level 1

Session 5d: NO SESSION

e	Session 5e: Outward FDI Chair: Louis Brennan, Trinity College Dublin, Ireland
Dorado, Level 1	
ABSTRACTS Page 56	Home Country Measures for Outward FDI: An Analysis at the Regional Level Mariasole Bannò, Università degli Studi di Brescia, Italy Lucia Piscitello, Politecnico di Milano, Italy *Celeste Amorim Varum, Universidade de Aveiro, Portugal
	The Persistence of Outward Foreign Direct Investment from German Manufacturing Industries *Heinz Tüselmann, Manchester Metropolitan University, UK Martin Bohl, Westfälische Wilhelms-Universität Münster, Germany Frank McDonald, University of Bradford, UK Svitlana Voronkova, ZEW Centre for European Economic Research, Germany Paul Windrum, University of Nottingham, UK
	Home Country Macro-economic Determinants of the Outward FDI of Japan, Korea and China – Does an East Asia Model Exist? Ling Liu, The University of Edinburgh, UK *Presented by Simon Harris, The University of Edinburgh, UK
	The Influence of Exports on Outward Foreign Direct Investment: The Case of India Rakhi Verma, Trinity College Dublin, Ireland *Louis Brennan, Trinity College Dublin, Ireland
f	Session 5f: International Entrepreneurship Chair: Marian V Jones, University of Glasgow, UK
Columba 1, Basement Level	
ABSTRACTS Page 57	Contingency Factors in Entrepreneurial Orientation-Performance Relationship of Firms with Different Levels of Internationalization Sanna Sundqvist, Lappeenranta University of Technology, Finland *Olli Kuivalainen, Lappeenranta University of Technology, Finland John W Cadogan, Loughborough University, UK
	Entrepreneurial Founding Teams and the Growth Strategies of Games Development Firms: Evidence from Poland and Hungary Isobel Cunningham, University of Ulster, UK *Sharon Loane, University of Ulster, UK Jim Bell, University of Ulster, UK
	A Bibliographic Analysis of Entrepreneurship at the Interface of ICT and Economic Development: an International Perspective *Noemi Pezderka, The University of Manchester, UK Rudolf Sinkovics, The University of Manchester, UK
	Corporate Social Entrepreneurship: Success Factors in Bottom of the Pyramid Markets *Misagh Tasavori, The University of Manchester, UK Rudolf Sinkovics, The University of Manchester, UK
g	Session 5g: NO SESSION
Columba 2, Basement Level	

Doctoral Colloquium Part II

Saturday, 10 April 2010 1530-1730	
a Orion Suite, Ground Level	STREAM B, Session B3: International Marketing Strategies Discussants: Mika Gabrielsson, Aalto University, Finland Colin Wheeler, University of Portsmouth, UK The internationalisation process of Egyptian service firms Mahmoud Khalik, The University of Edinburgh, UK Corporate branding in multinational corporations Riitta Birkstedt, Turku School of Economics, Finland Antecedents, policies and practices of promotion standardisation strategy: a comparison of British MNCs and advertising agencies in the UK, France and Germany Malcolm Stewart, University of Strathclyde, UK
b Club Lounge, Level 1	STREAM B, Session B4: International Strategic Alliances Discussants: Stephen Young, University of Glasgow, UK Markus G Kittler, University of Stirling, UK International alliance management capability: a multi-dimensional conceptualization Mayank Dhaundiyal, Dublin Institute of Technology, Ireland Technological opportunity and the role of international strategic alliance governance to sustain innovation capability and performance Yong Kyu Lew, The University of Manchester, UK Initiating, developing, and benefiting from trust: Taking a dynamic perspective at trust in international joint venture relationships Tahir Ali, University of Vaasa, Finland The changing face of automotive international joint ventures (IJVs) in China: the decline and fall. Lee Staley, Loughborough University, UK
c Tucana, Level 1	STREAM B, Session B5: Opportunities, Risks and Entrepreneurial Behaviour in Internationalisation Discussants: Peter Gabrielsson, University of Vaasa, Finland Olli Kuivalainen, Lappeenranta University of Technology, Finland Sami Saarenketo, Lappeenranta University of Technology, Finland Managing market opportunity and risk through networks Pao Kao, Uppsala University, Sweden Role of portfolio entrepreneurship in the internationalization of the small and medium enterprises of the least developed countries Saira Banu, University of Strathclyde, UK The impact of rapid internationalization on biotechnology firms' capabilities Mari Ketolainen, Turku School of Economics, Finland The impact of cultural values on entrepreneur's financial preferences: developing a conceptual model. A cross cultural comparison between Mexico and Canada Jaime A Morales Burgos, University of Stirling, UK

d	<p>Columba 2, Basement Level</p> <p>STREAM B, Session B6: Dynamic Capabilities in Internationalisation</p> <p>Discussants: Marian V Jones, University of Glasgow, UK Kevin Ibeh, University of Strathclyde, UK</p> <p>Building dynamic capabilities for international expansion of indigenous small business sector service industry firms Deirdre Canavan, Dublin Institute of Technology, Ireland</p> <p>Internationalization of emerging market firms: building capabilities Ayse Akcal, King's College London, UK</p> <p>Subsidiary transformation and dynamic capabilities development in emerging economies: case studies of market-oriented Taiwanese MNEs in China Chun-Pu Lin, University of Bath, UK</p> <p>Dynamic capabilities, absorptive capacity and knowledge sharing: a research agenda into explicating the antecedent factors conducive to subsidiary bargaining power Martin Reilly, Dublin Institute of Technology, Ireland</p>
e	<p>Dorado, Level 1</p> <p>STREAM B, Session B7: MNE Practices and Policies</p> <p>Discussants: Roger Strange, University of Sussex, UK Lena Zander, Uppsala University, Sweden</p> <p>Cognition, language and practice translation: Implications for transfer of quality enhancing practices within MNCs Edyta Kostanek, Hanken School of Economics, Finland</p> <p>Subsidiary Strategy Development and the Strategic Influence of the Subsidiary Middle Manager Donal O'Brien, Dublin Institute of Technology, Ireland</p> <p>Same distance, same difference? A study of expatriate adjustment in a Euro-African context. Omotunde Dipo-Lawuyi, University of Stirling, UK</p>
f	<p>Columba 1, Basement Level</p> <p>STREAM B, Session B8: Resources and Strategies in Subsidiary Management</p> <p>Discussants: Huan Joy Zou, Loughborough University, UK Pervez Ghauri, King's College London, UK</p> <p>The effects of institutional distance and organisational relationships on the resources and capabilities of foreign owned subsidiaries. The case of the Northwest of England Sven Dahms, Manchester Metropolitan University, UK</p> <p>Intellectual property infringements and the corporate combat against them Hanni Candelin-Palmqvist, Turku School of Economics, Finland</p>

Abstracts

CONFERENCE THEME Special Session 1a: Globalisation & Regionalism

Chair: Colm Kearney, Trinity College Dublin, Ireland

Exploiting Knowledge Externalities in the Global Economy: The Role of International Depth and Breadth

*Mario Kafouris, University of Leeds, UK
Peter Buckley, University of Leeds, UK
Jeremy Clegg, University of Leeds, UK

The current study examines how multinational firms increase their productivity by exploiting knowledge externalities arising from knowledge reservoirs that are tied to particular countries. Integrating insights from two previously divergent strands of theory on knowledge externalities and international business, our analysis centres on the conception that the R&D undertaken in foreign markets leads to the creation of international reservoirs of scientific knowledge—pools of ideas and specialist knowledge regarding scientific advances and technological developments. Building on this premise, we examine three factors (internationalization, absorptive capacity and technological opportunities) that may influence the supply of scientific knowledge, a firm's ability to access and understand external knowledge, and therefore the impact that international knowledge reservoirs have on productivity performance. Through the analysis of firm- and industry-level data for 18 countries, we demonstrate that a firm's ability to benefit from such externalities is endogenously determined by (a) its internationalization decisions and location choices in the global landscape, (b) the breadth and depth of its international network and (c) the interaction of these factors with absorptive capacity. Interestingly, we find that when research intensive firms spread their operations across many countries, they benefit from knowledge reservoirs more than when they concentrate their activities in few geographical markets. We further demonstrate that differences in spillover effects stem not only from firm specific idiosyncrasies, but also from exogenous forces associated with inter-industry variation in technological opportunities. In incorporating consideration of international markets, our analysis enriches prior work on the localization of spillovers, and extends conceptualizations that underscore the role of knowledge in unlocking a firm's economic potential by explaining why some firms excel at exploiting external knowledge, while others are less successful in doing so.

Home Region Bias in Multinational Enterprises

*Elitsa Banalieva, Northeastern University, USA
Charles Dhanaraj, Indiana University, USA

Recent observations that multinational enterprises (MNEs) are predominantly regional in scope have puzzled researchers in global strategy. Much of the debate has centered on the lack of theory and robustness of data. Given the critical role of geographic scope and its implications for a firm's strategy and performance, we approach the scope issue by investigating three related questions: (1) what is the extent of this home region bias (HRB), over time and space? (2) If indeed this is prevalent, why does HRB exist and is it consistent with received theory? And (3) how does HRB impact firm performance? We extend internalization theory by incorporating the complexities of transferring ownership advantage to foreign markets and the search and deliberation costs in deciding the geographic scope of a firm. We provide empirical support of our model with a longitudinal panel of 760 MNEs from seven of most developed markets from 1997 to 2006. Our study advances theory by recognizing the multilevel considerations that shape the geographic scope of the MNE, focusing particularly on the mechanisms of the increasing returns effect of technology on scope. Interestingly, geographic scope, when controlled for its antecedents, decreases performance. Our model provides important directions for theory and practice on the determinants of geographic scope.

Key Developments in the Regionalisation of Trade: An Analysis of Intermediate Product

*Louise Curran, Toulouse Business School, France
Soledad Zignago, BBVA Madrid & CEPII Paris, Spain & France

Within the literature on international business and its activity there is wide debate about the extent to which globalization is an extensive and accelerating phenomenon and in particular on the extent to which *international* business is truly a global activity. In general, research has found that business activity is more regional than global (Rugman and Verbeke, 2004; Dunning, Fujita and Yakova, 2007; Ghemawat, 2007). At the same time another strand of research has sought to explore the extent to which production is becoming more fragmented through the international division of labour (OECD, 2002; Yeats, 1998). This paper seeks to address both of these research agendas by exploiting a new database on trade flows to explore the international division of labour within industry and trends over time, as well as accessing the extent to which it is truly *international* in nature. The analysis focuses on trade within three key regions – the EU, NAFTA and ASEAN+3 – which represent 78% of global trade.

The results indicate that levels of regional integration in trade and changes in that integration are very variable. Most notably the EU has both higher and more stable levels of intra-regional trade than either NAFTA or ASEAN+3. NAFTA generally has falling levels of intra-regional trade, while ASEAN+3 is increasing its integration fairly rapidly (+9% over the 14 years covered). Looking at intermediates trade in particular, we see a higher level of regionalization in all regions than for trade in general, particularly in the US and in ASEAN+3. The figures presented here are consistent with other analysis of intermediate product trade, but rather different to the results of previous studies on business activity, especially for the Asian figures.

This paper also analysed the level and dynamics in regional intermediate products trade at different technology and market levels. Here we see that there are significant variations in the overall levels of regionalization in the different sectors. In the different technology levels, one of the striking things which we see from the figures is the relative weakness of both the EU and the US in intra-regional sourcing of high tech intermediates. Here, the EU shows the lowest level of regional integration of any sector, while NAFTA companies only source 22% of their high tech intermediates imports in the home region. ASEAN+3 and other sources are clearly gaining ground in this sector worldwide. Within the different market levels, EU companies' strength in up-market products is confirmed in all regions, including their home region, where they are gaining market share compared to losses in mid and low market. The mid-market positioning of US companies is reflected in the relatively strong performance of NAFTA companies in this sector both within the region and beyond, although their intra-regional market share in up-market intermediate products is very low. ASEAN+3 shows greater strengths in low market products than the other regions, but nevertheless retains a high market share in up market intermediates products within the home region.

In summary, the data indicates that the trade figures of the three regions analysed indeed show relatively high levels of regional integration, supporting a *regional* view of international business. However that integration is neither stable over time, nor consistent across sectors or market levels. As new opportunities emerge, companies are looking beyond their regions to the global level for inputs and markets. Although this process has not yet undermined the regional focus of most industrial activity, competitive threats and market opportunities beyond the home region are re-orienting trade, sometimes very significantly. In the long run this looks likely to reduce the regional orientation of trade, at least in certain sectors.

Researching the Emergence of Southern Multinationals and their Impact on Europe

Louis Brennan, Trinity College Dublin, Ireland

Traditionally Foreign Direct Investment (FDI) has flowed from advanced developed economies into developed and developing countries. More recently a new trend has emerged in the pattern of FDI. Outward bound FDI from emerging economies has begun to increase significantly and has been growing at a faster pace than FDI from the advanced

developed world. This paper describes a COST Action that seeks to develop and sustain an international research network to study the impact of this new phenomenon for Europe and its stakeholders. The network includes participants from the initial thirteen COST Member States and it is also planned to involve participation from developing/emerging economies. The goal of the network is to implement a research agenda that will be of value to all stakeholders and policy makers in Europe as they grapple with this facet of globalisation. The Action will bring together scholars for comparative and longitudinal research which will deliver new empirical knowledge, theoretical and methodological advances and contribute to training of younger scholars.

Session 1b:

International Strategy and Management

Chair: Dorota Piaskowska, University College Dublin, Ireland

Forging the Link between Business Model and Value Chain Constructs in the Context of an Internationalizing Entrepreneurial Firm

Liisa-Maija Sainio, Lappeenranta University of Technology, Finland
 *Sami Saarenketo, Lappeenranta University of Technology, Finland
 Niina Nummela, Turku School of Economics, Finland
 Taina Eriksson, Turku School of Economics, Finland

The creation of value across borders is one of the cornerstones in international entrepreneurship. Existing literature on international entrepreneurship is based on the underlying thought that successful internationalisation is based on controlling, instead of owning value-creating assets and knowledge. However, current research does not yet provide a comprehensive explanation of the evolution of entrepreneurial firms and their value chains which facilitate the conduct of global business.

This study focuses on exploring how value is created in an internationalizing entrepreneurial firm. To provide a holistic perspective to value creation, this paper examines the relatively recent concept of business model in the context of international entrepreneurship by forging the links between business model and value chain constructs. While the role of business model has been discussed in strategy and innovation literature, it has not been that explicitly pronounced in the domain of international entrepreneurship. We argue that the business model construct is a viable tool in understanding how exploitation of international opportunities and value creation across companies can be organized in practice. After all, international entrepreneurs' primary driver for international activities is value creation through cross-border resource combinations, and it is evident that international entrepreneurs exchange and co-create value (tangible or intangible, actual or symbolic) with a variety of different actors, including suppliers, customers, society, financiers and even competitors. We build our business model framework based on Zott and Amit's (2008) description of business model as a "structure and governance of a firm's boundary-spanning direct exchanges". This view concentrates on the direct exchanges between suppliers, partners, and customers. In order to examine the exchanges, it is essential to define the central resources and capabilities that enable the transactions with up- and downstream partners, and the incentives for the transactions which make the firm an attractive buyer or seller from partner perspective.

Given the identified research gaps and the dynamic nature of value creation in international entrepreneurial firms, we chose a qualitative case study as our research method to test our developed framework. The case company, Syscon Oy, is a provider of complex ICT solutions mainly to public sector organizations. It was founded in 1996, and currently holds a 85% market share in its home market for its main product. The analysis is based on qualitative data from individual and group interviews with the key managers/informants of the case company.

The results of the case study indicate that examining the business model from the perspective of value in all the exchange interfaces reveals future challenges in the form of internal and external pressures that may require changes in the business model in the future. The developed framework enables a novel way of examining the internationalization configuration of the firm, and an inspection of all boundary-spanning activities of an internationalizing entrepreneurial firm from the perspective of value.

In Pursuit of Value Co-Creation: What is Strategic Corporate Responsibility in a Global Context?

*Frederick Ahen, Turku School of Economics, Finland
 Peter Zetting, Turku School of Economics, Finland

The purpose of the present paper is to provide a conceptual framework with a set of propositions for theorizing strategic corporate responsibility (SCR) in a global context. This should be a useful guide for managerial strategic decisions and can be employed by researchers to guide future frameworks and empirical studies while providing a novel and deeper understanding for policy makers. Our approach of advancing analysis of substantive issues (in terms of social responsibility, corporate strategy, value co-creation and firm performance) through theoretical triangulation therefore, tends to place responsibility at the heart of strategy. We argue that strategy and responsibility are the two inseparable sides of the same coin; hence they are inputs aimed at value co-creation. Profits in terms of money are just a part of what value entails. There are several other intangible current and potential resources for sustainable performance which the firm seeks but that is obtainable only when the firm can make cutting edge value propositions to the end user.

We position the foregoing contribution in the resource-based and the market-based views of strategy, the organizational theory, the network-based view and the stakeholder theory. All these schools of thought are combined and depicted as the quintessential scope of International Business via the value chain from entrepreneurship to international strategies. We also adopt the service logic. Every offer is a service and it is, first, a cognitive process that identifies the need of the customer/stakeholders and aims at satisfying that need responsibly and, second, it is inherently relational via networking with business and non-business actors. Value co-creation entails a systematic cognitive and physical mechanism for coordinating economic and social resources, as well as institutional forces for production, R&D, learning and opportunity seeking, innovation and consumption as well as related economic activities between a firm and its external context. Many research endeavours have considered consumers and other stakeholders such as non-governmental organizations (NGOs) and governments as passive and therefore at the receiving end (expecting philanthropic gestures) without considering their strategic importance for learning and co-creation of value meant for higher performance outcomes of the firm. Nevertheless, some authors have ascribed higher strategic importance to interactions between businesses and social actors while others stay on the level of displaying beggarly skills on behalf of stakeholders by either describing what firms do or could do with their normative prescriptions.

Moving a bit further from Freeman and Velamuri's argument that firms manage for stakeholders, we argue that firms do not only manage for stakeholders, rather, firms manage with them and for them. Strategic responsibility is an input (not an output) of priced economic value which the end user exchanges with money. Companies therefore do not sell products and services; they sell responsibility which involves careful process of selecting expertise or core competencies and external resources to offer the most acceptable value propositions which create a competitive advantage. Since it is strategic, it involves the exchange/combination of resources and there is also a set boundary because it operates within a context. Our unique contribution is embodied in the definition of SCR as all day-to-day activities and inputs of the firm aimed at current and potential value co-creation which does not come at the expense of other parties or their environment but aims to promote their private and collective long-term goals through the act of bundling values and innovation in exchange for value. We postulate that in SCR, the higher the value co-created, the greater the sustainability of the firms' performance.

Managers' Perceptions of the Resource/Performance Relationship

*Elena Beleska-Spasova, University of Reading, UK
 Keith Glaister, University of Sheffield, UK

Over forty years of research on export performance has identified an array of firm-specific and environment-specific factors and behaviours and explored their association with export performance by advancing and empirically validating various models yielding inconsistent findings. This plethora of research outcomes is a result of the considerable number of factors advanced as performance determinants as well as the inconsistencies in conceptualization and operationalization of performance measures. In addition, concerns have been raised about a potential divergence between the academic findings of the export determinants/performance relationships and the perceptions of

managers. In fact, there is very limited evidence of the perceptions of managers as to which factors are important for export success. Furthermore, very few studies consider explicitly managers' assessment of the export performance of their firms and the associated degree of satisfaction with the realization of export strategy goals.

This study attempts to bridge the academic/practitioner divide by asking *the export managers directly their view on the importance of firm specific factors for their firm's export performance*. The observations based on the explicit perceptions of management are then contrasted with the empirical findings of the resource/performance relationship derived from the same data sample.

Building on prior research a set of firm-specific resources and capabilities are identified and their relationship with the export outcomes are analysed on original data from 356 British exporters, collected via electronic survey. Exploratory as well as confirmatory factor analysis was conducted to validate construct measurements, and multiple measures of export performance were employed, including subjective options like perceived satisfaction with the export performance.

The study's findings indicate that the manager's views of the critical resource/performance relationships are not aligned with the literature or with the empirical findings in this study. When the empirical findings, derived by the SEM analysis of the resource/performance relationships, were contrasted with the managerial perceptions of the importance of individual resource factors for the firm's export performance, two divergences in the findings were evident. First, the results show that in managers' view organizational capabilities in providing good quality of products and customer service are the most important determinants of export outcomes. However, the SEM results show that this variable does not have a significant relationship with export performance, neither direct nor indirect. Second, export expertise was another resource factor that was perceived as highly important by the surveyed managers. Again, however, the empirical results indicated that this variable had no significant relationship with performance.

The paper further discussed the potential reasons for these apparent disparities between empirical findings and management's perceptions of the key determinants of export success and makes recommendations for future research that would help clarify this disparity.

Internationalization of Manufacturing SMEs: Organizational Changes

*Igor Kalinic, Università di Padova, Italy
Cipriano Forza, Università di Padova, Italy

In the last 15 years, several Small-Medium Enterprises (SMEs) have rapidly internationalized operations in psychic distant countries with limited market knowledge, limited use of networks, and limited international experience of the entrepreneurs. The overall purpose of this thesis is to draw research attention to this internationalization phenomenon.

I focus on the the impacts of the internationalization of operations on internal organizational elements in traditional SMEs. By analyzing five case firms from Italy, it emerges that traditional SMEs were forced to perform a relevant number of adaptations spread in time that affected different organizational elements. I argue that these adaptations accumulated into a continuous radical change for the company; it is a complicated process; nevertheless, the companies are potentially able to develop capabilities throughout the entire organization and to improve their international competitiveness.

Session 1c:

Knowledge Management and Transfer in the MNE

Chair: Jim Love, Aston University, UK

Role and Nature of Trust in Global Knowledge Interaction

*Kirsimarja Blomqvist, Lappeenranta University of Technology, Finland
Charles Snow, Pennsylvania State University, USA

Knowledge interaction at the global level is increasingly important for firm competitiveness. Both large multinationals and so called Born global small firms operate in international business environment, where continuous innovation and leverage of complementary knowledge is critical for value creation. Knowledge interaction may be related to R&D and innovation activities or market-related activities with various stakeholders such as customers, partners, competitors, regulators and

standardization bodies. If specialized, dispersed and tacit knowledge is seen as a most critical resource and source of competitiveness, then the challenge for knowledge-based organizations is how to transfer, integrate and co-create knowledge at the global level.

In today's knowledge-based network economy both knowledge and trust are fundamental value creating resources, yet there are considerable challenges in effective knowledge interaction across borders. Based on extant research, trust is associated with critical performance outcomes such as efficient and effective knowledge interaction. However, the role and nature of trust has been very different in different regions and nations, e.g. China, Russia or Finland. This so called traditional trust has been built on social and cultural similarity, shared norms as well as social control. In contrary to traditional trust the modern trust is based on impersonal contracts, reputable institutions, certified processes and trusted third parties make risk taking and relying on strangers possible. In this paper we argue that neither traditional nor modern trust is sufficient for knowledge interaction at the global level. Instead, we argue for a hybrid approach where the high-performance trust suitable for global knowledge interaction is a combination of traditional and modern trust. Individuals and organizations in the global business arena cannot rely on similarity and shared norms developed over the years. In this paper we develop a nuanced understanding of the specific characteristics of trust in global knowledge interaction, provide propositions, and specify the boundary conditions of high performance trust.

Subsidiaries as Learning Engines: Understanding Middle Managers' Searching for Knowledge as Micro-Foundation

*Esther Tippmann, Dublin Institute of Technology, Ireland
Pamela Sharkey-Scott, Dublin Institute of Technology, Ireland
Vincent Mangematin, Grenoble Ecole de Management, France

A lot of research on MNC knowledge flows has concentrated on the organizational conditions that promote learning outcomes through a more efficient reuse of existing knowledge (cf. Gupta and Govindarajan 2000). Departing from this predominant research stream and recognising the increasingly important role of middle managers in large, distributed organizations, we investigated how subsidiary middle managers actually search for knowledge when dealing with non-routine problems and evaluated the solution outcomes in terms of generating organizational adaptation. By doing so, we contribute to several calls for more micro-level research of organizational learning processes (Felin and Foss 2005, 2009, Felin and Hesterly 2007, Friedman 2001) and shed light on the black-box of knowledge inflows.

Three interpretative case-studies of ICT subsidiaries, and resulting 33 knowledge search processes were chosen for in-depth analysis. Triangulating data from archival sources, interviews with middle managers and senior managers revealed their actual knowledge searching activities.

We uncovered the constituting activities of the knowledge search process and aggregated these into three phases: *preparing for search*, *establishing the link*, and *accessing knowledge*, and a fourth set of activities – *modes for accessing knowledge* - that characterised each knowledge source targeted. Further, we link the different knowledge searching activities to the heterogeneity in the level of organizational adaptation generated by the knowledge search processes.

Our study suggests that the activity '*using own experience*' and withdrawal from knowledge searching challenges, reflected in the activities '*accepting longer learning process*' and '*siloed problem-solving*', impede broad searching and integration of different knowledge sources. In contrast, other activities signified more intense and repeated searching despite the challenges imposed by the geographic dispersion of knowledge. While previous research has shown that geographic distance impedes knowledge inflows (Ambos and Ambos 2009, Hansen and Løvås 2004, Monteiro et al. 2008), portraying the subsidiary as an entity that accepts passively geographic dispersion, our findings suggest that individuals' active responses to this challenge can remedy potentially negative effects.

Further, if middle managers searched for knowledge ingredients and mastered the solution development process, then they become solution creators. These searching activities – '*via discussing*' are more flexible to an accessing mode '*via asking*' - because in a bidirectional conversation to search for knowledge, the context of the non-routine problem as well as the context of the knowledge searched remain present. Knowledge is adapted and dynamically integrated to suit the specific, novel context,

often creating new solutions that became part of the organizational memory.

Above all, the findings suggest the contribution that middle managers' knowledge searching activities and solutions developed can make to achieving subsidiary learning. Our results emphasize individuals' searching engagements over MNC structure implications, representing a novel way of studying the black box of subsidiary knowledge inflows.

Knowledge Governance in Multinational Enterprises at Multiple Levels: The Impact of Hierarchical and Network Level Mechanisms on Knowledge Transfer Effectiveness

*Ulf Andersson, Copenhagen Business School, Denmark
Peter Buckley, University of Leeds, UK
Henrik Dellestrand, Uppsala University, Sweden

This paper explores knowledge transfer effectiveness between sending and receiving subsidiaries within multinational enterprises. A model based on knowledge governance mechanisms, building on hierarchies and networks, is tested on a sample of 169 specific knowledge transfer projects. The findings indicate the importance of both these levels and highlight different effects of, and the interplay between, hierarchy and networks, thereby contributing to the understanding of knowledge management and governance. The role of headquarters and its hierarchical position is tested in terms of its involvement in subsidiary level activities. The results indicate that headquarters involvement during the development of knowledge does not have any impact on subsequent transfer effectiveness whereas more classical hierarchical forms of governance have a negative impact on transfer effectiveness. This adds to the understanding of different forms of governance mechanisms in the MNE. From a subsidiary network perspective, the results indicate that subsidiaries that previously cooperated and interacted with each other as well as the similarity between subsidiaries in the transfer dyad have significant and positive effects on transfer effectiveness. These results are of relevance for understanding how capabilities to transfer knowledge evolve and are developed at the subsidiary level as well as knowledge governance mechanisms impact on knowledge transfer effectiveness.

Keywords: Knowledge governance; Knowledge management; Multinational enterprise; Headquarter-subsidiary roles and relations; Control and coordination mechanisms; Networks; Transfer effectiveness.

Subsidiary Willingness and Reverse Knowledge Transfer: The Case of Knowledge-Intensive Services in the UK

*Zhaleh Najafi Tavani, The University of Manchester, UK
Axele Giroud, The University of Manchester, UK
Rudolf Sinkovics, The University of Manchester, UK

Building upon knowledge-based and network views, this paper seeks to examine how subsidiary characteristics such as subsidiary willingness and subsidiary external embeddedness; and relationship characteristics such as internal embeddedness, transmission channels, and shared value; impact Reverse Knowledge Transfer (RKT). A survey was carried out on 178 subsidiaries operating in Knowledge Intensive Business Service (KIBS) sectors in the United Kingdom. Results indicate that not only subsidiary willingness is one of the most important determinants of RKT, but it also mediates the effects of shared value and internal embeddedness on RKT. Moreover, the results reveal a close relationship between transmission channels and RKT.

Keywords: Multinational Corporations (MNCs), knowledge, Reverse Knowledge Transfer (RKT), internal embeddedness, and external embeddedness.

Session 1d:

Internationalisation Theory

Chair: Pervez Ghauri, King's College London, UK

Legal System Voids and Wholly Owned Foreign Subsidiary Performance: The Mediating Role of Government Relation-Based Strategies

*George White, The University of Michigan-Flint, USA
Anne Canabal, University of Maine, USA
Thomas Hemphill, The University of Michigan-Flint, USA

In this study we develop and test a model concerning how wholly owned foreign subsidiaries (WOFSSs) create positive performance outcomes when operating in an emerging market legal system with inherent voids. Our analysis of 181 WOFSSs in the Philippines suggests that legal system voids are positively related to government relation-based strategies (RBSs). Our findings suggest that the positive relationship between legal system voids and government RBSs deployment strengthened for WOFSS that are manufacturing intensive, and that government RBS deployment mediated the negative relationship between legal system voids and WOFSS performance.

Keywords: relation-based strategies; legal system voids; wholly owned foreign subsidiary; performance; emerging market

Exploring the Neglected Factor in the Eclectic (OLI) Paradigm

Naresh Pandit, University of East Anglia, UK
*Gary Cook, University of Liverpool, UK
Jonathan Beaverstock, University of Nottingham, UK
Pervez Ghauri, King's College London, UK

This paper is a response to Dunning's (1998) call for more research on location as a determinant of FDI, and more specifically, cluster location as a determinant of FDI. This topic has been neglected by IB scholars partly because of the assumption that location theory that explains the siting of production within national boundaries could also explain the siting of production across national boundaries (Buckley 2009) and partly because the importance of location as a source of competitive advantage has generally been under-estimated (Porter 1998). The conceptual part of the paper develops theory on which cluster benefits may be more attractive to MNEs, which cluster benefits may be more attractive to UNEs, and which cluster benefits may be equally attractive to MNEs and UNEs. The empirical part of the paper focuses on the City of London financial services cluster, well-known both for being an exemplar strong cluster and for its high concentration of FDI.

The primary conclusion is that MNEs and UNEs are asymmetrically attracted to certain cluster benefits and equally attracted to others and so it is erroneous for IB scholars to continue to assume that location theory that explains the siting of production within national boundaries is adequate for explaining the siting of production across national boundaries. We find that MNEs benefit most from horizontal co-location and tacit knowledge spillovers whilst UNEs benefit most from demand-strengthening external economies and institutional thickness. We also find that MNEs and UNEs benefit equally from being near local suppliers and customers, which is vertical co-location. A secondary conclusion is that location does matter in the financial services industry, does matter for financial services MNEs, and matters more than previously thought.

Exploring the Complementarity between Home and Host Country Linkages with the Eclectic Paradigm

Peter Buckley, University of Leeds, UK
Nicola Forsans, University of Leeds, UK
*Surender Munjal, University of Leeds, UK

The neo-classical approach to internationalisation dominated by the eclectic paradigm has constantly faced challenges in gaining acceptance as a holistic framework in explaining outward foreign direct investment (OFDI). In 2006 John Dunning acknowledged that the role of networks and linkages is not explicitly covered or is beyond the boundaries of the eclectic paradigm (Dunning, 2006). In this paper we explore the view that the role of linkages should be appended to the eclectic paradigm to add to its richness and improve the explanatory power of the paradigm (Dunning, 2006). This paper showcases the complementarity of country-specific linkages with country-specific advantages in explaining the foreign acquisitions by Indian MNE's over the period 2000 to 2007.

Keywords: Multinational enterprises (MNEs); emerging-country multinationals (EMNEs); India; foreign direct investment (FDI) determinants; Mergers & Acquisitions (M&As); eclectic paradigm; linkages; Country Specific Advantages (CSAs).

Session 1e:

International Business Ethics

Chair: Mary Keating, Trinity College Dublin, Ireland

Conceptual, Operational, and Methodological Considerations in Studying the Trust-Performance Relationship: A Critical Review of the Empirical Research in International Strategic Alliances

*Tahir Ali, University of Vaasa, Finland
Jorma Larimo, University of Vaasa, Finland

Trust is one of the most widely researched but least understood and most contentious areas of international business. Although started in the early 1980s, it was the mid-1990s that a growing number of empirical studies investigated the role of trust in the performance of international strategic alliances (ISAs). The purpose of this study is to conduct a critical review of empirical research published between 1980 and 2009 on the performance effects of trust in ISAs to investigate the trust-performance relationship (performance effects of trust) by evaluating the conceptualization and operationalization of core constructs of trust and performance along with the methodologies used. The review of 29 selected studies suggest that (1) empirical research on the trust-performance relationship is beset by differences in the conceptualization and operationalization of core constructs of trust and performance, and (2) while there are positive indirect links between trust and alliance performance, the direct positive trust-performance link proves more consistent. Still, the results appear more consistent when taking the study context into consideration. Several implications for future research are derived from this analysis. We suggest researchers concentrate on conceptual, operational, and methodological issues in studying trust-performance relations, and should go one step further to focus on the contingency view of the trust-performance link to investigate when or where the positive link between trust and performance will become stronger or weaker in the context of ISAs.

Keywords: International strategic alliances; Trust; Conceptualization; Operationalization; Performance

Intercultural Ethical Leadership Competence: Contrasting Ireland and Germany

*Mary Keating, Trinity College Dublin, Ireland
Gillian Martin, Trinity College Dublin, Ireland
Christian Resick, Drexel University, USA

Purpose : The purpose of this paper is three-fold. First, we ask whether managers from the Republic of Ireland and the Federal Republic of Germany differ in their endorsement of key components of ethical leadership. Secondly, we ask whether managers from Ireland and Germany attribute different characteristics and behaviours to ethical and unethical leaders and whether they differ in their understanding of leader integrity. We then examine the implications of these findings in order to develop an intercultural ethical leadership competence.
Design/methodology/approach : The authors utilize an integrative approach of quantitative and qualitative data analysis using German and Irish data.

Findings : Managers from Ireland and Germany converged in their beliefs about the centrality of Character/Integrity for effective ethical leadership confirming previous research. Comparative qualitative analysis suggests that differences exist in the meaning of ethical and unethical leadership as well as in the meaning of integrity for German and Irish managers. Understanding these cultural contingencies in terms of both meaning and endorsement provided a basis for identifying the intercultural ethical leadership competences proposed at both the generic and specific levels.

Research limitation/implications : Threshold and specific intercultural ethical leadership competences are proposed based on the findings of the comparative study.

Originality/value: The authors sought to build upon findings from the GLOBE study to expand upon new empirical work in the area of ethical leadership across cultures in order to elaborate a set of competences from a holistic perspective.

Strategic Humanitarian Supply Chain Management

*Kirsten Scholten, Dublin Institute of Technology, Ireland
Pamela Sharkey-Scott, Dublin Institute of Technology, Ireland
Brian Fynes, University College Dublin, Ireland

Despite the stakes and size of the aid industry, the study of not-for profit strategic management in the humanitarian sector has received little attention (Beamon and Balcik 2008, Kong 2008). To date humanitarian agencies continue to rely on standards used in the for-profit sector in the 1970s and 80s (Rickard 2003, Fenton 2003, Gustavsson 2003) and largely ignore the emerging techniques developed to help commercial organisations meet an increasingly challenging environment. Effective provision of services requires continual assessment of strategy to match needs and maintain consistency between efforts and the operating world (Hatten 1982), in the profit and not-for profit sector. However, nongovernmental organizations (NGOs) differ from their for-profit counterparts in terms of their primary purpose, which is not focused on financial outputs (Nicholls 2005), but on achieving social value in terms of their mission.

Money conscious donors increasingly demand to know where and how their funds are utilized and to see tangible, measurable results (Oloruntoba and Grey 2009, Kong and Weinberg 2004). There is an increased pressure to demonstrate achievements from donor funds (Moxham 2009). Driven by this external pressure, there is an opportunity for NGOs to add social value by moving towards greater accountability, in particularly if this form part of a sustainability strategy (Nicholls 2005).

Supply chain management is critical to 80 per cent of all activities in humanitarian organizations (Van Wassenhove 2006). This research addresses the demand for a more strategic approach by NGOs by developing a strategic supply chain management framework for the not-for profit sector (Oloruntoba and Grey 2009, Kong 2008).

This paper uses a literature-based approach to extend strategic management concepts usually applied in a commercial context humanitarian supply chain management. The concepts of the resource based view (RBV), and the development of dynamic capabilities, exploitation of intellectual capita and systems for knowledge management are analysed from the perspective of the unique non-profit environment and a framework for supply chain management in NGOs is developed. Strategic supply chain management in humanitarian organizations is particularly complex, as on one hand NGOs are striving for social value, while on the other, competitive advantage and a professional approach to the management of operations plays a central role in meeting new performance and accountability standards. The proposed framework combines the NGOs' need for competitiveness and differentiation by applying the RBV to their supply chain management while simultaneously considering the critical soft skills stemming from human resources, knowledge and intellectual capital.

This research is an initial starting point for developing a strategic management conceptual framework in the social service non-profit sector. Despite its relevance from both a theoretical and practitioner perspective very little systematic research has reviewed the applicability of strategic management concepts within the non-profit context, to date. The proposed addresses this critical gap by extending the application of strategic management concepts and providing practitioners with a vital tool for planning strategic humanitarian logistics operations.

By increasing awareness of the need for strategic supply chain management in NGOs, this paper, will also stimulate further research from both academic scholars and non-profit practitioners.

Session 1f:

International Equity Markets

Chair: Aleksandar Sevic, Trinity College Dublin, Ireland

Liquidity and Stock Size Premia in Japanese Regional Financial Markets: An Industry Level Analysis

*Bruce Hearn, University of Leicester, UK
Byoung Lee, King's College London, UK
Roger Strange, University of Sussex, UK
Jenifer Piese, King's College London, UK

Equity markets are increasingly being seen as having a important role within the financial architecture focussed towards the financing of Small and Medium Enterprises (SME) firms that dominate regional economies.

The high costs involved with lending small amounts to smaller firms in the presence of asymmetric information and the lack of economies to scale substantially reduce the competitiveness of the banking system in issuing cost effective relationship-based finance. Consequently well designed development and alternative investment boards with effective regulation and enforcement of disclosure rules can substantially reduce the high costs normally associated with stock exchange financing options. The Japanese regional exchanges have been able to reap significant economies of scale in achieving horizontal integration of their operations with a common clearing, settlements and payment systems largely through having a shared stable macroeconomic environment. While this enables their ability to compete with the lethargic regional banking sector it also facilitates the study of the informational premiums arising from the asymmetric information of focussing on SME financing. This paper estimates the costs of equity across major industry sectors in the three Japanese regional stock exchanges of Nagoya, Fukuoka and Sapporo as well as the very different internationally-focussed markets of Tokyo and Osaka. The Fama and French (1993) three-factor model Capital Asset Pricing Model is augmented to take account of company size and illiquidity factors that are prominent in regional markets. Results show that premia associated with size are dominant in valuation and cost of equity estimates for the international exchanges of Tokyo and Osaka while illiquidity is the dominant factor in the three regional markets. Costs of equity are very low in Tokyo and much higher in Osaka, reflecting the limited role of the equity market in the latter in contrast to its specialization in other financial products. Costs of equity are substantially higher in all three regional exchanges reflecting a high informational or liquidity premium.

Bucharest Stock Exchange: the Assessment of Its Evolution and Position Among Emerging Market Exchanges in the Region

*Cornelia Pop, Babes-Bolyai University, Romania
Thomas David Delaney, Delaney Executives

Similar to the other eleven countries that joined the EU in 2004 and, respectively, in 2007, Romania have to face the raising question about the direction of development, consolidation and integration of its capital market, which might not necessarily be relevant in the EU context.

Under the strain of fierce competition, the future for small national capital markets is under question. However, national capital markets are valuable because they offer a place for domestic companies and government institutions to raise capital mainly from domestic, smaller investors that cannot afford to be present in multiple markets. It can not be forgotten the fact that for an important number of small countries, the presence of a stock and derivative exchanges are a source of national pride and are viewed as catalysts for the economic development.

In line with the idea expressed above, the officials of Bursa de Valori Bucuresti - BVB (Bucharest Stock Exchange) established in 2008 the following goal for their institution: to become in the future a regional exchange. The question asked in this paper regards the feasibility of this goal.

When BVB is analyzed individually, it seems to be a reasonably attractive market that followed the path of a continuous development over the last decade: consolidating its position and growing its equity with another smaller domestic exchange, successively launching the bond and the futures market segments. BVB yielded in some years spectacular results to its investors. However, when compared with several neighboring countries, Romania's main exchange proved to be similar as level of development with Slovenia, one of the smallest country in the region. The paper also finds that BVB has a very thin base of investors at national level and the perspective of a rapid growth for that base is remote.

Romania, and as a consequence, its main exchange: BVB is considered to be a frontier market. Romanian financial market lacks also the sophistication needed to attract important international investors.

To all these it must be added that, leaving aside the cooperation agreement with Wiener Boerse for one of its indices, BVB has no important cooperation with other exchanges and is not part of any exchange groups that occurred during the last 9 years in Europe.

Due to all these, the paper concludes that: the goal established by BVB officials in the 2008 annual report for the exchange to become a 'regional exchange' is unrealistic and almost impossible to be put in practice.

In order to have a long term future, BVB has to consider to become part of a regional group of exchanges, rather than to have the ambition to become 'a regional exchange'.

Keywords: national stock exchange, frontier market, investor base, exchange cooperation

Size and Liquidity Effects in Australasian and South East Asian Equity Markets

*Bruce Hearn, University of Leicester, UK
Roger Strange, University of Sussex, UK
Jenifer Piese, King's College London, UK

The emerging equity markets of Asia-Pacific region and the developed Australian and New Zealand equity markets play a significant role in attracting foreign direct investment (FDI) and portfolio investment as well as facilitating local economic development and enforcing high standards of governance. The markets within the region are extremely diverse in nature ranging from those that are heavily influenced and controlled by the state to those that have strong corporate governance regimes enforced by stringent well designed regulation. This paper estimates the costs of equity across major industry sectors in the equity markets of Australia, New Zealand, Indonesia, Malaysia, Singapore, Thailand, Hong Kong and China's Shenzhen and Shanghai. The Fama and French (1993) three-factor model Capital Asset Pricing Model is augmented to take account of stock size and illiquidity factors that are prominent in emerging markets. Results show that premia associated with liquidity are important for the majority of Asia-Pacific markets although in striking contrast size premia are overwhelmingly important in the two Chinese exchanges of Shenzhen and Shanghai reflecting the unique level of state control exerted over these markets. Costs of equity are found to be lowest in Australia and New Zealand and considerably higher in Indonesia and Thailand where regulation concerning information disclosure and corporate governance are weaker. However the costs of equity associated across all industries for the two Chinese exchanges of Shenzhen and Shanghai are the highest owing primarily to a considerable size premium driving returns and arising from state restrictions placed on listed firms and investors alike. This would provide evidence that burdensome state control exerted on markets leads to a burden of costs falling on firms seeking a listing and rendering these markets less competitive than regional neighbours.

Session 1g:

Internationalisation of New and Young Firms

Chair: Mika Gabrielsson, Aalto University, Finland

The Internationalisation Process of Small Knowledge Intensive Firms

*Antonella Zucchella, Università degli Studi di Pavia, Italy
Diala Kabbara, Università degli Studi di Pavia, Italy

Internationalisation represents an important avenue leading to firm growth. There is important evidence that small knowledge intensive firms (SKIFs) have demonstrated an early and fast internationalisation process, if compared to other firms. Thus, they may be considered a paradigmatic case for a better understanding of the dynamics over time of the internationalisation process in emerging industries (Bell, 1995; Bell, McNaughton, Young and Crick, 2004). Recent empirical evidence shows that the phenomena of internationalisation in different countries have become more pervasive and fast. Moreover, they take place earlier and earlier in the life of the firm. This is partially attributable also to the emergence of knowledge intensive entrepreneurial businesses, the characteristics of which involve frequently early and fast knowledge exploration and knowledge exploitation processes on a global scale. The internationalisation process is thus deeply embedded in their business model and in their growth path (Onetti, Zucchella, 2008). In high-know industries, the processes of internationalisation and innovation are deeply intertwined and represent pathways to growth which characterize the different firms from their inception. SKIFs have been acknowledged for their early orientation to both innovation and international growth. In order to attain a deeper understanding of the internationalisation process of KIFs and the importance of networks and partnerships, we will try to interpret international growth by studying three different SKIFs belonging to different industries inside the knowledge intensive and science-based sector: software, laser and biotechnology. In framing our research project we build on different process based models that have studied the internationalisation process of international new ventures (Jones and Coviello, 2005; Johanson and Vahlne, 2009; Zucchella and Scabini, 2007; Gabrielsson et al., 2008).

Findings show that the SKIFs growth and internationalisation are deeply intertwined and they may be analysed through a distinct series of phases, characterised by triggering factors. The latter are mostly related to the firm capacity to access relevant networks and to develop strategic partnerships.

Network Intermediaries in the Internationalisation of New Firms

*Natasha Evers, National University of Ireland, Galway, Ireland
Colm O’Gorman, Dublin City University, Ireland

We use a network perspective of internationalisation to study if, and how, an intermediary network actor such as an Export Promotion Organisation (EPO) can influence the development of the networks necessary for the rapid internationalization of new ventures located in peripheral regions. Extant research suggests that entrepreneurs typically draw on pre-existing ties with internationally connected firms or agents during rapid and early internationalisation. However such ties are likely to be absent in less developed peripheral regions. We employ the critical incident technique to study the influence of the Irish Government’s support agency for the seafood industry, Bord Iascaigh Mhara (BIM), on the internationalisation of three new firms in the seafood sector in the West of Ireland. We find that BIM was important in: (i) building networks in the international industry; (ii) identifying foreign opportunities and customers; (iii) providing foreign market expertise; and (iv) developing the firm’s export capacity. We identify a set of conditions that we argue are necessary if an EPO is to develop the international networks of entrepreneurs.

The Link between Born Global Growth, Network Development, and Firm Performance

*Fabian Sepulveda, Aalto University, Finland
Mika Gabrielsson, Aalto University, Finland

This paper studies the relationship between the internal resources and networks of Born Global firms. Using multi-case study research, we explore the research question: how do Born Global networks develop as the firm’s internal resources mature? We build on networks and entrepreneurship theory to develop a theoretical framework and five propositions that guide our research. The framework contends that as a Born Global grows, the development of its networks is influenced by two elements: the maturation of its internal resources and its entrepreneurial behavior. Our results revealed a strong relationship between Born Global resource maturation and network development. More specifically, the accumulation and development of internal resources had indeed an effect on network content, structure, centrality, and management in varying degrees. In all case firms, relationships became stronger and networks were actively built and adapted around the changing needs of the firms. The findings confirmed that the support a firm seeks in its networks is highly related to the firm’s development stage. A separate but interesting result emerged: there seems to be three types of changes associated with network structure: those originated by the firm, those originated by the network, and those originated by socio/macro changes but reacted-to by the firm. Moreover, a strong entrepreneurial orientation coincided with a calculative approach to network management. However, a calculative network management approach was mainly associated with proactiveness, and not so much with the other elements used to assess entrepreneurial orientation. Lastly, the findings for proposition five show that a relationship between networks and firm performance indeed exists, but just as networks can facilitate performance, they can also hinder it.

From a theoretical perspective, our paper makes four contributions. It provides empirical insights about the relationship between Born Global growth and networks development. It explores the link between a Born Global networks and firm performance, thus extending the work of the IMP group to include Born Globals. It introduces an empirical analysis of a Born Global’s entrepreneurial orientation and its influence on networks, lending weight to future studies about Born Global entrepreneurship. We also hope our research contributes to International Entrepreneurship literature via our findings on the relationship between the international opportunities, entrepreneurial orientation, and networks of Born Global firms.

SPECIAL INTEREST Session 2a: Panel on Global Networks & Contemporary Forces Affecting International Business

Chair: Rudolf Sinkovics, The University of Manchester, UK

Keywords: Global Manufacturing Networks; Risks; Risk Mitigation, Regulation; Social Entrepreneurship

This panel addresses contemporary challenges to IB. The emergence of global networks hosts circumstances that are challenging managers in unprecedented ways, involving comprehensive new vulnerabilities that need to be addressed and pushing towards new pro-active rather than reactive forms of market servicing. Above these issues, environmental and regulatory uncertainties, which surfaced strongly in the recent financial crisis, challenge scholarly thoughts and provoke the thought of more regulation in IB. The panel also addresses poverty-related questions which are traditionally attributed to the development policy literature and thus suggests to put ‘steam back into the IB engine’ by focusing on the implications of changing structures of MNEs and the potentially beneficial outcomes of MNEs in pursuing socially entrepreneurial strategies and serving bottom of pyramid markets.

Risk Mitigation in IB and Global Manufacturing Networks

Tamer Cavusgil, Georgia State University, USA

A host of circumstances have forced senior corporate executives and directors to take a comprehensive look at the vulnerabilities of the MNE in the markets it operates. Managers are now compelled to systematically assess potential risks to company’s operations and key assets, and develop robust systems and strategies to mitigate these risks. In many ways, the challenge is to how to build a risk-resilient enterprise. Based on a real-world case study of a defence industry contractor, this presentation explores how MNEs can respond to this new mandate to mitigate risks, especially those organizations that work with a globally dispersed manufacturing network. Implications for theory building will be offered.

Global Supplier Networks and Market Driving Strategy

Pervez Ghauri, King’s College London, UK

For more than a decade, the market orientation approach has been most prevalent in marketing literature. According to this approach firms reactively respond to market conditions and customer trends. The market driving approach is characterised by an ability of the firm to proactively shape the market structure and offer completely new value propositions through its unique business process, thus changing the existing market conditions. The purpose of this paper is to explore how a global supplier network is developed to support the market driving strategy. IKEA is considered one of the leading market driving firms. We have studied its activities in establishing supplier networks in Russia and Poland. Findings confirm IKEA’s market driving strategy and how it has been able to restructure the market and successfully develop an efficient supplier network as a part of its market driving strategy.

Does IB Need More Regulation?

Tevfik Dalgic, The University of Texas at Dallas, USA

The last global financial meltdown has shown the world that unregulated financial markets are potential threats to the economic well being of national and international businesses. It is a given fact that markets do not correct themselves without proper regulatory watchdogs, checks and balances. International business is also in need of more closely regulated infrastructure; thus bringing new responsibilities to the World Trade Organization.

Corporate Social Entrepreneurship

Rudolf Sinkovics, The University of Manchester, UK

Business success of MNEs in dealing with bottom of pyramid markets (BOP) requires a re-engineering of business models and market servicing strategies. In this paper corporate social entrepreneurship perspectives are presented and it is argued that by serving the poor in BOP markets while adopting social entrepreneurship initiatives, MNEs will improve legitimacy with stakeholders and thus improve their BOP market success at the same time as they are making contributions to society.

Development Implications of Changing Structures of the Multinational Enterprise

Mo Yamin, The University of Manchester, UK

This paper argues changing structures in multinational firms are reducing the benefit that accrues to developing countries that host them. The paper puts particular emphasis on the implications of changing structures on linkage effects and poverty reduction effects of FDI. As regards linkage effects, the key point is that linkages are increasingly within a context of global value chains in which the prospects for significant knowledge transfer are rather minimal. As regards poverty, implications of these changes are around the distorting impacts on the development of basic social infra-structure (the key support base for social development and protection) in poor countries and poor regions within poor countries in particular.

Session 2b:

International Marketing

Chair: Norah Campbell, Trinity College Dublin, Ireland

Understanding Host Country Partners: Research Propositions on the Link Between Growth Modes and Retail Internationalization Behaviors

*Fatima Wang, King's College London, UK

John Dawson, The University of Edinburgh, UK

Multinational retailers often include local partnerships as part of their internationalization portfolio. In addition, retailers may choose to work with the same partners when entering new markets. Host country firms then become key drivers in retail internationalization. This article highlights the importance of studying host country firms. Drawing on Mathews (2002) newcomers' theory and analyzing case histories, we argue that host country retailers seek multinational partnerships to build up their resource base and develop other business operations. Moreover, such development engenders growth and makes internationalization possible for the local retailer.

The Role of Socio-Economic Development and National Values in Variability of Consumer Ethnocentrism Tendencies and Effects across Societies

*Anna John, Dublin City University, Ireland

Malcolm Brady, Dublin City University, Ireland

Objectives of the paper: The primary objective of the paper is to show that consumer ethnocentrism and its effects vary across societies with different levels of socio-economic development and different national cultures. An additional objective of the study is to indicate groups of countries where importers might be at risk due to greater consumer ethnocentrism and its effects.

Methodology: We used meta-analysis as a research method. The sample size for the assessment of the CET level across societies included 15 publications with 34 cases whose CET-scales contained all 17 items from the original Shimp and Sharma (1987) construct. The sample size for the assessment of the CET effects consisted of 16 publications. The techniques of the data analyses were mixed effects meta-ANOVA and meta-regressions.

Findings and conclusions: The study revealed several important tendencies in the variability of the CET and its effects across societies in the past two decades. The CET level is a function of socio-economic development of countries and period in which they were analyzed. Consumers in developing countries are more ethnocentric than those from advanced societies. Its variability depends upon such national values as power distance, individualism, masculinity and uncertainty avoidance. The CET level is higher in the societies which score high on individualism and uncertainty avoidance. It is lower in the countries with greater power distance and masculinity.

Compared to the CET, the CET effects are less susceptible to the factor of national culture. However, the CET effects are defined by country of respondents (COR) and period of the study. Contrary to the asserted in prior research, this study shows that the CET effects are the strongest in developing societies rather than advanced economies (Wang and Chen, 2004). Hence, developing countries may be considered as difficult markets for exporters. Emerging economies demonstrated the lowest level of the CET in the past decade. Such a tendency points to growing openness of these countries to foreign produce.

The country of origin of imports (COO) and period of the study are predictors of the CET effects. It was found that products originating from developing economies are less welcomed than those imported from advanced societies. This may be due to relatively poorer quality of imports and low prestige of imports from developing countries. The impact of COO on the CET effects in emerging economies was positive. Such a result may be explained by the fact that the relationship between the two variables was assessed only in Russian regions and Ukraine where consumers were asked to evaluate products from historically and culturally proximate Central and Eastern European countries and the Commonwealth of Independent States. An inclusion of such COOs as Western Europe or Northern America might alter the result.

The study has several implications for practitioners. As markets of advanced countries are saturated, new markets represent an opportunity for sales growth. Consumers in emerging economies have recently become more open to imports. However, developing markets represent greater risks for importers of foreign produce. In addition, importers from developing countries may be at disadvantage in all groups of countries due to relatively low quality and prestige of their products.

Limitations: The study has two major limitations. First, the results cannot be generalized to countries which were not included into the sample. Conclusions on emerging and developing economies should be taken with caution as these two categories included a small number of countries. Further research must cover new countries in the group of emerging and developing societies. Second, the sample was substantially smaller than the overall amount of studies carried into the area of consumer ethnocentrism. This happened due to the fact that most studies reported incomplete data for the CET levels and effects. Researchers are advised to follow a more thorough approach while reporting data.

Moderators of Marketing Strategy Adaptation and Export Performance Relationship in SME Exports

*Jorma Larimo, University of Vaasa, Finland

Minnie Kontkanen, University of Vaasa, Finland

Standardization vs. adaptation of the marketing strategy in foreign markets has been one of the key research areas in international marketing since late 1960s. Several authors have presented many arguments favoring standardization but on the other hand several authors have also supported the advantages of adaptation of the marketing strategy. More recently the contingency view has received increasingly support. The relationship of the degree of standardization vs. adaptation with export performance has received less although increasing attention. Research results about the degree of standardization vs. adaptation used have been mixed and the same concerns also the results focusing on the relationship between degree of standardization and export performance. Most of the marketing mix strategy – performance studies have not taken into account the moderating effect of internal and external contingency factors.

In addition a great share of the earlier studies have focused on analysis of marketing mix standardization vs. adaptation and the relationship with performance in large companies, and often in their foreign subsidiaries. Furthermore, majority of the earlier studies have focused on firms originating in the USA, Germany, the UK, and/or Japan. There have been clearly more limited studies focusing on the strategies and strategy-performance relationship of SMEs and firms coming from smaller countries. The goal of this study is to analyze the relationship between degree of standardization vs. adaptation of the marketing strategy and export performance by SMEs in their foreign sales integrating selected contingency factors into the analysis. The empirical part of the study will focus on the strategies used by 128 Finnish SMEs in their foreign sales. The results based on the OLS-regression analysis indicate that only product strategy adaptation has a direct relationship with the export performance. Other marketing mix strategies had no direct influence. Furthermore, the more detailed analysis concerning the moderating impact of selected contingency factors on the relationship between adaptation of marketing strategy elements and performance indicate variation and some unexpected results.

Key words: standardization, adaptation, export performance, SME

Entrepreneurial Marketing Strategies and the Growth of International New Ventures – A Case Study

*Johanna Hallbäck, University of Vaasa, Finland
Peter Gabrielsson, University of Vaasa, Finland

This is a qualitative case study on early and rapidly internationalizing firms, here termed international new ventures (INVs). The study focuses on the marketing strategies of these firms during their evolution from international new ventures to global firms. The research question of the study is “How do entrepreneurial marketing strategies evolve during the growth of INVs and what factors influence the development and performance of these strategies?” By drawing on three research traditions—marketing, entrepreneurship, and international business—the study aims to bring new knowledge primarily to the field of international entrepreneurship. The concept of entrepreneurial marketing is adopted to research the interface between marketing and entrepreneurial firms, while recent developments in the international entrepreneurship field are included to allow a focus on INVs. A conceptual framework and propositions for explaining the development and performance of entrepreneurial marketing strategies in INVs is presented. The empirical study is based on a qualitative case study of the development of marketing strategies in two Finnish-based INVs. The innovativeness of marketing strategies in the INVs studied appeared in terms of innovativeness in value proposition, customer interface, leveraging marketing resources and adopting novel or low-cost marketing tactics. Adaptation of marketing strategies appeared in different parts of the value proposition and the strategies employed, and they were focused varyingly on customers or countries, with high emphasis on the customers however. Furthermore, the results gave full or partial support to four proposition developed, indicating the especially the industry environment, firm culture and dynamic capabilities of INVs influenced on the development of marketing strategies. Furthermore, the marketing performance was enhanced by the INVs ability to balance the innovativeness and adaptation level of the marketing strategies with the characteristics and requirements of the environment, the growth phase and the resources available in the INV. The conclusions to theory and managerial implications are discussed.

Keywords: entrepreneurial marketing, adaptation, standardization, growth, international new ventures, international entrepreneurship, case study

Session 2c:

Regional & Global Knowledge Spillovers

Chair: Mario Kafourous, University of Leeds, UK

Human Mobility, Global Networks and International Knowledge Spillovers: Evidence from High-tech Small and Medium Enterprises in an Emerging Market

*Xiaohui Liu, Loughborough University, UK
Mike Wright, University of Nottingham, UK
Igor Filatotchev, City University London, UK
Ou Dai, Loughborough University, UK
Jiangyong Lu, Peking University, China

Using novel survey data, we examine the relationship between returnee entrepreneurs, multinational enterprise (MNE) working experience, global networks and firms’ innovation performance in high-tech SMEs in China. We adopt an integrated framework which combines knowledge based view and social capital theory to investigate whether human mobility and global networks facilitate international knowledge spillovers. We find that returnee firms are more innovative than their local counterparts. We also find that returnee firms have an indirect impact on non-returnee firms’ innovation performance and act as a new channel for technological knowledge spillovers. Global networks are found to complement the advantage possessed by returnee entrepreneurs. We find that the presence of a technology gap positively moderates the effect of returnee spillovers on non-returnee firms’ innovation performance but the impact of MNE working experience on local innovation is constrained by the technology gap. Our results extend the existing literatures on knowledge spillovers and strategic entrepreneurship and have important managerial and policy implications.

Keywords: Human mobility; Returnee entrepreneurs; MNE working experience; Global networks; technology gap; High tech industries; Emerging economies

Main Trends in the Study of Regional Innovation Systems: An Author Co-Citation Analysis

*Giorgia Maria D’Allura, Università degli Studi di Catania, Italy
Marco Galvagno, Università degli Studi di Catania, Italy
Arabella Mocciano Li Destri, Università degli Studi di Palermo, Italy

Though various authors have offered reviews of the RIS literature and some have described their personal intellectual voyage amongst the building blocks that constitute this area of scientific enquiry (for example, Cooke 2008), these often illuminating illustrations are nonetheless subjective and, thus, suffer from biases which pertain to the actor performing the analysis. The study proposed in this paper aims to overcome the aforementioned limitation by elaborating an objective review of the main contributions to the RIS field of research, highlighting the main themes studied and the principal approaches followed. The analysis has been conducted following the Author Co-citation method, applied to the literature regarding RIS present in the Social Science Citation Index (SSCI) of Thomson-ISI in the time span from 1990 to 2009.

The initial data set counted 211 contributions, but the application of criteria which allow to screen out the research pieces which actually characterize and shaped the field left 24 foundational papers. The use of the ACA method of analysis has allowed to trace an overview of how the RIS research area is actually composed, identifying the main research themes which characterize the field and the varied perspectives adopted. The former are: (A) System of Innovation, with 8 papers; (B) Regional System of Innovation, with 3 papers; (C) Innovation and Cluster, with 9 papers; (D) Regional Competitiveness, with 2 papers and (E) learning and innovation, with 2 papers; the latter are: (1) Regional Science; (2) Economics of Innovation; (3) Social Embeddedness; (4) Evolutionary Economic Geography; (5) Knowledge and Organizational Learning; (6) International Business.

The results obtained from the analysis conducted reveal a number of distinct traits which characterize the RIS field of research. Firstly, the discipline appears varied in relation both to the particular themes treated and to the interpretative lenses adopted to study RIS, reflecting to some extent the multiple backgrounds of the authors who have contributed to this body of literature. The MDS map and the cluster analysis performed vividly illustrate the richness of themes treated - which range from the definitional issues underlying the RIS concept and the comprehension of the linkages between the different actors within RIS, to more “spatial” and social studies in which the specific institutional characteristics of territories are highlighted, to analyses whose focus is on the different types of knowledge which characterize a territory and how this feeds firm innovative capacities, to the evolutionary focus on knowledge and competences embedded in particular territories, and finally the network approach that extends RIS reasoning to the linkages between different territories. The position of the different papers within the clusters along the axes of the map also illustrates that the themes treated are often further enriched by a variety of approaches according to which each one is considered, which range from micro to macro level perspectives and from major focus on regional innovation to firm innovation. This array of themes and approaches which characterize the RIS literature may be considered positively, as the interface and confrontation between different stances often fosters a more through explanation of phenomena than single monolithic approaches. However, in order to take advantage of the richness of perspectives within the field there is the necessity to avoid excess fragmentation, whilst facilitating mutual fertilizations between diverse approaches.

Indigenous and Foreign Innovation Efforts and Drivers of Technological Upgrading: Evidence from China

*Yundan Gong, Aston University, UK
Xiaolan Fu, University of Oxford, UK

This paper explores the drivers of technology upgrading in emerging economies using a recent Chinese firm-level panel dataset over the 2001-2005 period. It extends the existing theory by considering differences in technology intensities across industries within a country; decomposes productivity growth into technical change and efficiency improvement; and explores the impact of indigenous and foreign innovations on these changes. Indigenous firms are found to be the leading force on the technological frontier in the low- and medium-technology intensive industries; while that in the high-technology sector are the foreign firms. FDI contributes to static industry capabilities but not the dynamic technological capabilities of indigenous firms. Contrary to the normal expectations, R&D activities of foreign firms exert a significant depressive effect on technical change of local firms over the sample period. Collective indigenous R&D activities at industry level are

the major driver of technology upgrading of indigenous firms that push up the technology frontier.

Proximity, Appropriability and EU Membership: Influences on R&D Outsourcing and International Licensing from the UK

Suma Athreye, Brunel University, UK

*Elif Bascavusoglu-Moreau, Imperial College London, UK

Yong Yang, Brunel University, UK

One of the best-established empirical results in international economics is that bilateral trade decreases with distance, despite the decreasing transaction costs and increasing globalisation. The tacit nature and limited appropriability of technology means non-geographic distances as well as geographic distance should play a role in determining the direction of internationally traded technology services. Using an augmented gravity model framework for trade and integration, we test this conjecture on a unique data set on the direction of R&D services and licensing trade in the UK economy from 1997-2005. We find that similarities in IPR index and EU membership are associated with larger receipts and payments to destination countries. However, when these features are controlled for we find that geographical distance is not a deterrent to technology services trade.

Session 2d:

International Human Resource Management

Chair: Oskar Kayasan, European Research Centre, UK

Is it a Matter of Time? Analyzing the Impact of Timing, Duration and Intensity of Training Programmes on Expatriate Adjustment.

*Markus G Kittler, University of Stirling, UK

Jenoah Joseph, University of Stirling, UK

Anna Kuzmanova, University of Stirling, UK

This paper intends to analyze the role of timing, duration and intensity of expatriate training programmes for expatriate adjustment. Based on data from 272 expatriates, this study analyzed whether pre-departure (PRDT) or post-arrival trainings (POAT) would result in better adjustment of expatriates. In addition to the timing measures, the duration and intensity of training programmes were tested as further time-related factors that are assumed to have an impact on expatriate adjustment. The findings were partially unexpected and did not fully support the hypotheses of this study. The overall outcome regarding timing suggests that participation in POAT-programmes is associated with a higher degree of adjustment abroad than the participation in PRDT measures. The study found only marginal support for the relationship between the duration of the programmes and adjustment. Regarding intensity, the study highlighted the importance of more intense POAT programmes in order to facilitate expatriate adjustment. In addition, the findings of the paper outlined the importance of language training programmes for the success of interaction with host-country nationals.

Interpersonal Relationships in Transnational, Virtual Teams – Towards a Configurational Perspective

Angelika Zimmermann, Loughborough University, UK

This article uses a literature review to develop a configurational analysis of interpersonal relationships in transnational teams (TNTs). The configurational approach posits that organisational reality cannot be explained by uni-directional, causal relationships between isolated variables, but only in terms of variable configurations, i.e. 'multidimensional constellations of conceptually distinct characteristics that commonly occur together' (Meyer et al. 1993, p. 1175). The effect of single variables is seen to depend on their interaction with the multitude of other variables in a configuration.

TNTs are defined as groups composed of members of different nationalities, who work on a common task. Previous research on TNTs has observed that strong interpersonal relationships are especially important for the functioning of these teams, but are at the same time particularly hard to achieve. Moreover, many studies have singled out particular processes that will here be termed 'aspects' of relationships. This article firstly integrates the transnational and virtual team literature to provide an overview of examined relationship aspects. The article identifies cognitive relationship aspects, which encompass team identity, subgroup formation, shared understanding, and trust. Communication, knowledge creation, and conflicts are described as behavioural aspects, and interpersonal affect is identified as an affective relationship aspect.

These relationship aspects are regarded as elements of complex relationship configurations. The paper therefore describes the influence of each of these aspects on other relationship aspects, thereby demonstrating complex interconnections between relationship aspects. This provides a first step towards a configurational analysis. The paper further reviews how several characteristics of the team structure, organisational context, and socio-political environment may facilitate or inhibit several relationship aspects. Special emphasis is placed on the influence of cultural diversity and virtuality as the two factors that are characteristic of TNTs, and which have also been discussed most frequently in the literature.

Through a synthesis of previous research, the article then provides an overview of suggested mutual influences between relationship aspects. This leads to a suggestion of two examples of relationship configurations and their driving factors. These configurations are characterised by the orchestrating themes of 'commitment and tight coupling' and 'commitment and loose coupling', respectively. The paper concludes by recommending methods for future empirical research on relationship configurations in TNTs. It argues that a broad range of relationship aspects needs to be included in such research, to examine relationships across a number of different team structures and organisational contexts, and in different socio-political environments. In-depth, qualitative case research is the most suitable for exploring this complex social phenomenon.

Disclosure of Individual Executive Compensation and Firm Performance
Amon Chizema, Loughborough University, UK

The disclosure of individual executive compensation, common in Anglo-American governance, is highly contestable in Germany where some firms cite the lack of any economic benefits from disclosing pay as individual figures. This study examines the relationship between the disclosure of individual executive pay and firm performance in German firms. Results show a positive and significant relationship between disclosure of individual pay and firm performance. Moreover, firms that have been using International Accounting Standards/US GAAP since 2002, have American Depositary Receipts and have larger management boards have a stronger relationship between the disclosure of individual executive compensation and firm performance.

Keywords: disclosure, executive compensation, agency theory, signaling, performance

**Session 2e:
FDI Consequences I**

Chair: Nigel Driffield, Aston University, UK

Firm Performance and the Geography of FDI: Evidence from 46 Countries

*Yong Yang, Brunel University, UK

Pedro Martins, Queen Mary, University of London, UK & CEG-IST, Lisbon, Portugal

The literature on the link between multinationality and firm performance has generally disregarded the role of geography. However, the geography of FDI may matter, particularly now that globalisation has increased the heterogeneity of overseas investments. Moreover, although the range of countries that conducts FDI has widened considerably, the literature still tends to focus on the case of a relatively small number of US firms. In contrast, our paper draws on firm-level data covering over 16,000 multinationals from 46 countries and allows for different effects upon the performance of the multinational firm depending on the level of development of the host economy. In our results, we find a clear positive and linear relation between multinationality and firm performance. However, investment in developing countries is associated with larger and increasing effects on performance than in the case of investment in developed countries. Overall, our results suggest that the net gains for multinationals from greater geographical diversification have not yet been fully met.

Keywords: Multinationality; Firm Performance; Location Choices

Stock Market Reactions to Foreign Investments: Effects of Investment Purpose, Stock Market Characteristics, and Business Group Affiliation

ByoungYoup Lee, King's College London, UK
Jenifer Piesse, King's College London, UK
*Roger Strange, University of Sussex, UK

This paper examines how the public announcement of foreign share acquisitions in listed companies affects the share prices of those companies. The dataset contains 422 public announcements of foreign share acquisitions in Korean listed companies over the period from March 2005 to June 2009. The empirical analysis builds upon the findings of previous studies, but also considers the moderating effects of three factors: the motivation of the foreign investor (management participation or pure investment); the characteristics of the stock exchange on which the domestic companies are listed; and the effects of group affiliation. Using event study methods, the abnormal returns are obtained and statistical tests are undertaken between the mean returns for the different sub-groups. A significant 21-day cumulative abnormal return of 1.1% is found for the total sample, and the statistical tests suggest that the factors investigated influence the size of the abnormal gains.

Keywords: Corporate governance; foreign investment; blockholders; business groups; event study; emerging markets

Acquisitions from Emerging to Advanced Countries: Theoretical and Empirical Investigation on the Performances of Target Firms

Peter Buckley, University of Leeds, UK
*Stefano Elia, Politecnico di Milano, Italy
Mario Kafourous, University of Leeds, UK

This paper centers on the performance implications of outward Foreign Direct Investment (FDI) from emerging economies, such as Brazil, Russia, India and China (BRIC). In the late 1990s, a large number of Emerging Multinational Companies (EMNCs) from developing economies started to invest in advanced countries. To do so, they often adopt a Mergers and Acquisitions (M&As) entry strategy, which allows them not only to access new markets, but also to exploit the firm-specific resources and capabilities of target firms (UNCTAD, 2006). Yet, little research has attempted to analyze the performance implications of OFDIs from EMNCs (UNCTAD, 2006; Garg and Delios, 2007) and, more specifically, how acquisitions from EMNCs impact the performance of target firms in advanced countries. Importantly, this research gap limits not only academic conceptualizations as how interfirm differences in performance arise, but also the effectiveness of the strategic plans of EMNCs and the governmental policies of advanced countries. To address this gap, the current study develops a conceptual framework and implement an econometric analysis pertaining to the factors influencing the performance of firms acquired by EMNCs. Building on the resource-based view (RBV) of the firm (Barney, 1991), previous analyses consider the role of the resources that a firm possesses. We add to these studies by showing that the performance of the target firm depends not only on its own resources but also on the resources of the acquiring company. Put differently, we examine if and the extent to which such acquisitions may enable target firms to use resources that do not own or control (Capron, 1999; Uhlenbruck, 2004; Lavie, 2006). Modelling performance in this way is consistent with recent theorizing that emphasizes the importance of considering the value of shared resources (Lavie, 2006). Furthermore, instead of simply focusing on the tangible resources of the acquiring EMNCs, our analysis incorporates both the experience cumulated by the EMNCs and the (tangible and intangible) resources that its globally dispersed affiliates possess. This offers a more complete account of the resources of the acquiring companies as it incorporates the fact that M&As allow EMNCs to accumulate experience (Penrose, 1959; Barkema et al., 1996; Barkema and Vermeulen, 1998; Eisenhardt and Martin, 2000; Uhlenbruck, 2004), and leverage "network resources" (Gulati, 1999) that are provided either by the firm's subsidiaries or by the countries where such subsidiaries are located (Baum, Calabrese and Silverman, 2000; Lee, Lee and Pennings, 2001; Lavie, 2006; Kafourous, 2008). This theoretical framework is used to implement an empirical analysis aimed at assessing the impact of BRIC's M&As on the performance of the target firms located in advanced countries. Four different but interconnected dimensions are considered: profitability, sales, employment and labor productivity. The results of the GMM analysis show that EMNC's resources have a positive effect on target firms' profitability and labor productivity, while the impact on its sales and employment are not significant and negative, respectively. This means that EMNCs' resources increase a target firm's profitability and labor productivity through a reduction of its production costs and through a downsizing of its employment and/or a relocation of its labor-

intensive activities, rather than through an increase of its sales. Conversely, EMNCs' network resources and experiences, especially when cumulated through M&As in advanced economies and in the BRIC home country, positively affect all the performance measures but employment, which still reports a negative sign. Therefore EMNCs' network resources and experience increase target firms' profitability and labor productivity through the combined effect of decrease of production costs, decrease and/or relocation of employment, and increase of sales, especially towards the large BRIC markets.

Ireland's Inward FDI over the Recession and Beyond

*Frank Barry, Trinity College Dublin, Ireland
Adele Bergin, ESRI, Ireland

Ireland's FDI intensity might be thought to have left the economy particularly vulnerable to the collapse in international FDI inflows seen over the course of the current global crisis. The paper analyses the performance of Ireland's FDI sectors over this period and explores the medium-term prospects in key foreign-dominated sectors undergoing substantial structural change, specifically ICT, pharmaceuticals and international financial services. The consequences of ongoing developments in the global FDI market and in the international regulatory and corporation-tax environments are also assessed.

Session 2f:

International Banking & Finance

Chair: Elaine Hutson, University College Dublin, Ireland

Positioning International Business in Subprime Times

Mark McGovern, Queensland University of Technology, Australia

Subprime times are upon us not just because of the issuing and packaging of untenable US housing loans. Loans to businesses internationally and, increasingly, to governments also appear untenable. As the current crises unfold, a number of challenges, stresses and imbalances are becoming increasingly pressing.

International business may well have enjoyed its prime time over past decades. As recent crises usher in lesser times for many economies and businesses around the world, it seems appropriate to review adjustments that can follow crisis and how these can be represented. A mix of conceptual analyses are used to indicate the positioning problems facing businesses as they seek to adjust to shock and changed times.

An innovative use of vector triple products allows schematic presentations of financial and industrial situations given governmental and monetary positions. Each entity projects assuming some common ground. Important complementarities that were expected in developing investment positions, for example, shatter in a crisis, as may the common ground. Critical dynamic elements include now-unsustainable projections and strained entities as well as significant time-path and environmental dependencies in adjustment processes.

Such things can be usefully illustrated by considerations of available funds using simple descriptive statistics and schematics. International business has thrived under conditions of plentiful, cheap credit. The importance of falling transport and transactions costs, improved communications and reduced international barriers have been widely recognised. However, the contributions of easy funding, or its continuance, appear relatively little examined. Funding conditions, and the impacts of changes in them, warrant greater attention.

This paper is in three main parts:

- *On crisis and adjustment*, in which investments are seen as alternately embedded and transcendent *via* two time framings and a shock-stabilisation-adjustment model is explored. Both abruptly varying and broadly trending funding conditions are illustratively examined;
- *Vector products and representations*, in which vector triple products are explored as a way to examine combinations of factors that show both significant independencies and important commonalities; and
- *Issues of positioning*, in which suggestions are made as to potential developments not only as regards the current global crises but also more generally.

The common theme is how businesses and others might adjust to significant unexpected events in and across time with suggestions made as to how analysis might be developed. Of course, MNEs have long faced a variety of crises but unlike the current crisis these have tended to be sporadic and in only some foreign markets. How does the challenge of Keynes (1923) that economists “set themselves too easy, too useless a task if in tempestuous seasons they can only tell us that when the storm is long past the ocean is flat again” resonate?

Buckley and Casson (1998) noted the slow response by scholars to the changed realities that followed the breakdown of the Bretton Woods system. The goal in this paper is to explore changed realities that may be currently emerging and to suggest lines of research that appear relevant but underappreciated in what may well be continuing subprime times.

Clearly a paper such as this has limitations. It is neither a finely polished analysis nor a review of a field. Rather it is a brief report on explorations in what appears to be a promising and rich area for research. Drawing from findings in international economics, industrial organisation and international business, an exploratory synthesis using vector methods allows improved representation of collective situations and of how these might change. While the main application is to situations of credit stress, the methods outlined appear to have wider use in working with “diamonds” and eclectic paradigm and OLI model of Dunning.

Keywords: crisis, adjustment, vector representations

Factors Influencing the Profitability of Commercial Banks in the GCC Countries

*Ritab Al-Khouri, Qatar University, Qatar
Abdulkhader Abdullah, Khartoom University

The present paper investigates the impact of bank’s specific characteristics and overall banking environment on the profitability for a sample of 43 banks operating in the 6 GCC countries (namely Saudi Arabia, Kuwait, UAE, Bahrain, Qatar, and Oman) over the period 1998-2008. This is done in view of the ongoing process of economic and financial integration between these countries.

Using fixed effect regression analysis, results show that capital risk and liquidity risk are the major factors that affect the profitability of the banking sector in the GCC market. Credit risk is also important factor, however, when including the macroeconomic factors we find that credit risk lost its power to explain the variation in bank profitability. As for the macroeconomic factors, the only two factors that affect banks’ profitability are the growth in GDP and the percent of credit to the private sector to GDP.

On the Efficacy of Corporate Bailouts: Evidence from Around the World

Zhan Jiang, State University of New York at Buffalo, USA
*Kenneth Kim, State University of New York at Buffalo, USA
Hao Zhang, Rochester Institute of Technology, USA

We study the efficacy of corporate bailouts at the firm level. We find bailed-out firms recover. However, a bailout is more successful for firms that experience a sudden drop in performance as opposed to firms that experience a prolonged decline in performance. We also find (i) when bailouts primarily involve debt restructuring the firms’ recovery is greater as compared to bailouts that primarily involve cash injections, (ii) government bailouts are not as successful as non-government bailouts, and (iii) bailouts of U.S. firms do not appear to be as successful as bailouts of non-U.S. firms. Overall, our findings suggest bailouts can work, but they are more successful under certain circumstances and conditions.

Currency Offer Curves: Going Beyond Supply and Demand Graphs in Teaching Exchange Rates

*Janett Highfill, Bradley University, USA
Raymond Wojcikewych, Bradley University, USA

Exchange rates are covered in most international business courses, and not a small number of economics courses, principles, intermediate macro theory, and various field courses. As anyone who has taught them quickly learns, exchange rates are difficult for students because the value of one currency is the inverse of the value of the other; an increase in the demand for one currency is an increase in the supply of the other. Using the euro/dollar market as an example, understanding exchange rates requires that students keep track of four things: the

quantity of euros, the quantity of dollars, the value of the dollar, and the value of the euro. For practitioners, one quantity and one exchange rate are of course sufficient, one exchange rate implying the other exchange rate, the exchange rate and one quantity implying the other quantity. Students, however, benefit greatly from being able to see everything at once.

In order to give students a tool for keeping things straight, many textbooks have resorted to supply and demand graphs, not infrequently using linear supply and demand functions. But doing so raises the question of what the functional relationship is between the demand for dollars and the supply of euros. As will be shown, this problem is especially acute for linear demand curves, but it is not trivial for other demand curves such as unit-elastic and iso-elastic.

The primary contribution of the paper is to introduce an innovative graph for teaching bilateral exchange rates which uses “currency offer curves.” The currency quantities are on the axes, and the exchange rate is the ratio between them, i.e., the slope of a ray from the origin. The Euros into Dollars offer curve is then derived and shown to be concave. The intuition is that as the value of the euro gets higher and higher the number of dollars received for each euro supplies gets larger as well. The Dollar into Euros offer curve is derived and shown to be convex with an analogous intuition. Equilibrium in the foreign exchange market is where the two offer curves intersect.

The currency offer curve graph is used to illustrate several of the topics typically covered in the exchange rate unit. The problems with maintaining fixed exchange rates are easily seen; central bank interventions can be illustrated in a straightforward manner. The model supports all of the normal comparative statics exercises, although only two are done by way of example. The first shows the effect on an increase in European GDP, the second shows the effect of a change in relative interest rates.

In teaching it sometimes seems that “out of sight is out of mind.” The essential argument for proposing a new method of illustrating the exchange rate market is that a “global” view of the economy requires that both currencies be given even status, be equally visible, in the analysis. With exchange rate issues making daily headlines, it seems long past time to teach exchanges rates in a way that lends itself to a discussion of disequilibria.

Session 2g:

Subsidiary Management, Mandates & Performance

Chair: Mike Crone, Queen’s University Belfast, UK

Coordination at the Edge of the Empire: Subsidiary Regional Administrative Mandates in the Multinational Enterprise

*Eva Alföldi, The University of Manchester, UK
Jeremy Clegg, University of Leeds, UK
Sara McGaughey, University of Strathclyde, UK

In this paper, we develop the concept of subsidiary regional administrative mandates (RAMs), used by MNE headquarters as a cost-effective alternative to regional headquarters. In small or fragmented market regions, MNE headquarters frequently ‘offload’ regional administrative responsibilities to local subsidiaries, driven by cost efficiency, cognitive and resource considerations. Although commonly noted in the practitioner literature, this form of regional governance has yet to be studied in detail. We consider the subsidiary-level antecedents and critical impacts of RAMs, using an in-depth qualitative case study of Unilever Hungary and its cluster of related subsidiaries. We find evidence that, similarly to product mandates, RAMs are negotiated between HQ and subsidiary, but appear more easily contestable and require less HQ commitment than product mandates. In addition, we find that local subsidiaries’ ability to handle RAMs may be constrained by critical issues such as task ambiguity, internal legitimacy and contested leadership. We also note that by increasing the cognitive and administrative distance between HQ and the MNE’s lowest-tier operations, RAMs may carry a risk of subsidiary isolation. Altogether, our findings suggest that unless mandated tasks and responsibilities are fully clarified and subsidiary perceptions of internal legitimacy addressed at the outset, RAMs are unlikely to solve the problem of international coordination, but merely shift it outside HQ’s field of vision to the ‘edge of the empire’. We summarise our theoretical and empirical findings in a proposed multi-level framework for the analysis of regional administrative mandates.

From Federations to Global Factories; Assessing the Contribution of the Subsidiary Middle Manager in Today's MNE

*Donal O'Brien, Dublin Institute of Technology, Ireland
Pamela Sharkey-Scott, Dublin Institute of Technology, Ireland
Pat Gibbons, University College Dublin, Ireland

The evolution of MNEs (Multinational Enterprises) from rigid and hierarchical structures to more distributed authority and autonomy led to the theoretical justification for conceptualising them as a federative rather than unitary organisations (Ghoshal and Bartlett, 1990). Fundamental to the Federative MNE is the suggestion that subsidiary units, through their own actions, can modify the power base and influence MNE strategy 'from below' (Andersson et al., 2007). Considerable research highlights the potential of subsidiary units for knowledge creation and initiative (Birkinshaw, 1997, Rugman and Verbeke, 2001, Williams, 2009), but to date it has failed to confirm that MNEs actually operate as federations.

The motivation for the establishment of subsidiaries is changing and there is a need to adopt a new approach to the study of the MNE (Yamin and Sinkovics, 2009). Traditionally the key strategic issue for International business scholars was the handling of tension between the importance of global integration on the one hand and the need for national responsiveness on the other (Bartlett and Ghoshal, 1987). However, the emergence of global demand for products has reduced the need for national responsiveness (Mudambi, 2008). The pattern of FDI is increasingly influenced by the reality that host countries, rather than being markets, instead fit into the strategic calculation of MNEs as sites for key resources and capabilities. Top management of MNEs have become increasingly able to segment their activities and to seek the optimal location for increasingly specialised slivers of activity (Buckley and Ghauri, 2004). This approach of 'fine slicing activities' enables MNEs to amplify their focus on narrower value chain activities associated with the highest value added (Mudambi, 2008). These developments are leading to the potential demise of the Federative MNE (Yamin and Forsgren, 2006) and the arrival of the 'Global Factory' (Buckley, 2009b).

The research objective in this paper is to access the impact MNE structural developments are having on subsidiary strategy development. The actors and practices that contribute to strategy development at the subsidiary level is already a neglected research area (Dörrenbächer and Geppert, 2009). Although the essence of strategy is contributing to competitive advantage through management activities (Papadakis et al, 1998), much of the focus of research up to this point has been on the strategic relationship between subsidiary top management and corporate headquarters (Bouquet and Birkinshaw, 2008). The contribution to strategy development by the middle management levels within subsidiaries has largely been overlooked (Balogun, 2003). Using Floyd and Wooldridge's (1992) model of middle manager strategic influence in organisations, the focus of this paper is to analyse the contribution of subsidiary middle managers and contribute to the underdeveloped literature on subsidiary strategy development, in a time when theory development on the MNE is moving away from the "Federation" towards the "Global Factory".

MNC Subsidiary Innovation & the Dual Context

*Johanna Fahy, National University of Ireland, Galway, Ireland
Paul Ryan, National University of Ireland, Galway, Ireland

The multinational company (MNC) as a globally distributed innovative network in which R&D activities, innovation and technological advancement are increasingly undertaken by foreign subsidiaries, is a now popular view. MNC subsidiaries are said to be positioned in two networks; the global, internal MNC network, and the local, external network of its foreign host location. The differential innovative ability of subsidiaries can best be understood by examining the relationships of the subsidiaries with other firms in these contexts. While several empirical studies have established that individual subsidiaries do successfully tap into their dual knowledge networks, the empirical question of whether this actually improves overall innovative ability still remains understudied.

Underpinned by both network and resource-based views of the firm, this study contributes to the emerging literature that takes a 'subsidiary perspective' of the MNC. Giving explicit recognition to each of the subsidiary's network partners, and combining this with subsidiary levels of capabilities and innovation, has allowed the researcher to delineate the differential innovative ability of subsidiaries. Four case studies of high-technology subsidiaries located in close geographic proximity at the sub-national level are used to empirically explore the study's agenda.

The focus of the study was appropriately targeted to the medical technology industry cluster of the Galway region, a city and county in the west of Ireland. The cluster is renowned worldwide as a particular focal point of activity within Ireland and Europe, in the field of medical technology (Stommen, 2005). Twenty-four semi-structured interviews were used to collect the data.

The study makes a number of contributions. Firstly, it finds that the extent of subsidiary innovation depends on the levels of research and development within the subsidiary's scope, and from where such 'R' and 'D' activities are sourced. In addition, it provides a good explanation as to why only a limited number of network partners actually influence subsidiary innovation. Based on the research findings, this study's main theoretical contribution is the development of a new model of subsidiary innovation that illustrates the importance of subsidiary 'combinative capability' in integrating its various sources and capabilities for greater innovation.

The study shows that through effective combination of the subsidiary's unique dual context and its existing internal capabilities, subsidiaries can enhance their innovative potential and position themselves strategically and more favourably in the MNC network. In addition, the subsidiaries that are more embedded in the local network show greater innovative ability and strategic worth, which can act as a power base, and as a means of sustaining the subsidiary in its foreign location. Significantly, meaningful local linkages have been shown to create greater global interdependencies, and both are essential for innovating and ensuring the long-term success of a subsidiary.

To conclude, this study adds to the old and once again vital stream of research looking at the relationship between networks, resources and firm-level competitive advantage. It reintroduces the reality of the ever-present 'local responsiveness versus global integration' dilemma (Prahalad & Doz, 1987) that MNC and subsidiary management faces. How the strategies, capabilities and behaviours of firms are shaped by the contexts in which they operate remains an important frontier for strategy research, one with important implications for both practicing managers and public policy-makers (Frost, 2001).

A Longitudinal Study of RHQ Dynamics: The Survival of the Fittest?

*Perttu Kähäri, Aalto University, Finland
Rebecca Piekkari, Aalto University, Finland
Wilhelm Barner-Rasmussen, Hanken School of Economics, Finland

In this longitudinal study we demonstrate the dynamics of regional headquarters (RHQ) in multinational corporations and unravel some of the underlying reasons for the changing nature of RHQ. More specifically, we focus on why and how the roles and responsibilities of RHQ change over time, and why some RHQ positions are lost and others are retained. Based on a longitudinal analysis of 37 RHQ located in Finland we find that less than 10% of the RHQ investigated remained unchanged over the 11-year period. Our observations suggest that responsibilities of RHQ range from one or several functions to the overall management responsibility for an entire geographical area. The findings show that RHQ functions do not have to be co-located. Like other types of headquarters also RHQ have become increasingly mobile, 'virtual' and temporal. In our data, the majority of RHQ existed for certain purposes, but when these purposes were reached or when they ceased to exist, so did even the fittest RHQ as a consequence.

Session 3b:

International Networks

Chair: Stan Paliwoda, University of Strathclyde, UK

Network Ties in the International Opportunity Recognition of Family SMEs

*Arto Ojala, University of Jyväskylä, Finland
Tanja Kontinen, University of Jyväskylä, Finland

The importance of network ties is emphasized in the current literature on opportunity recognition. However, it is unclear how firms with limited bridging networks, such as family SMEs, recognize international opportunities through their network ties. In this case study we found that in gaining foreign market entry, those family SMEs that lack existing network ties recognize opportunities through weak ties formed in international exhibitions. The findings also indicate that rather than being proactive, family SMEs respond reactively to opportunities that emerge coincidentally. The trustfulness of the relationship is important

when they consider these opportunities and form new ties for internationalization. The trustfulness appears to be even more important than the target country itself. From these findings we develop six propositions that are intended to lead to further studies on this topic.

Keywords: International opportunity recognition, network ties, international entrepreneurship, family SMEs.

Converging Themes: Networks, International Performance and the Telecoms Sector

*Breda Kenny, Tipperary Institute, Ireland
John Fahy, University of Limerick, Ireland

Research on business networks to date has focused on antecedents of network formation and relationships or relational content among firms rather than outcomes or consequences of such relationships and networks (Werner 2002; Kapasuwan 2006). Several researchers have thus suggested that there is an increasing need for business research to shift a focus from traditional dyadic relationships to a larger business context of network relationships in order to understand firms' behaviour and performance (Achrol 1997; Rowley 1997; Gulati 1998).

Small firms are the focus of this study as they are a key economic sector in Ireland. SMEs constitute 97% of enterprises and contribute to the flexibility and resilience of the economy as well being active in international markets. This study draws on research from SMEs in the telecommunications and internet sectors in Ireland. Although there is no single agreed definition of High Tech SMEs (HTSMEs), they are generally characterised by small and medium-sized firms with advanced knowledge and capabilities in technology, an educated workforce, and the ability to adapt quickly to fast changing environments.

The objective for this study was to measure the direct effect of network capability on performance in international trade. The dependent variable therefore was performance as measured through conventional means such as market, financial and customer satisfaction performance. The independent variables include factors that make up a firm's network capability and comprise network characteristics, network operation and network resources.

During the mail survey a useable response rate of 33.64 % (154 firms) was obtained. Nine hypotheses were analysed using structural equations modelling using LISREL. The hypothesis stating that stronger ties are more influential on international performance than weak ties was supported. Similarly, network coordination and human capital resources were found to be positively and significantly associated with international performance. Strong ties, trust, network initiation and synergy sensitive resources were all positively associated with international performance, but non-significant. Weak ties, relational capability, network learning and information sharing were negatively associated with international performance.

This study makes a solid contribution to the international business literature by providing evidence of a collaboration-performance relationship. This addresses the concerns of Kapasuwan (2006), who argues that there is still a gap in the literature in the linkages between networks and firms performance. Measures of networking capability are developed and validated in the context of international business, which is only one of a very few studies to do so (Loxton & Weerawardena 2006).

The Influences of Knowledge Sharing, Network Capabilities, and Innovation Appropriability on Alliance Performance

*Chia-Ling (Eunice) Liu, National Cheng Kung University, Taiwan
Wen-Chun Chen, National Chung Cheng University, Taiwan

Alliance networks can often be viewed as loosely coupled systems of autonomous firms. We propose that firms orchestrate network activities to ensure the creation and extraction of value. Orchestration comprises network capability, knowledge sharing, and innovation appropriability. Firstly, we apply the network theory to investigate whether the development of network capability and knowledge sharing enhance the performance of alliance network. Secondly, this research addresses a dimension that describes the interdependence of network members, namely, innovation appropriability. This study provides a more integrated understanding of managing innovation appropriability by examining how relational processes (interparty trust) and the design and application of structural elements (joint governance and procedural justice) affect knowledge sharing and the firm's network capabilities. The focal concept

framework is developed from network theory, the knowledge-based view and alliance governance literature.

Keywords: Alliance Network, Network Capability, Knowledge Sharing, Innovation Appropriability

The Influence of Social Networks on Export Barriers: Evidence from Developing Country Firms

Mursali Milanzi, University of Agder, Norway

Despite voluminous studies indicating that social networks are vital strategies for overcoming export barriers especially in developing economies, the extent to which social networks and export barriers are related has received inadequate research attention. This article is set to fill gap. The underlying proposition of the article is that, given that social network provide access to resources to complement the existing ones, managers who exploit networks suitable to a particular problem would encounter a few export barriers. The analysis is based on the interviews with senior managers and entrepreneurs of firms surveyed that took place in Tanzania between October (2008) and February (2009) using a structured questionnaire. In total, data were collected from 134 managers/entrepreneurs out of 250 which were sampled. However, due to insufficient information in some questionnaires, the sample was restricted to 123 observations. Export barrier perceptions, the dependent variables of the study, were identified by principal component factor analysis. Multiple regression analysis (OLS) was performed to determine the relationships between the barrier factors and social network variables, namely, total number of contacts, tie composition, and tie strength (strong and weak ties). The findings suggested that network composition and strong ties were significantly related with export market barriers perceptions. Specifically, firm entrepreneurs/managers who maintained larger number of strong ties, business ties and institutional ties tended to perceive fewer barriers. The implications of the study for policy, research and management are discussed.

Session 3c:

Knowledge Through Internationalisation

Chair: Kirsimarja Blomqvist, Lappeenranta University of Technology, Finland

Learning by Exporting: Lessons from high-technology SMEs

*Jim Love, Aston University, UK
Panagiotis Ganotakis, Aston University, UK

Theory points to the existence of a 'learning by exporting effect', in which exposure to export markets enhances performance through exposure to the knowledge stocks of trading partners. We investigate the learning by exporting hypothesis by examining the effect of exporting on the subsequent innovation performance of UK high-tech SMEs. We find evidence of learning by exporting, but the pattern of this effect is relatively complex. Exporting helps high-tech SMEs innovate subsequently, but does not make them more innovation intensive. There is also evidence that it is consistent exposure to export markets that helps firms overcome the innovation hurdle, but that there is a positive scale effect of exposure to export markets which allows innovative firms to sell more of their new-to-market products on entering export markets. Service sector firms are able to reap the benefits of exposure to export markets at an earlier (entry) stage of the internationalization process than are manufacturing firms. Firms producing a rapidly changing portfolio of innovative products exhibit higher 'churn' in terms of entry to and exit from export markets than low-intensity innovators, and this is reflected in the effects of entry and exit into and out of such markets.

Keywords: learning by exporting; innovation; high-tech SMEs

Effectual Reasoning in the Internationalization Process: Evidence from Italian SMEs

*Igor Kalinic, Università di Padova, Italy
Saras Saravathy, University of Virginia, USA
Cipriano Forza, Università di Padova, Italy

This inductive study analyzes the entrepreneurial cognitive process during the Small-Medium Enterprises' internationalization of operations. By analyzing 5 case studies we show that the internationalization process can be explained through Effectuation lens. We argue that in the

situation of high uncertainty, goal ambiguity, and isotropy even experienced entrepreneurs of already existing organizations tend to adopt effectuation logic during the decision-making process, rather than causal one.

Keywords: International entrepreneurship, internationalization, effectuation, SMEs, decision-making

External and Internal Knowledge Learning and Growth Strategies of Chinese Knowledge-Intensive New Ventures

Huan Joy Zou, Loughborough University, UK

This paper deals with knowledge learning and its impact on growth strategies of knowledge-intensive firms in an emerging context, China. We propose that knowledge learning is the key theme in designing an international growth strategy of these ventures. We develop hypotheses from existing literature on entrepreneurship, knowledge management studies, smaller firms and studies on internationalization process. Based on a dataset from 306 high tech Chinese new ventures, we adopt logistic regression models to test the hypotheses. The results reveal that the activities of internal knowledge learning are positively but insignificantly related to international growth strategy. Our results also show that knowledge-intensive new ventures capable of both internal and external knowledge learning are more likely to expand businesses internationally. Our study enriches the existing knowledge in this field and on internationalization of emerging market smaller firms. Moreover, we provide an understanding of the impact knowledge learning has on the internationalization of knowledge-intensive new ventures. These findings have important implications for researcher, managers and policy-makers.

Keywords: Knowledge learning, Knowledge-intensive firms, Growth strategy, Emerging Markets

Regional and Global Tensions in New Product Development: Comparing High and Low Agglomeration Regions

*Yazid Abubakar Abdullahi, University of Essex, UK

Jay Mitra, University of Essex, UK

This paper is concerned with ways in which high technology firms develop new products in 'high' and 'low' agglomeration regions. The literature on the geography of innovation suggests that is dominated by a search for external factors that explain innovation in regions with high concentration of firms i.e. 'high agglomeration'. Thus, external factors influencing innovation in low agglomeration regions are rarely studied. Moreover, traditional research has generally viewed innovation as a one-dimensional construct, and expects the same set of factors to explain all kinds of innovation. The geography of new product development (NPD) as a specific type of innovation has not received much attention in the research community, despite its apparent importance in policy circles concerned with economic development.

A framework is built in which small firms develop new products in two distinct environments: regions with local concentration of firms in high-tech industries (i.e. 'high agglomeration'); and regions lacking concentration of firms in high-tech industries (i.e. 'low agglomeration'). The framework allows for the categorisation of external influences on NPD as *knowledge spillovers* (referred to as non-market based external sources of knowledge), and as *pecuniary knowledge* (i.e. market based external sources of knowledge). The Silicon-Fen of Cambridge and Essex in United Kingdom (UK) are chosen as 'high agglomeration' and 'low agglomeration' regions, respectively. This selection is based on the two sub-regions above or below average densities of their workforce and firms in high-tech industries in the eastern region of the UK. Twelve pilot interviews were conducted to ascertain if potential differences exist between the two regions in small firms' perceptions of external knowledge. Thereafter, surveys of 52 SMEs in the Silicon-Fen and 48 in Essex electronic and software industries were carried out with a view to determining the nature of new product development in the two sub-sets.

We found that small firms in low agglomeration regions can be characterised as 'imitator's when compared to those in high agglomeration. However, there are similarities in that small firms in both regions are more influenced by knowledge spillovers over pecuniary knowledge, and by international knowledge relative to local and national sources. The paper thus makes several contributions to the knowledge spillover theory of entrepreneurship, pecuniary externality theory and the literature on technological capabilities literature. The findings should

also help regional policy makers located in both high and low agglomeration regions to understand the significance of 'spatial levels' – local, national or international – of analysis and decision making. From a business strategy perspective, a critical understanding of the sources of external knowledge – spillovers or pecuniary - are likely to influence new product development by small firms in their regions. This is crucial in an era in which 'geography' (especially that of regions) is seen as an integral part of innovation policy, and where new product and new business model development are seen as critical for firms as they struggle to stay alive and emerge from the recession. Implications are also drawn for educators and trainers especially those focusing on explaining different aspects of entrepreneurship and innovation.

Keywords: Small and medium-sized enterprises (SMEs), agglomeration, new product development, geography.

Session 3d: Conceptualisation & Methodology in International Business Research

Chair: Fiona Moore, Royal Holloway, University of London, UK

What is a Multinational Corporation? Classifying the Degree of Firm-Level Multinationality

Raj Aggarwal, University of Akron, USA

*Jenny Berrill, Trinity College Dublin, Ireland

Elaine Hutson, University College Dublin, Ireland

Colm Kearney, Trinity College Dublin, Ireland

The degree of firm-level multinationality is a key dimension that spans all theoretical frameworks, levels of empirical analysis and domains of investigation in international business research. There is, however, no agreed approach to defining or measuring firm-level multinationality. To illustrate the absence of an agreed definition of an MNC among IB scholars, we begin in the next section by analysing all 326 papers that have used empirical samples of MNCs and that have been published in the Academy of Management Journal, Academy of Management Perspectives, International Business Review, the Journal of International Business Studies, Journal of Marketing, Management International Review, and Strategic Management Journal, between 1987 and 2007. We show how the absence of an agreed approach to operationally defining or measuring the degree of firm-level multinationality has led to the use of a multiplicity of approaches. This causes inconsistent approaches to sample selection and empirical testing, and it has curtailed the advancement of the discipline.

We propose that instead of searching for the elusive, all-encompassing definition of an MNC, international business scholars should instead agree on a classification system for the degree of firm-level multinationality. We illustrate the advantages of this approach by constructing a simple classification system that takes into account the firm's breadth and depth of multinational engagements. We illustrate its use by classifying a novel sample of over 1,000 firms from the G7 countries – Britain, Canada, France, Germany, Italy, Japan and the United States. These firms – which include many of the world's largest – are best seen on a continuum from purely domestic (with no international sales or investments) to fully global (with sales and investments in all regions of the world).

We then discuss how such a system can provide insights and perspectives to guide high-level theory building – by anchoring important conceptual norms and traditions, by highlighting areas that require theoretical refinement and renewal, and by provoking new ideas and directions. Second, we examine the usefulness of such an agreed classification system for sample selection and hypotheses testing. This issue is gaining in importance as increasingly large multi-country firm-level data sets are becoming more widely available. Third, we show how such a classification scheme for firm-level multinationality can help to clarify thinking and settle debates on many issues in IB – focusing on the importance of location, the regional-global debate about operations and strategy, and alternative approaches to understanding IB in emerging markets.

Survey Research and Response Rates in International Business Studies

*Anna Morgan-Thomas, University of Glasgow, UK
Agnieszka Childlow, Manchester Metropolitan University, UK
Pervez Ghauri, King's College London, UK

Although the literature acknowledges difficulties in conducting surveys in IB, in general little is known about the expected rates in the context of particular survey design and IB setting. This lack of guidelines leads to practice where many researchers justify obtained response rate on the basis of how consistent it is with industry standards or what is typically found in a given research area.

The aim of this study is to provide practical guidelines for researchers interested in conducting surveys in international business. With this in mind, this study intends to take inventory of common practices related to surveys by examining the response rates for surveys used in international business research.

We analysed 1347 studies published in the years 2000-2009 in four top academic journals in IB and identified 538 studies that utilised surveys. Our findings provide key insights concerning typical response rates, non-response patterns, trends in response over time and the implications of survey administration procedures for the response rates.

Keywords: survey, mail survey, response rates, nonresponse, questionnaires, research methods

Global Interest Intervening Regional Advantages: The Sustainability of Appreciative Strategy for Russia and China in Central Asia

Oskar Kayasan, European Research Centre, UK

The recent activities of Russia and China's provincial policies towards regional connivance strategy in Central Asia are examined. It is argued that regional advantages are not significant aspect of emerging two major powers regionalist agenda that may encourage competitive global environment. Russia lacks an overall regional strategy for Central Asia, nevertheless is seeking to interlock global interest together with geological, security, and energy policy goals. Since the independence of Central Asian Republics and their ability to manage as sovereign national entities is exposed to various external global power. China, being contiguous to the region, has a great opportunity to influence various strategic and socio-economic developments in Central Asia. Currently, China's strategy in Central Asia and variety activities in the region depend heavily on the authority and policies of Russia. Although, Russian weakness as an international power in the 1990s allowed the opportunity for expanding the Chinese influence in Central Asia. On the other hand the establishment of Russian inclination to collaborate closely with rising China on global trade, security and variety of international issues. However, its overall influence of Russia and China in the region has been compensated by the fact that the impact of U.S. power in Central Asia is relatively weaker. This paper attempts to address the sustainability of appreciative strategy in Central Asia between two giants Russia and China when their regional advantages contrast within the global interest. This paper shows that the contradiction and intruding circumstances does reflect a coherent strategy that is likely to continue, or reflect more often contradictory goals for both powers in the region.

Heterarchy: the Career of a Concept

*Ray Griffin, Waterford Institute of Technology, Ireland
Thomas O'Toole, Waterford Institute of Technology, Ireland

Almost 25 years after the concept of 'heterarchy' was introduced into international business by Hedlund (1986) and after it has formed the conceptual basis for much of the recent work on subsidiary strategy; the full meaning of the term has not received much in the way of scrutiny by the community of international business (IB) researchers. This short theoretical paper commences by examining how heterarchy has been defined, interpreted and deployed in the IB discourse. We challenge the use of the concept as a base antonym for hierarchy. On safer ground, we suggest that its use is a criticism of the very idea of the subsidiary. We conclude by suggesting that heterarchy has been crudely interpreted by IB researchers; and that perhaps, much of the recent work on subsidiary strategy might need to be reframed to take account of a more hierarchical reading of what a subsidiary can be.

Keywords: Multinational Corporations (MNCs) and Enterprises (MNEs); Subsidiary Strategies; Hegemony and Dependence; Organization Theory

Session 3e:

FDI Consequences II

Chair: Frank Barry, Trinity College Dublin, Ireland

Foreign Direct Investment in Emerging Asia: Implications of International Production Network

Juthathip Jongwanich, Asian Development Bank, Philippines

This paper examines the determinants of foreign direct investment (FDI) inflows in emerging Asia, with an emphasis on the implication of international production network. The gravity model is applied for the bilateral FDI data during the period 1994–2007. The results show that the existence of international production network further promotes vertical FDI, especially one oriented toward the third market. Foreign investors could benefit from the existence of 'service links' established in the country/region. Strengthening supply-side capacity and improving 'services links' and 'good market accessibility condition' are crucial in strengthening production network and further promoting FDI in the region. A late comer in participating in global production network could face disadvantages in attracting FDI inflows. The country needs to put more effort to improve investment climate, including infrastructure, trade and investment policy, as well as human capital development to attract FDI inflows. These factors are traditional, which are found to be statistically significant in promoting FDI in our quantitative analysis. Strengthening these factors could indirectly help a country enter into global production network and further promote FDI.

Keywords: Foreign direct investment, Product fragmentation, Emerging Asia

Export-Platform Foreign Direct Investment as a Strategic Behavior of Multinational Firms: the Case of Vietnam

*Huu-thanh Tam Nguyen, Université Toulouse 1 Capitole, France
Alexandre Minda, Université Toulouse 1 Capitole, France
Med Kechidi, Université Toulouse 1 Capitole, France

The development of regional economic integration at the end of the century lead to the emergence and to the development of a particular kind of foreign investment known as "export- platform foreign direct investment" (EPFDI). The purpose of this paper is to examine the location factors of this investment. First, in our model, we find that the main factors of EPFDI's location are the relative labor cost between the host country and the home country and/or third ones, the development level of the host country, intra-regional transport cost and the market size of the third country. Then, in the case of the Vietnamese export-oriented industries, this location is positively influenced by labor factors –the labor force as well as its productivity. In addition, the location of foreign firms in these industries is also motivated by the desire to follow their competitors. Furthermore, the integration of the Vietnamese economy into the regional and international ones seems to have a positive impact on the location of this investment. Our results seem to show that the location of foreign firms in the Vietnamese export-oriented industries is done in priority in order to export to the ASEAN market, followed by the American and the European ones. Moreover, the integration of the Vietnamese market into the regional and international markets makes the size of the third market that more important.

Keywords: Export-platform foreign direct investment, strategic behavior, multinational firm, export-oriented industries, Vietnam

Is Hong Kong competing with Mainland China in attracting FDI from Canada

William X Wei, Grant MacEwan University, Canada

This article focuses on the characteristics and location determinants of Canadian FDI activities in China since both large and small sample studies on Canadian FDI in China are conspicuously rare. In the first place, it answers how large is Canadian FDI in China, which industries are Canadian MNEs investing in China and where are they located in China. More importantly, it examines the location determinants of Canadian FDI in China through a comparative empirical study with those in Hong Kong. Finally, it looks at the future trends of Canadian FDI activities and concludes Hong Kong's position in Canadian FDI in China.

It is argued that the potentiality of Canadian MNEs' presence in China has far been reached, albeit Canada ranked eleventh among FDI source countries and ranked the fourth (both in terms of cumulative FDI from

1978 to 2002) after the Triad (the US, the EU and Japan) among the developed economies in the Chinese market. To date, several trends of Canadian FDI in China can be identified. They are as follows:

At the initial stage, it is acknowledged that the majority of Canadian offshore investments were targeted at serving growing Asia (China) and existing clients in the area, rather than to seek cheaper offshore production bases for goods destined for sale in Canada (APFC, 2005). Our result shows that this trend has changed at the present because the integrative trade associated with Canadian FDI to China is gaining in importance. It can be concluded that the increasing Sino-Canadian trade¹ will influence Canadian business presence in China significantly. As many production facilities aimed at supplying developed economies (especially the US) shift to Asia (China), particularly to China, Canadian MNEs will be obliged to set up facilities in Asia (China) or risk losing their place as suppliers (Many Canadian investments in Asia have been aimed at supplying Asian markets initially, APFC, 2004a).

Furthermore, high economic growth rate, low labor costs and the rising importance of service industry in GDP will play decisive roles in attracting Canadian FDI to China. Starting from 2000, service industry (e.g. telecommunication and financial services) has a higher percentage in Canadian FDI in Asia (China) as Canadian MNEs delivered CAN 6 billion in exports in service to Asia in 2002, equivalent to third of Canadian merchandise exports to Asia. With China's WTO accession and further opening up service sector, Canadian FDI in service industry will expand in Chinese market.

Apparently, the locational determinants of Canadian FDI to China and Hong Kong fall into different categories, which related directly to FDI sectoral breakdown. A large share of Canadian FDI in Hong Kong goes to financial service sectors such as banking and insurance; while Canadian FDI in China are mainly in capital-intensive and labor-intensive sectors such as natural resource and manufacturing industries. With Chinese mainland further opening its service sectors and improving its business environment, more and more Canadian businesses are expected to invest directly in China, in stead of using Hong Kong in developing their mainland business. However, this could only happen in a long run and Hong Kong is still maintaining absolute advantages as a service hub in attracting Canadian FDI. Another disadvantage of Hong Kong as a Canadian FDI destination is its high costs (labor, living and transportation costs for example), however, these factors are often counterbalanced by the quality of services and products offered in the area.

As far as Hong Kong's position as a trading and investment platform for Canadian FDI in China is concerned, several aspects related to this issue need to be highlighted.

First of all, institutional and economic factors such as sound legal protection (especially in IPR), low tax, good telecommunication and transportation infrastructure, professionalism in conducting international trade, the status as a free port as well as the strong position as a financial centre will maintain Hong Kong as an attractive destination of Canadian FDI in Asia Pacific.

In the second place, the recent implemented CEPA (The mainland and Hong Kong Closer Economic Partnership Arrangement) will grant Hong Kong opportunity in taking advantage of the further liberalized Chinese mainland market. To date, Hong Kong already played an RDC (Regional Distribution Centre) role to undertake vendor-managed inventory (VMI) for Canadian manufacturers in Pearl River Delta (APFC, 2005). Under CEPA, China will apply zero tariffs to 1108 Hong Kong-made products. This will attract Canadian companies further invest in Hong Kong in order to form production lines or form partnerships with Hong Kong manufacturers to produce less labor-intensive goods (e.g. environmental products) for mainland market.

Last but not least, cultural links and advantage in wide usage of English language will also be great helpful for Canadian business in choosing Hong Kong as an investment destination. It is noticeable that more than 300,000 people from Hong Kong immigrated to Canada before 1997. This has resulted in some 200,000 Chinese Canadians today living in Hong Kong. In this sense, Hong Kong not only positions itself as a bridge to the Chinese market, but this Canadian "Diaspora" cements strong people-to-people linkages with both China and Canada, thus playing an indisputable role in channelling Canadian business to China.

¹ According to MOFCOM, Sino-Canadian bilateral trade in 1970 was only USD161 million. The Sino-Canadian trade volume in 2004 reached a record of USD 15.5 billion, an increase of around 100 times. To date, China ranks as the second biggest trading partner of Canada and Canada the tenth of China.

Session 3f: Corporate Governance & Responsibility Chair: Amon Chizema, Loughborough University, UK

Economic Organization and Social Solidarity: Can Keiretsu be Universal?

Tomoko Oikawa, University of Limerick, Ireland

Keiretsu has been well known in business as an economic organization, not only in Japan, but also in the West, and as a result, a lot of studies have been carried out from various points of view. Most studies carried out on keiretsu predominantly define it as bank-centred business groups. In other words, they focused on the horizontal keiretsu. When studies focus on the vertical keiretsu, i.e. subcontracting relationships, such subcontractors are limited to those listed on the first section of the Tokyo Stock Exchange. While they are a part of subcontractors, other small and medium sized enterprises are underpinning the vertical keiretsu, accounting for 99 per cent of the whole. In fact, vertical keiretsu is more important in performance. However, few studies have focused on this aspect of a whole vertical keiretsu. Further or as a consequence, few studies have been completed in terms of its definition or its concept by economists or sociologists alike. Correspondingly, many alternative terms are applied to keiretsu. In this context, it is needed to find out what the nature of keiretsu is. It would be crucial for us to distinguish an economic organisation from others and to understand its strength in some ways. For this purpose of understanding an economic organisation, we focused on the vertical keiretsu as a whole and tried to find out the definition and the concept of the keiretsu. Indeed, economic sociologists have given a clue, Gerlach and Granovetter, in particular. Gerlach raised a critical question for the concept of the keiretsu, namely "what is the nature of keiretsu?" Most importantly, Granovetter proposed the concept of business groups, which included the keiretsu in Japan, the chaebol in Korea, and so on. In his definition of business groups, Granovetter distinguished business groups through the existence of the principles of social solidarity and social structure among component firms from other business groups, which are united by common financial origins as in American conglomerates. He suggested that these principles can be region, political party, ethnicity, kinship or religion. It would be the key issue that what the principles of social solidarity and social structure of a particular economic organisation are and this is to identify the concept of keiretsu.

We conjectured that the concept of keiretsu is essentially derived from the principles of social solidarity based on the cultural system in Japan. In order to find out the principles of keiretsu, we used a linguistic approach based on the thoughts of Sapir and Hofstede, in particular. In line with them, a linguistic sociologist Suzuki pointed out that the significance of self in relation to others in linguistic terms is essential to recognize the core values in social relations in Japan and showed that the self reference and address of the Japanese language are clearly contrastive to the English language. Our finding is that the principles of keiretsu are the cultural values of trust and dependence, which are the core values in Japanese society. This implies that the keiretsu as an economic organization cannot be universal.

Keywords: Concept of keiretsu, Michael L. Gerlach, Mark Granovetter, Linguistic sociology, Takao Suzuki, Cultural values, Trust and dependence

Institutional Determinants of Good Corporate Governance: the Case of Nigeria

*Emmanuel Adegbite, City University London, UK
Chizu Nakajima, City University London, UK

In this paper, we present a case study of Nigeria to show that national corporate governance systems are endogenous responses to certain national and firm-specific institutional environments. We further show the emergence of institutional maintenance, a situation where regulatory reforms at the macro-industry level are unable to deconstruct the self-reinforcing institutional landscape, and effect a change in behavior. Consequentially, we point out some translational challenges in enacting uniform corporate governance practices across different institutional environments. We contribute to the literature on corporate governance in Africa, whilst creating an understanding of the institutional embeddedness of corporate governance in varieties of capitalism.

Keywords: Institutional theory; Institutional maintenance; Good Corporate Governance; Africa; Nigeria

Corporate Responsibility Practices of Multinational Subsidiaries – Models of Implementation

Eshani Beddewela, University of Bradford, UK

This paper investigates the implementation of Community Corporate Responsibility (CCR) practices of subsidiaries of Multinational Corporations (MNCs). Two areas of literature contribute to this paper: Corporate Social Performance (CSP) theory and International Business literature. It discusses the results of a qualitative case study research project conducted in Sri Lanka, utilising 10 subsidiaries of MNCs. Data for this study was collected through 52 in-depth interviews conducted with managers responsible for the implementation of CR practices in the subsidiaries. Based on a data analysis incorporating the principles of grounded theory method and utilising N Vivo 8 software, it presents two frameworks of implementation of Community CR practices. This research has limitations inherent to the case study research design, the qualitative context of the data and related data analysis. Although these limitations do not enable empirical generalisations from a positivist point of view, the depth of the study has resulted in the development of two emergent frameworks which could be further developed to be empirically tested through future research. These two preliminary frameworks offer new insights on how the internal implementation of Community CR practices occur within subsidiaries of MNCs. The preliminary findings show that subsidiaries' Community CR implementation is more complex than the principles-processes-outcomes approach advocated by CSP theorists. The findings further assert that Community CR is also greatly influenced by MNC head offices and their global CR mandates. As such it is evident that a type of 'standardization' of community CR practices is taking place within the ten subsidiaries in this study. The paper proposes the need to carryout future studies across different MNCs and their subsidiaries located in multiple developing countries to further examine in-depth the actual implementation of Community CR practices as it would enable policy makers to better influence the global Community CR agenda of MNCs.

Keywords: Corporate Responsibility, Multinational Corporations, Subsidiaries, Community Corporate Responsibility Implementation

Bridging the Gap? Corruption, Knowledge and Foreign Ownership

*Nigel Driffield, Aston University, UK

Tomek Mickiewicz, University College London, UK

We examine the links between institutions in host countries and the foreign ownership that firms in these countries attracts. We highlight large differences in institutional quality between home and host countries, and show that they result in lower foreign ownership stakes in the host country. For the set of European transition countries, we demonstrate that a standard result of high tech firms being more likely to invest abroad needs to be calibrated to take into account the institutional quality. Our estimates are based on a large matched firm-level panel data-set for 1997-2006, controlling for selectivity bias.

**Session 3g:
Economic Geography**

Chair: Gary Cook, University of Liverpool, UK

Spatial Filtering, Model Uncertainty and the Speed of Income Convergence in Europe

Jesús Crespo Cuaresma, University of Innsbruck, Austria

*Martin Feldkircher, Oesterreichische Nationalbank (Austrian Central Bank), Austria

In this paper we put forward a Bayesian Model Averaging method dealing with model uncertainty in the presence of potential spatial autocorrelation. The method uses spatial filtering in order to account for different types of spatial links. We contribute to existing methods that handle spatial dependence among observations by explicitly taking care of uncertainty stemming from the choice of a particular spatial structure. Our method is applied to estimate the conditional speed of income convergence across 255 NUTS-2 European regions for the period from 1995 to 2005. We show that the choice of a spatial weight matrix – and in particular the choice of a class thereof – can have an important effect on the estimates of the parameters attached to the model covariates. We also show that estimates of the speed of income convergence across European regions depend strongly on the form of the spatial patterns which are assumed to underlie the dataset. When we take into account this dimension of model uncertainty, the posterior distribution of the speed of convergence parameter has a large probability mass around a

rate of convergence of 1%, approximately half of the value which is usually reported in the literature.

Keywords: Model uncertainty, spatial filtering, determinants of economic growth, European regions.

A Linear Spatial Model with Monetary Restrictions

Dirk Ehnts, University of Oldenburg, Germany

Standard models of the New Economic Geography so far have not included the possibility to model economic imbalances. While from an empirical view the nations of the world can be divided into those running current account deficits and surpluses, the theoretical view has neglected this perspective. The reason is that money is not accounted for in the models. The resulting barter trade has to be balanced by definition. The linear footloose capital model is expanded to include an exchange rate and the possibility to run current account surpluses and deficits. The results mimic the issues of the transfer problem, a discussion of the 1920s between Ohlin and Keynes. This paper aims to develop a stepping stone from which to approach the monetary dimension of (international) industry location.

Keywords: transfer problem, international trade, New Economic Geography, monetary restrictions, economic imbalances

Geographical Context and the Emergence of Early Internationalizing Firms: Towards an Inter-Disciplinary Conceptualization

Mike Crone, Queen's University Belfast, UK

Existing studies of early internationalizing firms (aka born globals or international new ventures) have paid surprisingly little attention to the geographical context within which such firms emerge, how this context might influence their emergence and performance, or whether they are more likely to emerge in certain regional environments. Hence this paper seeks to contribute to the growing literature on international entrepreneurship by developing a preliminary conceptual model of the emergence of early internationalizing firms in geographical context. The model is developed from a three-part, interdisciplinary review of relevant literature. It seeks to build upon the resource-/knowledge-based view from the business and management literature by integrating insights from research in 'spatial disciplines' such as economic geography (notably work on clusters). In the model, a distinction is first made between upstream (pre start-up) and downstream (post start-up) phases. Various ways in which geographical context may influence firms' inheritance (upstream) and acquisition (downstream) of the resources, capabilities and knowledge required for early internationalization in each of these phases are then depicted. The model complements existing conceptualizations and may provide a basis for further empirical and conceptual work on geographical aspects of the early internationalization phenomenon.

Keywords: international new ventures; born globals; resource-based view; economic geography; clusters

Global Competition Versus Regional Interests: FDI and Pharmaceuticals in India

Mine Cinar, Loyola University Chicago, USA

*William Duperon, Loyola University Chicago, USA

This essay explores the economic dynamics of global competition versus regional interests corresponding to the treatment of intellectual property rights (IPRs) in India and the relative effects of such policies on its domestic pharmaceutical industry. The scope of considerations is formally limited to variables implicative of the transnational flow of capital within the pharmaceuticals industry, most specifically those pertaining to foreign direct investment (FDI).

India, as the second most populated country in the world, has been the focus of much discussion regarding patent violations in its pharmaceutical industry. Throughout much of the industry's history, neither pharmaceutical processes nor end products (such as pills or tablets) patents have been considered legally valid within the internal legal structure of India. International pressures and membership covenants of the World Trade Organization (WTO) have succeeded in structuring policy such that process patents are now legitimized. In recent years, end product patents have also found legitimacy in Indian rule of law. This has brought dilemmas between global and regional

conflicts of interest to open discussion, and has become a pressing political agenda among various industry stakeholders.

This paper discusses the history of Indian internal protection in the pharmaceutical industry and suggests ways in which India may continue to benefit when regulatory barriers are reduced and global trade covenants are abided. The structure of this essay is arranged as follows: it first examines trends in global FDI and Knowledge Process Outsourcing (KPO). It highlights changes to Indian policy, and subsequently discusses other matters associated with the protection of IPRs including parallel imports, price discrimination, and corruption. Lastly, suggestions are made for viable ways of enabling India to comply with WTO mandates for participation in the global marketplace, while concurrently attending to its domestic needs as well.

Session 4b:

Alliances, Clusters & New Ventures

Chair: Peter Gabrielsson, University of Vaasa, Finland

Investigating the Relationship between Alliance Entrepreneurship, Alliance Capability and Foreign Market Strategic Goals – Empirical Evidence

*Saba Khalid, University of Vaasa, Finland
Jorma Larimo, University of Vaasa, Finland

The fundamental argument of our study rests on the logic that value from alliance knowledge may be created not only through exploitation and augmentation of the existing knowledge base, but also, through entrepreneurial actions in accessing and integrating key strategic resources that exist in alliance relationship. However, the role of alliance entrepreneurship in the domain of alliance capability and in organizing alliance knowledge, with its effects on how alliance capability affects expansion after entry into foreign markets, is not fully captured in the previous studies. This study develops and empirically tests a model that specifically focuses on (1) to what extent alliance entrepreneurship relates to developing a common vision between alliance and organizational knowledge when firms enter and affects alliance capability, foreign market strategic goals, and new markets, and (2) to what extent alliance knowledge transfer barrier and learning orientation moderate the relationship between alliance entrepreneurship and alliance capability, and foreign market strategic goals. Later alliance capability is linked to satisfaction in achieving the foreign market strategic goals. Findings of our study have revealed a positive and significant relationship between alliance entrepreneurship, alliance capability and foreign market strategic goals. However more significant support is received for the model indicating the relationship between alliance entrepreneurship and alliance capability through moderating interaction effects of barriers to alliance knowledge transfer and firm level learning orientation.

Keywords: Alliance entrepreneurship, alliance capability, foreign market strategic goals

Momentum and Inertia in Cluster Development

*Peter Zettinig, Turku School of Economics, Finland
Zsuzsanna Vincze, Umeå University, Sweden

This paper constructs an analogy of Newton's Laws of Mechanics in the context of organisational cluster system development. Through the method of analogy we build inferences which transfer principles from physics to organisational science. A brief literature review (e.g. Weick 1976; Miller and Frazier 1980; Hannan and Friedman 1984; Dutton and Duncan 1987; Jennings and Lumpkin 1989; Amburgey and Miner 1992; Miller 1993; Sull 1999; Maljers et al. 1996; Jansen 2004; van Aken and Opednakker 2005; Miller and Katz 2006) looks at past conceptualisations of momentum and inertia and builds a theoretical framework of cluster system development, building an analogy between Newton's Laws. Through the analysis of qualitative longitudinal data of an internationalising bio-refinery cluster in Sweden we were able to better understand how organisational momentum and inertia on cluster-system level evolve over time.

We found in conclusion that the tradition in population ecology, resource dependence, contingency and other behavioural theories make useful contributions to understanding the evolutionary changes in cluster systems in particular and for organisations in general. While many of these traditional approaches use momentum and inertia concepts quite freely and sometimes detached from the original ideas of

the Laws of Mechanics we found it useful to draw a direct analogy which has the power to describe and also explain past organisational development. We believe that development of methods that use the explanatory and descriptive strength of our framework especially in combination with futures approaches might help to increase also the predictive power of this theory. Further research into this approach is desirable and there is a view that policy makers may greatly benefit from it by gaining new strategy-making tools, especially suited in a globalising world.

Growth Phases and Survival of International New Ventures: Empirical Evidence of Finnish Firms

*Peter Gabrielsson, University of Vaasa, Finland
Mika Gabrielsson, Aalto University, Finland

The growth phases and survival of international new ventures have not been the subject of extensive study. This paper recognizes two growth dimensions: global expansion and growth in the size of the firm. It further describes four phases that international new ventures are expected to pass through in becoming large MNCs and recognizes the differences between the born global and born international growth paths. Moreover, it develops a framework and propositions regarding the impact of the industry, resources and capabilities, entrepreneurial orientation, and lateral rigidity on the growth phases and survival of international new ventures. These are then examined empirically in firms originating from Finland, which is a typical small and open economy. The research finds that besides favorable industry environment, adequate resources and capabilities, especially strong networking capability is important for both growth and survival of these firms. In contradiction to earlier research high entrepreneurial orientation does not seem to lead to growth and survival on longer term. The article discusses also theoretical contributions, managerial implications and future study avenues.

Session 4c:

Location, Internationalisation & Entry Mode Choice

Chair: Elif Bascavusoglu-Moreau, Imperial College London, UK

How Home Country Environments in a Newly-Industrialised Country Impact on Domestic Firms' Expansion to International Markets?

Hsiang-Lin Cheng, Feng-Chia University, Taiwan

This study explores how executives' recognition of volatility in the domestic environment within a newly industrialised country (NIC) influences the international expansion by native firms. Empirically testing data collected from 2,912 Taiwanese firms in 2006, this study found a U-shaped curvilinear relationship between Taiwanese firms' expansion into overseas markets and the "product-customer volatility" and "competitive volatility" of Taiwan, revealing a two-stage approach to coping with domestic environmental volatility. However, "political volatility" can steadily increase firms' attempts to expand into overseas markets. The findings thus show the dynamic-fitting nature of NIC multinational enterprises' (MNEs) contingent responses to domestic conditions in expanding into foreign markets.

Ethnic (Offshore) Investors vs. Foreign Investors in Russia: Location and Entry Mode Choices

*Päivi Karhunen, Aalto University, Finland
Svetlana Ledyeva, Aalto University, Finland

This paper utilizes a unique data set of 10,214 firms with foreign ownership, which registered in Russia in the period of 1999-2008. The data was obtained from the Russian State Statistical Agency Rosstat. Using a binary logit model we study determinants of location and entry mode choices of two types of foreign investors: ethnic investors (i.e. Russian investors operating from well-known offshore countries such as Cyprus and British Virgin Islands) and "real" foreign investors. The main novelty of this study is that we make a first scientific trial analyzing to which degree foreignness *per se* explains the choices of location within Russia and of entry mode.

First we briefly describe patterns of Russian capital flight and outflows and its repatriation to Russia in the form of foreign investment during the post-socialist era. Capital flight and outflows from Russia were massive particularly in the 1990s, when the annual capital flight from Russia was estimated to be ca. \$15-20 billion. According to Rosstat

majority of Russian investment abroad in this period was in the form of bank deposits. However, in the 2000s trade and other credits have become the preferred form of capital export from Russia. Moreover, Russian aggregate foreign investment statistics, as well as our registry data for foreign-owned companies, clearly illustrate that the Russian capital is actively repatriated to Russia in the form of foreign investment. This is shown by the high share of well-known offshore countries Cyprus and British Virgin Islands among countries of origin for foreign investment.

Our empirical results can be summarized as follows. We find that there are notable differences in location and entry mode choices between the two groups of investors. We show that foreign investors of Russian origin invest more in extractive industries, prefer higher control entry modes and establish firms with larger capital size than “real” foreign investors. In addition, institutional factors such as high legislative risk and high corruption level in a particular Russian region are significantly more important retarding factors for “real” foreign investors than for foreign investors of Russian origin. Moreover, foreign investors of Russian origin are more likely to choose full ownership when entering to Russian regions with higher criminal and economic risks. This finding distinguishes investors of Russian origin from “real” foreign investors, who often need to share ownership with a local partner in order to reduce their exposure to risk. Along with our other results this finding indicates that ethnicity of the foreign investor is an important determinant of foreign entry strategy.

Determinants of International Joint Venture Performance Measurement: A Theoretical Framework

*Huu Le Nguyen, University of Vaasa, Finland
Jorma Larimo, University of Vaasa, Finland

International joint ventures (IJVs) have increasingly their role in business world and also in research field of international business. There have been a lot of studies related to determinant factors of IJV performance. However, there are very few studies focusing on the measurement of IJV performance. Especially, researchers have ignored how foreign parent firms really choose their measures in the evaluation of their IJV performance. This research investigates determinant factors of performance measures of IJVs. Determinant factors of IJV performance measures include motives for establishment, establishment mode, location of IJVs, distribution of ownership in IJVs, cultural background of parent firms, and trust between partners, IJV life stages, parent firms’ international experience, and relatedness of the IJVs to their parents. Performance measures are divided into financial measures and non-financial measures. The paper shows how different determinant factors are expected to lead foreign parent firms preferring one kind of measure over the other.

Keywords: international joint ventures, performance measurement, non-financial measures, financial measures.

Session 4e: Finance & Globalisation

Chair: Jenny Berrill, Trinity College Dublin, Ireland

Are Chinese Banks Exposed to Foreign Exchange Rate Movements?

Elaine Hutson, University College Dublin, Ireland
*Min Ye, University College Dublin, Ireland

In this paper we explore the foreign exchange risk of China’s banks. Using daily equity price data for the 14 Chinese listed banks during the period July 2005 to September 2009, we find that they are highly exposed to exchange rate movements. We also find that the sensitivities to exchange rate changes of the twin shares of Chinese dual-listed banks (those listed in China and Hong Kong) are very different – not only in magnitude but also in sign. By breaking our data period into two subperiods, we find that although the renminbi has become de facto fixed against the dollar since September 2008, estimated exchange exposure is larger after this date than before, for most Chinese banks. Further, the sensitivities to exchange rate changes of local shares of Chinese banks went from being from positive before September 2008 to negative afterward. The may be due to a reduction of “hot money” flows into the Chinese stock market.

Internationalisation, Financial Incentives and Firm Growth: Evidence from Italy

Mariasoletto Bannò, Università degli Studi di Brescia, Italy
Lucia Piscitello, Politecnico di Milano, Italy
*Celeste Amorim Varum, Universidade de Aveiro, Portugal

As a result of the intensifying globalization of the world’s economies, internationalization has become increasingly important for the long-term viability of business organizations. From a national standpoint, the engagement of companies in international business is regarded as one effective way of coping with trade deficit problems and loss of competitiveness experienced by many developed and developing countries. An environment that supports firms’ internationalisation and growth is indispensable for the success of domestic firms. While in the past the most policy schemes were directed at export promotion, in the last decade several home country measures (HCMs) have been launched by the several Governments to encourage internationalisation through foreign investment. Policy makers are increasingly concerned with the role and effectiveness of such policy schemes. Most research on policies towards internationalisation does not focus on FDI but on other types of international activities, like exports. In the field of outward foreign direct investment (O-FDI hereafter), the role of formal policy of the capital-exporting country to promote O-FDI have been largely neglected (Te Velde 2007; UNCTAD 2001).

The present paper aims at filling this gap, by providing an empirical analysis on the efficiency of financial incentives towards O-FDI. Specifically, we aim at testing the direct impact of public incentives to internationalisation upon the firms’ growth. The analysis is conducted on data from 237 Italian firms that received an incentive to promote Italian companies’ FDI outside the European Union in the period 1991-2007 vs. a counterfactual sample of firms that internationalised their activity in the same period without any incentive. This is (one of) the first attempts to develop a rigorous evaluation of a policy for the firms’ outward internationalisation exploiting the availability of detailed information on the functioning of the program of incentives. We hope thereby to contribute to the discussion of the effects on firm performance of these policies. To study the issue is challenging also from a methodological perspective, as there is an increasingly perceived need for improving and developing adequate methodologies for public policy evaluation. The econometric results, stemming from a two step treatment effect model, reveal that selection for getting the incentive is not a random event, and that incentives are highly effective especially when targeted towards smaller companies. From our results we derive policy implications and conclude that there is a need and ample scope for further research on measuring and assessing the effectiveness of home country policy measures towards O-FDI.

Towards a Financial Theory of the Global Firm: Arbitrage, Conjuncture and Relative Earnings Capacity

*Edward Lee, University of Hertfordshire, UK
Tord Andersson, University of Hertfordshire, UK
Nick Tsitsianis, University of Hertfordshire, UK
George Katechos, University of Hertfordshire, UK
Colin Haslam, University of Hertfordshire, UK

The intention of this article is to move towards constructing a financial theory of the global firm. To do this we employ three organising conceptual elements: first, the element of global *market arbitrage*. This presumes that markets are not in equilibrium but subject to continuous disturbance where corporate intelligence about these asymmetries within and across global markets deployed to modify contractual relations with stakeholders adjusting the sphere of a firm’s ownership and control for pecuniary gain. Second, the notion of *conjunctural break* where in an era of shareholder value, incentives align managerial and shareholder interests towards boosting relative earnings capacity (Cash ROCE) for corporate value creation and value absorption. Third, a financial model that reveals a firm’s *relative earnings capacity*. Constructing a financial theory of the firm from these elements reveals the difficulties associated with modifying relative earnings capacity when contradictory forces frustrate outcomes and restrict achievement.

Keywords: global market arbitrage, off-shoring, shareholder value, relative corporate financial performance.

Session 4f:

Firm-Level Internationalisation

Chair: Johanna Hallbäck, University of Vaasa, Finland

Rapid Internationalization of Traditional SMEs: Between Stage Models and Born Globals

*Igor Kalinic, Università di Padova, Italy
Cipriano Forza, Università di Padova, Italy

In the last 15 years, several traditional Small-Medium Enterprises (SMEs) have rapidly internationalized operations in psychic distant countries with limited market knowledge, limited use of networks, and limited international experience of the entrepreneurs. The overall purpose of this paper is to draw research attention to this internationalization phenomenon that we call Production-Oriented Internationalization (POI) of traditional SMEs.

We describe the peculiar path followed by SMEs during POI by analyzing five case firms from Italy, and show that the leading literature does not contemplate it. We argue that traditional SMEs are able to speed up their internationalization process (from gradual to rapid) thus, becoming actual international players. Given the high relevance of the traditional SMEs in many national economies (e.g. Italy, Spain, Portugal, Denmark), it is interesting to study how these firms can catch up rapidly with the increasing global competition.

Going Global: Why Some Firms from Emerging Markets are More Successful at International Expansion than Others

*Sourindra Banerjee, University of Cambridge, UK
Jaideep Prabhu, University of Cambridge, UK

The recent rapid internationalization of firms from emerging markets has generated a great deal of interest among academics and practitioners alike. How did firms from economies that were protected for so long and therefore seemingly uncompetitive achieve such remarkable global expansion? In this paper we argue that the CEOs of emerging market firms have a particularly influential role to play in their internationalization. In particular, we argue that firms with CEOs who gained knowledge of foreign markets through education or experience are more successful at internationalization than others, especially if these firms also belong to business group. We also develop a firm specific variable called preparedness—defined as a firm's state of readiness for internationalization attained by the adoption of global business practices—and show that business group firms whose CEOs had foreign market knowledge are more likely to be better prepared for internationalization than others. We test our hypotheses using 23 years of data (1986 to 2008) on 255 domestic, non-state owned firms from the BSE 500 index of the Bombay Stock Exchange. Our results provide broad support for our hypotheses.

Keywords: Emerging Markets, CEO, Business Groups, Internationalization

The Impact of Firm Characteristics, Industry Drivers and Environmental Influences on Export Intensity: An Analysis of MNE Subsidiaries

Pavlos Dimitratos, Athens University of Economics and Business, Greece
Dimitris Manolopoulos, American University of Greece, Greece
*Stephen Young, University of Glasgow, UK

We complement existing literature by examining the determinants of export intensity of MNE subsidiaries based in an advancing European peripheral economy, namely Greece. Building on existing diverse research studies from different perspectives, we argue that subsidiary export activities can be modeled through an integrated framework; incorporating elements from both their internal environment (firm-level characteristics) and external sources (industry drivers and environmental influences). The results show that the proposed approach could provide important insights into the export determinants of subsidiaries. Our findings partially challenge the conventional wisdom on the importance of industry conditions and some commonly studied micro-level controllable factors (firm characteristics and competencies). In particular, the evidence indicates that our expectation of high export intensities of product mandates is confirmed; yet subsidiaries formed through greenfield investments score higher in terms of export intensity than those established through mergers and acquisitions. A key finding of this paper is also the positive association of the economic freedom of the export destination country with increased subsidiary activities; bearing important research and managerial implications.

Keywords: MNE subsidiary, export intensity, Greece

Firm-Level Corporate Governance Features and the Foreign Exchange Exposure of US Corporations

Elaine Hutson, University College Dublin, Ireland
*Elaine Laing, University College Dublin, Ireland

We examine whether firm-level corporate governance features affect the firm's foreign exchange exposure. Using a sample of 1479 firms listed on major stock exchanges in the United States for the period 1999 to 2009, we report that 14.3% of U.S. firms exposed to exchange rate fluctuations, which is consistent with prior research. We also find, when re-estimating the first stage regressions using the euro and yen bilateral exchange rates, that there is little difference in the recorded level of foreign exchange exposure compared to estimates using the trade-weighted exchange rate. We then conduct a pooled cross-sectional regression using the corporate governance entrenchment index (the e-index) as the independent variable of interest on a subsample of 461 firms. Using a comprehensive set of control variables, we find a significantly positive relation between the firm's e-index and its foreign exchange exposure. As higher values for the e-index indicate greater managerial entrenchment, this is consistent with the notion that firms with poor corporate governance are more exposed to exchange rate changes than those with good corporate governance. An explanation for this finding relates to incentives for hedging. A strong corporate governance environment should be associated with a greater likelihood of managers acting in stockholders' interests and adding value by hedging foreign exchange risks.

Session 4g:

International Business History

Chair: Elisabeth Paulet, ESCEM Tours-Poitiers-Paris, France

Conceptualizing the Business of Space: A Globalization Perspective

*Alessandra Vecchi, Trinity College Dublin, Ireland
Louis Brennan, Trinity College Dublin, Ireland

Globalization has been characterised as the inexorable integration of markets, transportation systems, and communication systems to a degree never witnessed before – in a way that is enabling corporations, countries, and individuals to reach around the world farther, faster, deeper, and cheaper than ever before (Friedman 1999). Similarly, major strands of contemporary Globalization research have been permeated by geographical concepts (“space-time compression”, “space of flows”, “space of places”, “de-territorialization”, “globalization” the “global-local nexus”, “supra-territoriality”, “diasporas”, “trans-localities”, and “scapes” among many other terms). Meanwhile Globalization researchers have begun to deploy a plethora of distinctively geographical prefixes (e.g. “sub-”, “supra-”, “trans-”, “meso-” and “inter-”), to describe various emergent social processes that appear to operate below, above, beyond, or between entrenched geopolitical boundaries. The objective of this paper is to assess these trends in relation to the evolution of the space industry. It emerges that the evolution of the industry is driven by an ongoing process of “de-territorialisation” (which started during the Cold War era and was mainly fuelled by the Space Race) and “re-territorialisation” (mostly featuring in the Globalization era).

Globalisation, Financial Innovation and National Governance: 16th - 19th century

*Elisabeth Paulet, ESCEM Tours-Poitiers-Paris, France
Philippe Norel, Université de Poitiers, France

Looking beyond the recognized periods of globalization (1860-1914 and 1985 to present day), these processes are put forward as synergies between the geographic expansion of trade and increasing market regulation. We are proposing to go further by showing that this overseas expansion had a stimulating influence on the creation itself and then on the transformation of national institutions of the market economy, namely of factor markets and particularly, the capital market. This article will be presented in two sections. After analyzing the relationship between international trade and financial innovation in the area of negotiable instruments and securities (part 1), we shall look at the changes that took place in the banking sector within this same framework (part 2). It will then show how a crucial factor in allowing this synergy to develop was the granting of substantial residual power to private agents by national governance. We shall conclude with a few

theoretical viewpoints on this historic influence of foreign trade expansion on financial innovation.

The Demise of the Halcyon Days in Hungary

*Ádám Banai, Magyar Nemzeti Bank (Central Bank of Hungary), Hungary
Júlia Király, Magyar Nemzeti Bank (Central Bank of Hungary), Hungary
Márton Nagy, Magyar Nemzeti Bank (Central Bank of Hungary), Hungary

From October 2008 following the collapse of Lehman Brothers, Hungary was affected by a severe financial/liquidity crisis, which threatened to paralyse the entire financial system, followed by a deep recession. Numerous studies have been written on the consequences of the crisis for the Hungarian economy and the banking system. However, to the best of our knowledge, this is the first paper to examine the asymmetries in the behaviour of the two main strategic groups ('foreign banks' and 'local banks') of Hungarian banks in the pre and post Lehman period (from the end of 1999 until August 2009). The 'foreign banks' group is comprised of institutions in which foreign strategic investors acquired majority ownership and the 'local banks' group includes entities either held in majority by domestic (state) investors or traded among owners in the stock market. The study examines the performance of the two groups before the Lehman-collapse and their divergent behaviour during the crisis.

Session 5b:

Culture & Cross-Cultural Management

Chair: Markus G Kittler, University of Stirling, UK

Antecedents and Consequences of International Key Account Management Capabilities: the Role of Culture and Information Technology

Ruey-Jer (Bryan) Jean, National Chengchi University, Taiwan
*Rudolf Sinkovics, The University of Manchester, UK
Daekwan Kim, Florida State University, USA

Key account management plays a pivotal role for managers and practitioners in maintaining successful customer-supplier relationships. Yet, little is known conceptually and empirically as to how suppliers can move beyond customer orientation and should develop international key account management capabilities in international customer-supplier relationships. Drawing from resource-based view and relational exchange literature, we develop and test a model of antecedents and performance implications of supplier international key account management capabilities. In addition, the moderating effects of cultural distance and supplier information technology advancement are examined. An analysis of 246 Taiwanese electronics suppliers reveals that customer orientation and trust are recognized as being critical to develop supplier international key account management capabilities. Moreover, these key account management capabilities can facilitate supplier market performance. Importantly, cultural distance and supplier IT advancement moderate the impact of customer orientation on the development of key account management in international exchange relationships.

Keywords: International key account management capabilities, customer orientation, cultural distance, information technology, international exchange relationships

Assets Characteristics and Cultural Influences on Share ownership by Foreign Partners in Cross-border Joint Ventures

Sougand Golesorkhi, Manchester Metropolitan University, UK
Mike Bowe, The University of Manchester, UK
*Mo Yamin, The University of Manchester, UK

Applying insights from the measurement branch of property rights theory of the firm, this paper propose that the assets characteristics contributed by foreign partners in cross-border joint ventures (IJV) is significantly related to their equity share ownership. More specifically this paper investigates the interaction between assets characteristics contributed by the foreign partner and cultural distance in determining the ownership structure of IJVs. We empirically test to determine whether the impact of cultural distance is to enhance or decrease the effect of assets characteristics on share ownership of the foreign partners. In particular, we empirically test the interaction between assets characteristics and liability of the foreigners in the specific context of "home-foreign" joint ventures where the joint venture is 'located' in the home market of one of the partners. Our results show a positive

relationship between the (relative) specificity of assets contributed to the IJV by foreign partners and the likelihood of their owning a larger share of the IJV equity. Importantly, we also find that cultural distance between the 'home' and foreign partner negatively affects this relationship.

The Diorama: The Impact of Gender and Ethnic 'Native Categories' on Cross-Cultural Management in a Transnational Automobile Manufacturer

Fiona Moore, Royal Holloway, University of London, UK

This paper is a case study of an incident which took place during ethnographic fieldwork at BMW MINI in 2003, involving the establishment of a diorama in the plant. This incident is analysed in light of the literature on "native categories" in business, exposing the tacit tensions within the organisation over ethnicity and gender. The aims of the paper are to explore the ways in which the diorama reflected and contributed to unspoken tensions within the workplace relating to ethnicity and gender; second, to consider the role of the German dominance effect on the workforce through the analysis of British and German native categories of ethnicity and gender, and, finally, to examine the implications of these for our understanding of how cross-cultural management activities can be successfully carried out in merged organisations.

Initially, I will outline the literature on native categories in multinational organisations, explain the ethnographic approach and mode of analysis of the study, and briefly define the fieldsite. I will then describe the diorama (which depicted three white male workers building a car, observed by a white male manager and a white female visitor), and staff reactions to it; although workers commented negatively on the monoethnicity of the imagery, they seemed less perturbed about the gender stereotyping, and the managers appeared not to be aware that there was a problem with the diorama at all.

I will then consider how the images in the diorama reflected the dominance of German images of ethnicity and gender in the workplace, where discourses of ethnic identity have less to do with visible minority status than in the UK, but where, as in the UK, women are considered the exception, rather than the norm, in car factories. I will consider how discrepancies between the German and British native categories of the same identities exposed tensions between the German owners and the British managers and workforce which pervaded the organisation in other areas, and affected the Germans' ability to integrate the British plant into the multinational corporation. I thus argue that understanding and management of native categories are crucial to successful cross-cultural management in the merged organisation, and also that such categories are difficult to determine without at least some amount of ethnographic work by a researcher fully immersed within the organisation.

The conclusions of this case study are thus, firstly, that the management of gender and ethnicity within BMW were affected by the tacit "native categories" of the British and German managers and workers, and their respective dominance statuses in the organisation, throwing up problems of which the managers were not consciously aware. Secondly, that taking a native categories approach to cross-cultural management reveals areas of friction, and sheds light on potential and actual problems in merged or merging organisations, which are not revealed, or not to the same extent, by other approaches. Finally, that ethnographic research could play a useful role in International Business studies in terms of identifying, defining and outlining the impact of, native categories within organisations, for the benefit of both managers and researchers.

Geocentric Aspirations, Ethnocentric Backlash, and Polycentric Adaptations: Towards an Individual- and Culture-Based Theory of Managing the MNC

Lena Zander, Uppsala University, Sweden

What would the implications be if the management of a multinational company (MNC) did not reflect globalization or regionalism but national cultures? In this paper, we argue that the national origin of key individuals in a MNC is highly relevant as it makes it unlikely for the MNC to become truly global, i.e. assume a 'geocentric' stance in the Perlmutterian sense. Drawing on extant literature, there also seems to be limited evidence for regionally based, i.e. regiocentric, management. Our theory explains why MNCs fail to fulfill geocentric aspirations, suffer ethnocentric backlashes and resort to polycentric management in their globalization endeavors.

By responding to recent calls for investigating micro-foundations of a research field, and to integrate more complex effects of culture in theory building in international business, we attempt to develop an individual- and culture-based theory of managing the MNC. Drawing on the international management and cross-cultural management literatures three propositions are formulated. Key individuals (founders, owners, executives, and managers), formed by primary socialization, will act as national culture 'carriers' fundamentally influencing MNC management. These culture carriers will select, create, assume, maintain and perpetuate national culture-based management models when managing the MNC. Furthermore, we propose that managing the MNC will be characterized by a repetitive oscillating ethnocentric-polycentric pattern, instead of a unidirectional evolutionary pattern towards geocentrism as Perlmutter envisioned. A geocentric end-state that resonates well with MNCs' contemporary global aspirations, as well as state-of-the-art research on global mindsets and global leadership.

Since Perlmutter's visions 40 years ago globalization is on the rise, and the idea and rhetoric of geocentrically managed global multinationals has spread among practitioners. Although our theory explains why geocentric management remains elusive, times are changing and as cultural diversity increases among key influential individuals, such as MNC founders, owners, executives and managers, global geocentrically managed firms may eventually become a reality. We do acknowledge that MNCs will increasingly employ individuals with more complex cultural backgrounds or secondary socialization, e.g., 'biculturals', 'hybrids', and 'cosmopolitans' to mention a few. It is our contention that the transition from nationally dominated key individuals in MNCs remains slow as homosocial reproduction forces are in play. But as we propose that key individual's national culture will influence choices of how to manage and organize multinationals, we also believe that the power of ideas in the hands of individuals should not be underestimated.

Session 5c: Knowledge & Entry Modes

Chair: Tamer Cavusgil, Georgia State University, USA

The Barriers to Internationalisation faced by Young Innovative SMEs Hannah Chaplin, UK Trade & Investment, UK

Using data from a survey of a stratified random sample of 900 internationalising firms carried out in 2008 this paper examines the barriers to internationalisation faced by young innovative SMEs. The results indicate that young technology intensive firms are more likely than non-innovative firms to report barriers to internationalisation. When compared to the whole sample, young innovative SMEs are significantly more likely to experience difficulties in obtaining basic information about doing business in an overseas country, and with the costs of doing business overseas. Factor analysis suggests that young, innovative SMEs which internationalise through non-traditional modes differ with regard to their perceptions of barriers to internationalisation from those who sell directly to customers overseas.

Keywords: Internationalisation, barriers, innovation, factor analysis

Antecedents of Marketing Integration in Cross-Border Mergers and Acquisitions: Evidence from Malaysia and Indonesia *Mohd Haniff Jedin, The University of Manchester, UK Rudolf Sinkovics, The University of Manchester, UK

The most challenging part in the cross-border M&As, is the integration of two different firms that feature different management styles and organizational cultures. Once the integration seeps deeper into functional levels, strategic level M&A commitment is faced with operational implementation issues. The marketing departmental function is usually heavily involved in this integration process. Research on marketing integration related to M&As has so far paid little attention to the combination of similar resources between two similar departments, particularly in the cross-border M&A context. Furthermore, existing research does not clearly demonstrate success factors that contribute to the marketing integration process in M&As. Hence, we introduce four factors: collaboration, interaction, marketing synergy combination and re-alignment of marketing resources in order to improve the M&A marketing integration which thereby enhancing the M&A performance. Result indicates that marketing synergy combination and re-alignment of marketing resources have strong significant impact towards the extent of marketing integration. Meanwhile, there is a striking result pertaining to the relationships between interaction and

the speed of marketing integration which is significantly important but negatively influenced.

Keywords: Marketing integration, Mergers and acquisitions

A Small Open Economy Perspective on Innovation Capacities in Advanced Economies

Eleanor Doyle, University College Cork, Ireland
*Fergal O'Connor, University College Cork, Ireland
Adrian Kuah, University of Bradford, UK

This paper offers an empirical examination of the determinants of innovation, measured as patents, across a sample of twenty three advanced economies, consisting of a sample of OECD countries and Singapore. The approach employed is based on estimating National Innovation Capacity that focuses on the long-run ability of economies to produce and/or commercialize innovative technologies, in the spirit of Furman, Porter and Stern, (2002). The time period of our analysis covers 1993 to 2005 incorporating panel estimation.

Motivated by differences in the rate of innovation between economies with different economic structures we examine the Small Open Economies (SOEs) chosen from this country sample to assess whether there is a significant difference between the determinants of Innovative Capacity in SOEs and the other developed economies. A number of alternative specifications are estimated.

We find that advanced SOEs and larger economies do not differ substantially in their determinants of patenting activities and, notwithstanding the limitations of patents as measures of innovative activity, we conclude that policy choice and variation plays a key role in determining the productivity of R&D, when measured as patenting activity.

Does Performance Matter in Service MNCs' Strategic Choice of Entry Mode?

Zeng Yu Huang, University College Dublin, Ireland
*Xia Han, University College Dublin, Ireland

An important decision faced by foreign investing firms is the choice of ownership level in a host country subsidiary (Contractor and Kundu 1998; Li 1995). Many studies have examined the choice between different entry modes by service MNCs, in which emphasized strategic issues such as separating ownership and control of modal choice propensity (Brown et al 2003), partnership selection (Dev et al. 2007). There is also a general agreement that foreign market entry research so far have focused on firms' initial investment decisions, previous scholarship largely neglected the impacts of entry mode choice on firm's performance (Brouthers and Werner 2003; Canaball and White 2008; Kim and Gray 2008), and subsequent expansion (Beamish 2004; Demirbag et al. 2007; Gielens and Dekimpe 2001). Given the strategic decisions made by company following their entry are crucial in determining whether or not they will be successful in the market accessed, it is necessary to include the performance and expansion dimensions into the investigation of firm's internationalisation process (Beamish 2004; Brouthers 2003). The premise of this study claim that post-entry performance of service MNCs depend on a set of common factors, include the dissipation of intangible assets, firm scale, learning and experience, government regulations, parent control, and speed of expansion, as those determining the ownership structure used to enter foreign markets. International hotel firms entering mainland of China would be employed as the research context of this study as the hotel industry provides an interesting setting in which to investigate foreign market entry modes (Dev et al. 2007; Quer et al. 2007).

Session 5e: Outward FDI

Chair: Louis Brennan, Trinity College Dublin, Ireland

Home Country Measures for Outward FDI: An Analysis at the Regional Level

Mariasole Bannò, Università degli Studi di Brescia, Italy
Lucia Piscitello, Politecnico di Milano, Italy
*Celeste Amorim Varum, Universidade de Aveiro, Portugal

The promotion of outward investment through a number of home country measures has become prominent in recent years (hereafter HCMs) (UNCTAD, 2001). Scope and justification for public intervention are motivated by two reasons. First, HCMs can correct for market and coordination failures and, second, they are good for home country development (UNCTAD, 2001). In particular, governments may provide policy measures in the attempt to encourage investment activity and hence induce business growth and competitiveness and reduce regional disparities (Atzeni and Carboni, 2008; Craig et al., 2008; Skuras and Tzelepis, 2004; Haapanen et al., 2005). Nevertheless, public intervention can limit competition and give rise to market inefficiencies (Wollman, 2007). Moreover, when public incentives substitute for resources that can be traded on markets and support projects that would take place in any case, they generate a net transfer of resources from taxpayers to granted firms (the so-called deadweight effect; see Marglin, 1963). Although many empirical analyses on the impact of policy measures on the level of investments have been carried out, there is no agreement on their effectiveness. Indeed, the policy and regulatory stance of the capital-exporting country has been largely neglected and HCMs towards O-FDI are scarcely discussed in the literature.

The relative scarcity of empirical studies of the impacts of these FDI-specific policies is surprising in light of the strong policy interest in the issue and the active role towards FDI that government policy in most countries has taken.

Within this context, this study investigates the effectiveness of Italian HCMs by developing an empirical model that uses information on the population of Italian firms that received incentives from 2000-2006. Data, aggregated at the regional level, refer to the major public tools addressed to promoting Italian companies' FDIs outside the European Union. The objective is to identify the effectiveness of investment support by measuring the impact of different HCMs on regional levels of internationalisation.

The analysis suggests that not all the provided measures generate intended effects. In particular financial incentives (i.e. equity and venture capital funds) and regional service encourage investment activity and hence can induce business growth and competitiveness and reduce regional disparities. On the contrary, feasibility studies and other public services seem to be ineffective, as they do not generate an increase in the level of internationalisation.

The Persistence of Outward Foreign Direct Investment from German Manufacturing Industries

*Heinz Tüselmann, Manchester Metropolitan University, UK
Martin Bohl, Westfälische Wilhelms-Universität Münster, Germany
Frank McDonald, University of Bradford, UK
Svitlana Voronkova, ZEW Centre for European Economic Research, Germany
Paul Windrum, University of Nottingham, UK

Against the backdrop of critique that the German business system hinders the ability of companies to successfully adjust to rapid change and exogenous shocks in wake of economic globalisation, this paper investigates the degree of shock persistence in foreign direct investment (FDI) of ten German manufacturing industries for the period 1976 to 2003. Theory on exports and non-FDI investment suggests that FDI should exhibit a considerable degree of shock persistence because they are subject to high sunk costs because of high entry and exit costs associated with the high level of asset specificity that is normally connected to FDI. Persistence in foreign direct investment time series data is established by applying various unit root tests. The results are robust to the potential presence of structural breaks in the data. The empirical analysis shows that German outward FDI in mature manufacturing industries, with one exception, exhibits a high degree of shock persistence. The results suggest, at least for mature German industries, that the sunk costs view on shock persistency is confirmed for outward FDI. Although the results do not allow direct inferences as to

the adequacy of the German business system in times of crises, they provide some interesting pointers.

Keywords: Germany, foreign direct investment, shock persistence, structural breaks, hysteresis

Home Country Macro-economic Determinants of the Outward FDI of Japan, Korea and China – Does an East Asia Model Exist?

Ling Liu, The University of Edinburgh, UK
*Presented by Simon Harris, The University of Edinburgh, UK

The paper aims to examine the relationships between the home country-specific macroeconomic determinants and the outward FDI of Japan, Korea and China. The estimation model includes the FDI outflows of each country as a dependent variable, and seven home country-specific macroeconomic determinants—national income, openness of the economy to international trade, labour cost, foreign exchange reserve, interest rate, exchange rate and exchange rate volatility—as explanatory variables. By conducting the Ordinary Least Squares estimation with the time-series data from 1960, 1970 and 1982 to 2007 for Japan, Korea and China, respectively, the estimation results produce the three important findings. First, the three countries show the positive relationship between national income and the level of outward direct investment. They also show the sensitivity to production cost at home, rising labor costs in the cases of Japan and Korea, and high interest rate in the cases of Korea and China, respectively. Second, the outward FDI of China shares more similarities with that of Korea. It is a significant finding that KODI and CODI converge to the equivalent relationships with the same macroeconomic variables - foreign exchange reserve and exchange rate - while Japan does not exhibit the same behavior. Third, trade was significantly and positively related to CODI, but its effect was insignificant for JODI and KODI.

The Influence of Exports on Outward Foreign Direct Investment: The Case of India

Rakhi Verma, Trinity College Dublin, Ireland
*Louis Brennan, Trinity College Dublin, Ireland

During the 1990s some developing countries especially from Asia started to emerge as major sources of world foreign direct investment. Around the same period, annual flows of Indian outward foreign direct investment (OFDI) increased at an unprecedented pace. India's rise as an investor in developing and developed countries and in international production is driven by several internal as well as external factors. The effect of this pronounced internationalization growth on India's economy depends in part on the relationship between OFDI and exports.

Despite a large volume of econometric literature on OFDI from developing countries, our understanding of the causality linkage between OFDI and trade is limited. The basic essence of Indian OFDI policy before the 1990s was inspired by the desire to use OFDI abroad as a means of promoting India's exports. This calls for an investigation of the relationship between Indian OFDI and exports in the present era of globalization where developing and developed countries are equally taking part.

This paper analyzes the Granger casual relationship based on vector error correction model (VECM) between OFDI and exports of India over the period 1981-2006. We find a unidirectional causality between the exports and OFDI of India. We argue that more exports from India will lead to more OFDI from the home country. Indian OFDI may not create additional exports. The findings also suggest that India has realized that the future growth of Indian companies will be influenced by the share that they can garner in the world market, not only by producing in the country and exporting, but also by investing overseas to become better integrated into the global economy and to compete with global companies.

Session 5f:
International Entrepreneurship

Chair: Marian V Jones, University of Glasgow, UK

Contingency Factors in Entrepreneurial Orientation-Performance Relationship of Firms with Different Levels of Internationalization

Sanna Sundqvist, Lappeenranta University of Technology, Finland
*Olli Kuivalainen, Lappeenranta University of Technology, Finland
John W Cadogan, Loughborough University, UK

In the early stages of firms' internationalization, where firms in many cases are seeking to establish themselves, and where new international and multinational firms are exploiting new opportunities created by globalisation, the entrepreneurial aspects of internationalisation come to the fore (cf. Mathews and Zander 2007). One of the key concepts used to measure entrepreneurial activities in firms is entrepreneurial orientation (EO) which can be defined as the decision-making styles, processes, and methods that inform a firm's entrepreneurial activities (Lumpkin and Dess 1996). Despite anecdotal evidence, the research community has so far studied the role of EO in the international context to a lesser extent.

The purpose of this paper is to study how dimensions of IEO (proactiveness, risk taking, competitive aggressiveness, innovativeness and autonomy) affect international performance (profits) and how this relationship differs between firms possessing different levels of degree of internationalization (DOI) or in other words international profile and operating in different competitive international environments. The present study aims to extend the works of Zahra and Garvis (2000), Lumpkin and Dess (2001), and Wiklund and Shepherd (2005), for example, by applying EO to international business, examining the effects of different dimensions of EO on firm's international performance, and extending the research of the role of moderating effects on the relationship between entrepreneurial orientation and firm performance. To address the research questions structural equation modelling is applied to survey data collected from Finland and New Zealand. Respondent firms are classified into three groups based on their scale, scope and rapidness (time) of internationalization. Consequently, hypothesized relationships are tested between truly born globals (N0250), global firms (N=446) and international firms (N=295)

Our results show that IEO is significantly related to the profit performance. However, not all of the five dimensions contribute positively to profits, as the relationships between risk taking and profits, and autonomy and profits is significant but negative within our sample. We also found that the importance of certain variables on export profit performance appears to differ along the firm's international profile (i.e. DOI). Especially, the role of competitive aggressiveness differed across the firms' international profile. Furthermore, competitive aggressiveness contributed positively to profit performance for international firms and global firms, but not for truly born global firms. Several of the proposed moderating effects proved also to be significant. For example, for firms operating in markets characterized with high levels of market dynamism, proactiveness actually leads to lower profits and this holds for all groups.

Entrepreneurial Founding Teams and the Growth Strategies of Games Development Firms: Evidence from Poland and Hungary

Isobel Cunningham, University of Ulster, UK
*Sharon Loane, University of Ulster, UK
Jim Bell, University of Ulster, UK

This exploratory study focuses on the growth strategies of games development firms which are inherently international. In this enquiry we highlight the importance of resources and networks, both online networks and networks embedded in the entrepreneurial team, which have an influence on the growth of these firms. Much of the extant internationalisation literature outlines the drivers and characteristics of rapidly internationalising small firms and their internationalisation trajectories, however, small games development firms are different as growth is driven not by the firm itself rather by the publisher the firm interacts with. This exploratory research utilising a multi method multi stage case study approach investigates game firms in Hungary and Poland. We explore the speed of growth, motivation to grow and the patterns of internationalisation of such firms. The implications for management, public policy makes and directions for further research are discussed.

Keywords: International new venture, Growth, networking, games development, dynamic capabilities, entrepreneurial team.

A Bibliographic Analysis of Entrepreneurship at the Interface of ICT and Economic Development: an International Perspective

*Noemi Pezderka, The University of Manchester, UK
Rudolf Sinkovics, The University of Manchester, UK

Efforts of international development organizations such as the World Bank to foster economic development, an increasing base of socially conscious consumers supporting fair trade, and large corporations' engagement in corporate social responsibility demonstrate the increasing importance of economic development issues in the public and private context alike. Governments' realization of the positive growth impact of entrepreneurship and the acknowledged potential of ICT to contribute to the implementation of the Millennium Development Goals represent two promising research strands within the economic development literature. However, whereas some empirical evidence already exists for the significance of entrepreneurship and ICT in the economic development process, limited research activity exists at the intersection of these three literature strands. This paper aims at exploring this interface in terms of researchability by means of a semantic network analysis employing the software package CATPACII™.

Keywords: Entrepreneurship, economic development, ICT

Corporate Social Entrepreneurship: Success Factors in Bottom of the Pyramid Markets

*Misagh Tasavori, The University of Manchester, UK
Rudolf Sinkovics, The University of Manchester, UK

This paper claims that multinational corporations (MNCs) can play a remarkable role in addressing social challenges such as poverty provided that they employ their managerial capabilities. MNCs should learn about the low income markets to develop sustainable solutions. Thus, we classify the main causing factors of poverty and explain how they challenge the current business models of large corporations. To explain the success factors of MNCs in bottom of pyramid markets, strategies of four successful MNCs have been examined. We offer corporate social entrepreneurship (CSE) literature as an insightful domain for explaining socially entrepreneurial behaviour of MNCs. We define and conceptualize CSE by employing corporate entrepreneurship and social entrepreneurship literature. We propose that success factors in serving low income markets require both entrepreneurial approach and social value creation.

Keywords: Social entrepreneurship, Bottom of pyramid

Minutes of Members' Meeting

Academy of International Business (UK and Ireland Chapter)

Saturday 04 April 2009

Glasgow University

1. Minutes of meeting 29 March 2008, Portsmouth University

The Minutes were accepted as true record

2. Chair's Report

The Chair congratulated Stephen Young and Marian Jones and their team for organising an excellent conference.

The Chair reported the sad loss of John Dunning and commemorated his contribution to the international business domain and his support for the Chapter and its annual conferences. The Chair reported the unanimous AIB UK and Ireland Chapter Executive Committee decision to recommend to the members the instalment of The John Dunning Prize for Lifetime Achievement. This was unanimously approved by the members and the Chair will instigate the process and report to the members at the 2010 annual meeting.

The Chair thanked Colin Wheeler, who stepped down from his co-opted role of Recruitment Officer for the many years of his sterling work in various capacities and the Chapter's Executive Committee. The Chair reported that the Executive Committee has unanimously agreed to co-opt Sharon Sloane as the new Recruitment Officer.

The Chair reported on the progress of the proposal to create an umbrella organization for the Learned Academies in Business and Management in the UK. Although a Standing Committee of the Learned Societies in Management had been established, in which The AIB UK and Ireland Chapter had been involved, this Committee has been dormant for some while and no progress to create an umbrella organisation has been made. The Chair will report in the 2011 members meeting of progress, if any, on this front.

As reported in the minutes of the 2008 members meeting, the Chapter had also been asked, by British Academy of Management, to forward names of possible referees for ESRC applications for funding in the area of International Business; and the Chair had asked for proposals for suitable nominees to be forwarded to him. Subsequently, nominations were received and forward to the ESRC.

3. Membership Report

The Membership Secretary reported that membership figures increased by 13% to 266 from 2008 to 2009, reflecting the general upward trend in the Chapter's membership over the last years.

4. Treasurer's Report

The Treasurer reported a healthy balance. However, the change in the budgetary rules for conferences meant that in future the Chapter would not receive any surpluses from conferences. In future revenue from conferences would mainly be derived from the AIB UK & Ireland levy. The Executive committee would also seek to ensure that fees were set close to a level that would lead to an expected breakeven for conference and thereby by this method seek to keep the conference fee as low as possible.

5. Constitution

The Executive Committee unanimously agreed to ask the members to change the title of Newsletter Editor to Communications Officer. This to reflect the wider remit that has evolved with this role over the years, to bring more in line with current terminology as well as to combine the position of Newsletter Editor with the current co-opted role of Website Officer. The members agreed unanimously to this change and the Secretary will amend the Constitution accordingly.

6. Elections

Rudolf Sinkovics, who occupied the co-opted role of Website Officer, was unanimously elected as Communications Officer. Simon Harris was unanimously re-elected as Membership Secretary. Heinz Tüselmann was unanimously re-elected as the Chapter's Secretary.

7. Future Conferences

The meeting agreed with the proposals for future conference to be held in 2011 at the University of Edinburgh, and in 2012 at the University of Liverpool.

8. Date of next meeting

At the annual conference at Trinity College Dublin.

Agenda for Members' Meeting

Academy of International Business (UK and Ireland Chapter)

Saturday, 10 April 2010

Trinity College Dublin

1. Apologies and Welcome
2. Minutes of Meeting 04 April 2009, Glasgow University
3. Matters arising
4. Chairman's Report
5. Treasurer's Report
6. Membership
7. Elections
8. Future Conferences
9. A.O.B.

Delegate Listing

Ádám Banai | Magyar Nemzeti Bank (Central Bank of Hungary) | Hungary
Email: banaia@mn.b.hu

Ahmad Shadid | Trinity College Dublin | Ireland
Email: shadida@tcd.ie

Aileen Kennedy | Dublin Institute of Technology | Ireland
Email: akennedy@dit.ie

Alan Smithee | UK

Aleksandar Sevic | Trinity College Dublin | Ireland
Email: a.sevic@tcd.ie

Alessandra Vecchi | Trinity College Dublin | Ireland
Email: vecchia@tcd.ie

Alexandra Kaar | Johannes Kepler University Linz | Austria
Email: alexandra.kaar@jku.at

Amon Chizema | Loughborough University | UK
Email: a.chizema@lboro.ac.uk

Angelika Zimmermann | Loughborough University | UK
Email: a.zimmermann@lboro.ac.uk

Anna John | Dublin City University | Ireland
Email: annajohn2005@hotmail.com

Anna Morgan-Thomas | University of Glasgow | UK
Email: a.morgan-thomas@l.bss.gla.ac.uk

Antonella Zucchella | Università degli Studi di Pavia | Italy
Email: antzuc04@unip.v.it

Arto Ojala | University of Jyväskylä | Finland
Email: arto.k.ojala@jyu.fi

Ayse Akcal | King's College London | UK
Email: ayse.akcal@kcl.ac.uk

Azlina Ahmad | University of Stirling | UK
Email: azlina.ahmad@stir.ac.uk

Breda Kenny | Tipperary Institute | Ireland
Email: bkenny@tippinst.ie

Bruce Hearn | University of Leicester | UK
Email: bruce.hearn@le.ac.uk

Brynn Deprey | Anglia Ruskin University | UK
Email: brynn.deprey@anglia.ac.uk

ByoungYoup Lee | King's College London | UK
Email: byoungyoup.lee@kcl.ac.uk

Celeste Amorim Varum | Universidade de Aveiro | Portugal
Email: camorim@ua.pt

Charles Scott | University of Northern British Columbia | Canada
Email: charles@scott-consulting.ca, clausen@unbc.ca

Chia-Ling (Eunice) Liu | National Cheng Kung University | Taiwan
Email: euniceliu@yahoo.com

Chitalu Kabwe | University of Central Lancashire | UK
Email: BCKabwe@uclan.ac.uk

Chun-Pu Lin | University of Bath | UK
Email: cpl20@bath.ac.uk

Clare O'Mahony | Dublin Institute of Technology & Trinity College Dublin | Ireland
Email: clare.omahony@dit.ie

Colin Dale | University of Reading | UK
Email: colin_dale@hotmail.com

Colin Wheeler | University of Portsmouth | UK
Email: colin.wheeler@port.ac.uk

Colm Kearney | Trinity College Dublin | Ireland
Email: colm.kearney@tcd.ie

Cornelia Pop | Babes-Bolyai University | Romania
Email: cornelia.pop@tbs.ubbcluj.ro

Daniella Fjellström | University of Leeds | UK
Email: bndf@leeds.ac.uk

Deirdre Canavan | Dublin Institute of Technology | Ireland
Email: deirdrecanavan@live.co.uk

Denise Crossan | Trinity College Dublin | Ireland
Email: crossand@tcd.ie

Dilshod Makhmadshoev | Queen's University Belfast | UK
Email: dmakhmadshoev01@qub.ac.uk

Dirk Ehnts | University of Oldenburg | Germany
Email: dirk.ehnts@uni-oldenburg.de

Dónal O'Brien | Dublin Institute of Technology | Ireland
Email: donalobrien63@gmail.com

Dorota Piaskowska | University College Dublin | Ireland
Email: dorota.piaskowska@ucd.ie

Edward Lee | University of Hertfordshire | UK
Email: e.lee@herts.ac.uk

Edyta Kostanek | Hanken School of Economics | Finland
Email: kostanek.edyta@hanken.fi

Elaine Hutson | University College Dublin | Ireland
Email: elaine.hutson@ucd.ie

Elaine Laing | University College Dublin | Ireland
Email: elainelaing@hotmail.com

Elena Beleska-Spasova | University of Reading | UK
Email: e.beleska-spasova@henley.reading.ac.uk

Elif Bascavusoglu-Moreau | Imperial College London | UK
Email: e.bascavusoglu@imperial.ac.uk

Elisabeth Paulet | ESCEM Tours-Poitiers-Paris | France
Email: epaulet@escem.fr

Ellie R Banalieva | Northeastern University | USA
Email: e.banalieva@neu.edu

Emmanuel Adegbite | City University London | UK
Email: emmanuel.adegbite.1@city.ac.uk

Eshani Beddewela | University of Bradford | UK
Email: e.s.beddewela@bradford.ac.uk

Esther Tippman | Dublin Institute of Technology | Ireland
Email: esther.tippmann@dit.ie

Eva Alföldi | The University of Manchester | UK
Email: Eva.Alfoldi@mbs.ac.uk

Fabian Sepulveda | Aalto University | Finland
Email: fabian.sepulveda@hse.fi

Fatima Wang | King's College London | UK
Email: fatima.wang@kcl.ac.uk

Fergal O'Connor | University College Cork | Ireland
Email: fergal.oconnor@ucc.ie

Fiona Moore | Royal Holloway, University of London | UK
Email: fiona.moore@rhul.ac.uk

Frank Barry | Trinity College Dublin | Ireland
Email: frank.barry@tcd.ie

Frank McDonald | University of Bradford | UK
Email: f.mcdonald@bradford.ac.uk

Fred Scharf | University of Ulster | UK
Email: f.scharf@ulster.ac.uk

Frederick Ahen | Turku School of Economics | Finland
Email: Frederick.Ahen@tse.fi

Gary Cook | University of Liverpool | UK
Email: g.cook@liv.ac.uk

George O White III | The University of Michigan-Flint | USA
Email: gowhite@umflint.edu

Gillian Martin | Trinity College Dublin | Ireland
Email: gsmartin@tcd.ie

Giorgia Maria D'Allura | Università degli Studi di Catania | Italy
Email: gdallura@unict.it

Grant Webber | Kingston University | UK
Email: gw@kentprop.co.uk

Haniff Jedin | The University of Manchester | UK
Email: mohd.jedin@postgrad.mbs.ac.uk

Hannah Chaplin | UK Trade & Investment | UK
Email: hannah.chaplin@bis.gsi.gov.uk

Hanni Candelin-Palmqvist | Turku School of Economics | Finland
Email: hanni.candelin-palmqvist@tse.fi

Heinz Tüselmann | Manchester Metropolitan University | UK
Email: h.tuselman@mmu.ac.uk

Helen Cai | University of Hull | UK
Email: caihuifen@yahoo.com.cn, h.cai@2007.hull.ac.uk

Hsiang-Lin Cheng | Feng-Chia University | Taiwan
Email: francois@alumni.nccu.edu.tw

Huan Joy Zou | Loughborough University | UK
Email: h.zou@lboro.ac.uk

Huu Le Nguyen | University of Vaasa | Finland
Email: nghl@uwasa.fi

Huu-thanh Tam Nguyen | Université Toulouse 1 Capitole | France
Email: huu-thanh-tam.nguyen@univ-tlse1.fr

Igor Kalinic | Università di Padova | Italy
Email: igor.kalinic@unipd.it

Isobel Cunningham | University of Ulster | UK
Email: cunningham-i1@email.ulster.ac.uk

Jaime A Morales Burgos | University of Stirling | UK
Email: jaimemorales@trentu.ca, j.a.moralesburgos@stir.ac.uk

James Redmond | Waterford Institute of Technology | Ireland
Email: jredmond@wit.ie

Jannett Highfill | Bradley University | USA
Email: highfill@bradley.edu

Jenny Berrill | Trinity College Dublin | Ireland
Email: jberrill@tcd.ie

Jeremy Clegg | University of Leeds | UK
Email: ljc@lubs.leeds.ac.uk

Jim Love | Aston University | UK
Email: j.h.love@aston.ac.uk

Johanna Fahy | National University of Ireland, Galway | Ireland
Email: jofahy@gmail.com

Johanna Hallbäck | University of Vaasa | Finland
Email: johanna.hallback@uwasa.fi

John C Frain | Trinity College Dublin | Ireland
Email: jfrain@tcd.ie

Jorma Larimo | University of Vaasa | Finland
Email: jla@uwasa.fi

Juthathip Jongwanich | Asian Development Bank | Philippines
Email: jjongwanich@adb.org

Kalindi Agarwal | The University of Manchester | UK
Email: kalindiagarwal@gmail.com

Kenneth Kim | State University of New York at Buffalo | USA
Email: kk52@buffalo.edu

Kevin Ibeh | University of Strathclyde | UK
Email: k.i.n.ibeh@strath.ac.uk

Kirsimarja Blomqvist | Lappeenranta University of Technology | Finland
Email: kirsimarja.blomqvist@lut.fi

Kirstin Scholten | Dublin Institute of Technology | Ireland
Email: kirstin.scholten@student.dit.ie

Lee Staley | Loughborough University | UK
Email: bsls6@lboro.ac.uk

Lena Zander | Uppsala University | Sweden
Email: lena.zander@fek.uu.se

Lisa Spencer | Trinity College Dublin | Ireland
Email: lisa.naomi@yahoo.ie

Louis Brennan | Trinity College Dublin | Ireland
Email: brennaml@tcd.ie

Louise Curran | Toulouse Business School | France
Email: l.curran@esc-toulouse.fr

Mahmoud Abdel Khalik | The University of Edinburgh | UK
Email: s0346105@sms.ed.ac.uk

Malcolm Brady | Dublin City University | Ireland
Email: malcolm.brady@dcu.ie

Malcolm Stewart | University of Strathclyde | UK
Email: malcolm.stewart@strath.ac.uk

Marco Galvagno | Università degli Studi di Catania | Italy
Email: mgalvagno@unict.it

Mari Ketolainen | Turku School of Economics | Finland
Email: mari.ketolainen@tse.fi

Marian V Jones | University of Glasgow | UK
Email: m.v.jones@lbss.gla.ac.uk

Mario Kafourous | University of Leeds | UK
Email: mk@lubs.leeds.ac.uk

Mark McGovern | Queensland University of Technology | Australia
Email: m.mcgovern@qut.edu.au

Markus G Kittler | University of Stirling | UK
Email: markus.kittler@stir.ac.uk

Martin Feldkircher | Oesterreichische Nationalbank (Austrian Central Bank) | Austria
Email: martin.feldkircher@oenb.at

Martin Reilly | Dublin Institute of Technology | Ireland
Email: martin.reilly@dit.ie

Mary Keating | Trinity College Dublin | Ireland
Email: mkeating@tcd.ie

Mayank Dhaundiyal | Dublin Institute of Technology | Ireland
Email: mayank.dhaundiyal@gmail.com

Med Kechidi | Université Toulouse 1 Capitole | France
Email: med.kechidi@univ-tlse1.fr

Mika Gabrielsson | Aalto University | Finland
Email: mika.gabrielsson@hse.fi

Mike Crone | Queen's University Belfast | UK
Email: m.crone@qub.ac.uk

Min Ye | University College Dublin | Ireland
Email: min.ye@ucd.ie

Misagh Tasavori | The University of Manchester | UK
Email: misagh.tasavori@postgrad.mbs.ac.uk

Mo Yamin | The University of Manchester | UK
Email: mo.yamin@manchester.ac.uk

Mursali Milanzi | University of Agder | Norway
Email: mursali.a.milanzi@uia.no

Natasha Evers | National University of Ireland, Galway | Ireland
Email: natasha.evers@nuigalway.ie

Nick Tsitsianis | University of Hertfordshire | UK
Email: n.tsitsianis@herts.ac.uk

Nigel Driffield | Aston University | UK
Email: n.l.driffield@aston.ac.uk

Niina Nummela | Turku School of Economics | Finland
Email: niina.nummela@tse.fi

Noemi Pezderka | The University of Manchester | UK
Email: noemi.pezderka@postgrad.mbs.ac.uk,
noemi_pezderka@yahoo.de

Nora Campbell | Trinity College Dublin | Ireland
Email: norah.campbell@tcd.ie

Oliver Borchert | University of Strathclyde | UK
Email: oliver.borchert@strath.ac.uk

Olli Kuivalainen | Lappeenranta University of Technology | Finland
Email: olli.kuivalainen@lut.fi

Omotunde Dipo-Lawuyi | University of Stirling | UK
Email: omotunde.ajani@gmail.com

Oskar Kayasan | European Research Centre | UK
Email: oskarkay@gmail.com

Päivi Karhunen | Aalto University | Finland
Email: paivi.karhunen@hse.fi

Pao T Kao | Uppsala University | Sweden
Email: pao.kao@fek.uu.se

Paul Milner | Palgrave Macmillan | UK
Email: p.milner@palgrave.com

Paul Ryan | National University of Ireland, Galway | Ireland
Email: paul.a.ryan@nuigalway.ie

Perttu Kähäri | Aalto University | Finland
Email: perttu.kahari@hse.fi

Pervez Ghauri | King's College London | UK
Email: pervez.ghauri@kcl.ac.uk

Peter Gabrielsson | University of Vaasa | Finland
Email: peter.gabrielsson@uwasa.fi

Peter Zetting | Turku School of Economics | Finland
Email: peter.zetting@tse.fi

Philip Beattie | Trinity College Dublin | Ireland
Email: beattiep@tcd.ie

Pi-Chi Chen | University of London, Birkbeck College | UK
Email: p.chen@mbs.bbk.ac.uk

Rachel Carroll | Trinity College Dublin | Ireland
Email: racarrol@tcd.ie

Rakhi Verma | Trinity College Dublin | Ireland
Email: vermara@tcd.ie

Ray Griffin | Waterford Institute of Technology | Ireland
Email: rgriffin@wit.ie

Riitta Birkstedt | Turku School of Economics | Finland
Email: riitta.birkstedt@tse.fi

Ritab Al-Khouri | Qatar University | Qatar
Email: ritab_alkhouri@yahoo.com

Rod McNaughton | University of Waterloo | Canada
Email: rmcnaughton@uwaterloo.ca

Roger Strange | University of Sussex | UK
Email: r.n.strange@sussex.ac.uk

Rudolf Sinkovics | The University of Manchester | UK
Email: rudolf.sinkovics@manchester.ac.uk

Saba Khalid | University of Vaasa | Finland
Email: sakh@uwasa.fi

Saira Banu | University of Strathclyde | UK
Email: saira.banu@strath.ac.uk

Sami Saarenketo | Lappeenranta University of Technology | Finland
Email: sami.saarenketo@lut.fi

Sara L McGaughey | University of Strathclyde | UK
Email: Sara.McGaughey@gsb.strath.ac.uk

Sarah Browne | Dublin Institute of Technology | Ireland
Email: sarah.browne1986@gmail.com

Sharon Loane | University of Ulster | UK
Email: sp.loane@ulster.ac.uk

Simon Harris | The University of Edinburgh | UK
Email: Simon.Harris@ed.ac.uk

Sourindra Banerjee | University of Cambridge | UK
Email: sb710@cam.ac.uk

Stan Paliwoda | University of Strathclyde | UK
Email: stan.paliwoda@strath.ac.uk

Stefano Elia | Politecnico di Milano | Italy
Email: stefano.elia@polimi.it

Stephen Young | University of Glasgow | UK
Email: s.young@lbss.gla.ac.uk

Surender Munjal | University of Leeds | UK
Email: smu@lubs.leeds.ac.uk

Suthikorn (Korn) Kingkaew | University of Cambridge | UK
Email: s.kingkaew@jbs.cam.ac.uk

Sven Dahms | Manchester Metropolitan University | UK
Email: s.dahms@mmu.ac.uk

Tahir Ali | University of Vaasa | Finland
Email: tali@uwasa.fi

Tamer Cavusgil | Georgia State University | USA
Email: cavusgil@gsu.edu

Tanja Kontinen | University of Jyväskylä | Finland
Email: tanja.kontinen@jyu.fi

Tevfik Dalgic | The University of Texas at Dallas | USA
Email: tdalgic@utdallas.edu

Thomas Hemphill | The University of Michigan-Flint | USA
Email: thomashe@umflint.edu

Tomoko Oikawa | University of Limerick | Ireland
Email: tomoko.oikawa@ul.ie

Trevor Buck | Loughborough University | UK
Email: trevor@tbuck.co.uk

Ulf Andersson | Copenhagen Business School | Denmark
Email: ua.smg@cbs.dk

Vasilios Stouraitis | University of Reading | UK
Email: vs_gr@yahoo.com

Vicki Wetherell | Elsevier Ltd | UK
Email: v.wetherell@elsevier.com

Virginia Thorp | Palgrave Macmillan | UK
Email: v.thorp@palgrave.com

William Duperon | Loyola University Chicago | USA
Email: wduperon@luc.edu

William X Wei | Grant MacEwan University | Canada
Email: weix@macewan.ca

Xia Han | University College Dublin | Ireland
Email: xia.han@ucdconnect.ie

Xiaohui Liu | Loughborough University | UK
Email: x.liu2@lboro.ac.uk

Xiaotian Zhang | University of Tartu | Estonia
Email: zxt_china@hotmail.com, xzhang@ut.ee

Yama Temouri | Aston University | UK
Email: y.temouri1@aston.ac.uk

Yazid Abubakar | University of Essex | UK
Email: yaabub@essex.ac.uk

Yong Yang | Brunel University | UK
Email: yong.yang@brunel.ac.uk

Yong Kyu Lew | The University of Manchester | UK
Email: yklew01@gmail.com

Yoo Jung Ha | The University of Manchester | UK
Email: yoojung.ha@postgrad.mbs.ac.uk

Yundan Gong | Aston University | UK
Email: y.gong1@aston.ac.uk

Zhaleh Najafi Tavani | The University of Manchester | UK
Email: Zhaleh.NajafiTavani@postgrad.mbs.ac.uk

Zhan Jiang | State University of New York at Buffalo | USA
Email: zjiang5@buffalo.edu

Notes

[illegible]

AIB-UKI Research Colloquium 2010

Friday, 3rd December 2010, 9.30am – 5.30pm

The Centre for Innovation & Structural Change (CISC) and The Marketing Discipline
J. E. Cairnes School of Business and Economics, NUI Galway

Call for draft papers and draft doctoral papers

The National University of Ireland Galway is delighted to host the 'feeder' AIB-UKI Research Colloquium on Friday 3rd December 2010 at the Centre for Innovation & Structural Change. The objective of the colloquium will be to facilitate nascent researchers and PhD students to submit their research papers for the AIB-UKI conference in 2011 (University of Edinburgh).

This is an excellent opportunity for nascent researchers and PhD students to obtain individual constructive comments and suggestions on their research papers from two academic experts in international business over the course of this one-day research colloquium.

This colloquium also seeks to develop the network of Ireland-based International Business scholars, to expand the membership of the AIB-UKI and to increase annual conference participation. **There is no cost to attend this event, and it will be an excellent networking opportunity.** In the past, these colloquiums have proved to be very beneficial to researchers as a means to help fine-tune their submissions for the main AIB-UKI conference and for publishing in professional journals.

Researchers and PhD students in all fields of International Business are invited to submit papers for presentation and discussion at this one day Research Colloquium at NUI Galway.

We welcome theoretical and or empirical papers in International Business from the disciplines of Accounting, Finance & Taxation; Economics; Management; Marketing; Technology & Business Information systems; Entrepreneurship; Policy, Governance and Institutions.

The deadline for submission of papers is **5:00pm on Monday 1st November 2010**. For full details and guidelines for submission of papers please see www.conference.ie then follow the link to the AIB-UKI Doctoral Colloquium.

Queries can be directed to Dr. Natasha Evers at Natasha.Evers@nuigalway.ie

