

8th Reading IB Conference

organised jointly with

48th AIB UK & Ireland Conference

8-9 April 2022

Doctoral colloquium - 7th April



**Contemporary Issues in International Business:
Inequality, Geography and GVCs**

Welcome

Dear friends and colleagues,

Welcome to the 8th Reading IB Conference, the second that we have formally organized in collaboration with AIB (UK and Ireland).

For most of us, this is the first large professional ‘live’ event after two years of lockdowns, closures, zoom lectures, and travel bans. It has also been two years of learning novel and unusual ways of being ‘normal’: the art of swabbing for a PCR test; a world where being positive is no longer a desirable personal trait, where hugs and unmasked smiles were regarded with hostility.

Now that we return to live events, will absence have made the heart grow fonder, as the expression goes? Certainly, the larger-than-expected registrations (and excessive demand for dinner tickets) suggests that your memory of dubious conference meals has become rosier. This is a good thing. But will this new spirit of camaraderie extend further? To paraphrase a new year’s classic, shall auld acquaintance be forgot? Will longstanding disagreements and rivalries be reignited, or buried, and entirely new storms brewed in brand-new teapots?

Maybe the 2022 zeitgeist will be one of unrelenting love. Perhaps, perhaps, perhaps, everyone will hug each other (how risqué!), and agree that there is no point arguing, with the conference participants holding hands and singing, ‘we are the world’?

If an old family rumour is to be believed, I come from an ancient line of fortune tellers. The Corona Virus may have revitalized my hereditary gifts, so I feel safe in predicting that there will be late-night revelries after the gala dinner. I also foresee raucous and bloody fights breaking out between gangs of doctoral students because of differences in opinions about recombination FSAs. It is not entirely clear in my visions whether people will be composing poems to express their deeply felt love of regulatory focus theory, but certainly all the lockdown hobbies lovingly nurtured during the pandemic will have sharpened the multiple talents of our community, and we can expect beautiful but also strange talents being brought to bear on individual research agendas.

Perhaps the love of IB will express itself in more creative ways that go beyond the mundane business of writing papers. A pandemic-inspired Jazz album on the [Nash Equilibrium](#) has been one of the more interesting externalities from Covid-19 in the music world, so surely an hip-hop album on MNE subsidiary management is already being recorded at Abbey Studios? The possibility of seeing a theoretical paper on the eclectic paradigm being presented at our conference through the medium of dance is not entirely impossible, I strongly believe.

I was once told that one should strictly avoid forecasting the future, and perhaps this is the time to heed that advice. Maybe I should simply stick to my day job, and instead wish you debate, argument, and yet more debate! We offer you our warmest welcome, and wish you a stimulating and pleasant two days at the Henley Business School.

Rajneesh Narula

John H. Dunning Centre for International Business

Programme overview



This program has been printed on 7 April 2022. Please scan QR code for updated programme

Date: Thursday, 07/Apr/2022

1:45pm - 2:15pm	Registration (Doctoral Colloquium) Location: HBS 101				
2:15pm - 3:45pm	Doctoral Colloquium A-1: Stream A (Advanced) Location: HBS G03 Panelists: Sorin Krammar & Olli Kuivalainen	Doctoral Colloquium A-2: Stream A (Advanced) Location: HBS G04 Panelists: Jeffrey Reuer & Roger Strange	Doctoral Colloquium A-3: Stream A (Advanced) Location: HBS G10 Panelists: Surender Munjal & Sjoerd Beugelsdijk	Doctoral Colloquium A-4: Stream A (Advanced) Location: HBS 101 Panelists: Fuad Mohammad & Quyen Nguyen	Doctoral Colloquium B-1: Stream B (Beginner) Location: HBS 102 Panelists: Yen Tran & Mark Casson
	Doctoral Colloquium B-2: Stream B (Beginner) Location: HBS 201 Panelists: Rudolf Sinkovics & Nigel Driffield	Doctoral Colloquium B-3: Stream B (Beginner) Location: HBS 208 Panelists: Yi Wang & Xiaohui Liu	Doctoral Colloquium B-4: Stream B (Beginner) Location: HBS 108 Panelists: Ulf Andersson & Mona Bahl		
3:45pm - 4:00pm	Break				
4:00pm - 5:30pm	Special workshop: How to publish from doctoral thesis and plan your academic career? Location: HBS G15				
4:00pm - 4:45pm	JIBS-JIBP: Paper Development Workshop - Plenary session Location: HBS 208 Grazia Santangelo (JIBS Reviewing Editor) Ari Van Assche (JIBP Deputy Editor and JIBS Editorial Review Board member)				
4:45pm - 6:00pm	JIBS-JIBP PDW (Blue group): Small group discussion Location: HBS 208 Authors: Zhibo Qiu (Oxford University), Alison Hearne (Trinity College Dublin) Discussants: Liena Kano (University of Calgary), Mark Casson (University of Reading)	JIBS-JIBP PDW (Green group): Small group discussion Location: HBS 208 Authors: George Yunxiong Li (LSE), Amy Linh Thuy Nguyen (University of Bradford) Discussants: Stephanie Wang (Indiana University), Sjoerd Beugelsdijk (University of Groningen)	JIBS-JIBP PDW (Orange group): Small group discussion Location: HBS 208 Authors: Andrea Pallás (University of Valencia), Yueling Zhou (Nova School of Business and Economics) Discussants: Grazia Santangelo (Copenhagen Business School), Luciano Ciravegna (King's College London and INCAE, Costa Rica)	JIBS-JIBP PDW (Purple group): Small group discussion Location: HBS 208 Authors: Xiaocan Yuan (Aston University), Eun Sun Godwin (University of Wolverhampton) Discussants: Noemi Sinkovics (University of Glasgow), Marina Papanastassiou (University of Leeds and Carnegie Mellon University, Qatar)	JIBS-JIBP PDW (Red group): Small group discussion Location: HBS 208 Authors: Der-Ting Huang (University of Illinois at Urbana-Champaign), Syeda Sabreena Zaman (University of Reading) Discussants: Ari Van Assche (HEC Montréal), Rudolf Sinkovics (University of Glasgow)

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	<p>JIBS-JIBP PDW (Yellow group): Small group discussion Location: HBS 208</p> <p>Authors: Chengcheng Miao (University of Reading) Iiris Saittakari (Aalto University)</p> <p>Discussants: Aloysius Newenham-Kahindi (University of Victoria) Gabriel Benito (BI Norwegian Business School)</p>				
<p>6:30pm - 7:30pm</p>	<p>Welcome: Reception Location: Penta Hotel</p>				

Date: Friday, 08/Apr/2022

8:30am - 9:00am	Registration (Main Conference) Location: ICMA Centre Foyer				
9:00am - 9:30am	Welcome Location: ICMA 150				
9:30am - 11:00am	Plenary Debate 1: Can MNEs really play a role in reducing inequality? Location: ICMA 150 Chair: Rajneesh Narula Panalists: Farok Contractor, Anne Jacqueminet, Aloysius Newenham-Kahindi, and Irina Surdu				
11:00am - 11:10am	Award Ceremony 1: Peter J Buckley & Pervez N. Ghauri Prize, Michael Z Brooke Doctoral Prize, & Neil Hood and Stephen Young Prize Location: ICMA 150 - Peter J Buckley & Pervez N. Ghauri Prize for the paper by an Early Career Researcher, sponsored by the Leeds Business School. - Michael Z Brooke Doctoral Prize for the best paper by a doctoral student. - Neil Hood and Stephen Young Prize for the Most Original New Work in the doctoral colloquium.				
11:10am - 11:30am	Coffee Break Location: ICMA Centre Foyer				
11:30am - 1:00pm	Panel session 1: History of the AIB UK & I Chapter in tribute to Stephen Young: A forward-looking agenda for enhancing relevance and impact of IB research Location: HBS G15 Chair: Frank McDonald & Heinz Tüselmann Panelists: Peter Buckley, Nigel Driffield, Margaret Fletcher, Kevin Ibeh, Jonathan Slow, Ana Tavares-Lehmann	Panel session 2: Transformational Impact of Digital Platforms Ecosystems on Global Value Chains (GVCs) accelerated by COVID-19 Location: HBS G10 Chair: David Schulzmann Panelists: Roger Strange, Marina Papanastassiou, Mohammad Bakhtiar Rana, Matteo Borghi Discussant: Savanid (Nui) Vatanasakdakul	Parallel session 1-1: Emerging market MNEs, political connections, and geopolitics Location: HBS G03 Chair: Dr Kim Bui , University of Greenwich, United Kingdom	Parallel session 1-2: Entrepreneurs, networks, and international growth Location: HBS G04 Chair: Prof Per Servais , Linneaus University, Sweden	Parallel session 1-3: Internationalisation: Drivers and performance Location: HBS 101 Chair: Dr Yama Temouri , Khalifa University, United Arab Emirates
	Parallel session 1-4: MNE headquarters and subsidiary Location: HBS 102 Chair: Ana Botella Andreu , Universitat de Valencia, Spain	Parallel session 1-5: Distance, reputation, and the role of managers Location: HBS 201 Chair: Prof Maksim Belitski , University of Reading, United Kingdom	Parallel session 1-6: FDI determinants, entry modes, and motives Location: HBS 108 Chair: Prof George Jim Georgopoulos , York University, Canada	Parallel session 1-7: International HRM: Culture, performance, and Covid-19 pandemic Location: HBS 208 Chair: Dr Rita Fontinha , Henley Business School, United Kingdom	Parallel session 1-8: MNEs, institutions, and exporting activity Location: ICMA G09 Chair: Prof Marco Grazzi , Università Cattolica del Sacro Cuore di Milano, Italy

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1:00pm - 2:30pm	Lunch Location: Eat at the Square				
2:30pm - 4:00pm	Award presentation session: Pavlos Dimitratos Best Dissertation Award Presentation Location: HBS G15	Panel session 3: Megatrends in International Business Location: ICMA G09 Chair: Spiros Batas Panelists: Rudolf Sinkovics, Olli Kuivalainen	Parallel session 2-1: Institutions and performance Location: HBS G03 Chair: Dr Elizabeth Moore , Northeastern University, United States of America	Parallel session 2-2: Institutional environments and political activities Location: HBS G04 Chair: Zibang Chen , University of Manchester, United Kingdom	Parallel session 2-3: Upper echelons: Succession and turnover Location: HBS 101 Chair: Dr Liang Li , Henley Business School, University of Reading, United Kingdom
	Parallel session 2-4: External environments and international business Location: HBS 201 Chair: Ha Nguyen , University of Vaasa, Finland	Parallel session 2-5: Internationalization, performance, and regional strategy Location: HBS 102 Chair: Nhan Nguyen , Edinburgh Business School, Heriot-Watt University, United Kingdom	Parallel session 2-6: Development, inequality, and corporate governance Location: HBS G10 Chair: Dr Washika Haak-Saheem , Henley Business School, University of Reading, United Kingdom	Special session 1: Meet the Editors Location: HBS 108 Journal of International Business Studies (Grazia Santangelo) Journal of World Business (Ulf Andersson) International Business Review (Roger Strange) Data in Brief (Noemi Sinkovics) Journal of Industrial and Business Economics (Antonello Zanfei)	
4:00pm - 4:20pm	Coffee Break Location: ICMA Centre Foyer				
4:20pm - 4:30pm	Award Ceremony 2: Global Strategy Journal best paper award Location: ICMA 150 for the best paper presented at the conference in the domain of Global Strategy, sponsored by the Global Strategy Journal				
4:30pm - 6:00pm	Plenary Debate 2: MNEs and urban inequality Location: ICMA 150 Chair: Davide Castellani Panelists: Luisa Gagliardi, Katiuscia Lavoratori, Andrés Rodríguez-Pose, Andreas Schotter				
6:30pm - 10:00pm	GALA Dinner Location: Henley Business School, Greenlands Campus				

Date: Saturday, 09/Apr/2022

9:00am - 10:30am	<p>Panel session 4: Can MNEs' GVC Governance Be Inclusive Enough to Achieve the SDGs? Location: HBS G15</p> <p>Chair: Shasha Zhao</p> <p>Panelists: Pervez Ghauri, Roger Strange, Ari Van Assche, Jacqueline J. You</p>	<p>Panel session 5: Speed mentoring for Women in AIB (WAIB) Location: ICMA G09</p> <p>Chair: Margaret Fletcher & Noemi Sinkovics</p>	<p>Parallel session 3-1: Research in International Business: A historical perspective Location: HBS G03</p> <p>Chair: Prof Gabriel R.G. Benito, BI Norwegian Business School, Norway</p>	<p>Parallel session 3-2: Corporate strategy and the external environment Location: HBS G04</p> <p>Chair: Prof JAMES WALKER, Henley Business School, United Kingdom</p>	<p>Parallel session 3-3: Corporate responsibility and irresponsibility Location: HBS 101</p> <p>Chair: Shuna Shu Ham Ho, Dalhousie University, Canada</p>
	<p>Parallel session 3-4: International entrepreneurship, migration, and managerial capability Location: HBS 102</p> <p>Chair: Dr Johannes Kleinhempel, Alliance Manchester Business School The University of Manchester, United Kingdom</p>	<p>Parallel session 3-5: Knowledge management and innovation Location: HBS 201</p> <p>Chair: Andrea Pallás, University of Valencia, Spain</p>	<p>Parallel session 3-6: Knowledge, innovation, and technology in international business Location: HBS 108</p> <p>Chair: Jill Josefine Juergensen, Henley Business School, University of Reading, United Kingdom</p>	<p>Parallel session 3-7: Local and Global: Emerging market MNEs Location: HBS 208</p> <p>Chair: Prof Irina Mihailova, University of Eastern Finland, Finland</p>	<p>Parallel session 3-8: Contemporary issues in global strategy Location: HBS G10</p> <p>Chair: Prof Jeffrey Reuer, University of Colorado, United States of America</p>
10:30am - 11:00am	<p>Coffee Break Location: ICMA Centre Foyer</p>				
11:00am - 12:30pm	<p>Panel session 6: What does it take to build an inclusive governance of global GVCs? Location: HBS G15</p> <p>Chair: Elizabeth Yi Wang</p> <p>Panelists: Nigel Driffield, Jeremy Clegg, Lilian Miles, Mohammad Faisal Ahammad</p>	<p>Panel session 7: Inequality, geography and GVCs – A Commonwealth perspective Location: ICMA G09</p> <p>Chair: Roger Strange</p> <p>Panelists: Brendan Vickers, Jodie Keane, Lucy Slack, Tess Phippen, Deb Leary, Arif Zaman, Surender Munjal, Sangeeta Khorana</p>	<p>Parallel session 4-1: Institutions, policy, and development Location: HBS G03</p> <p>Chair: Dr Vikrant Shirodkar, University of Sussex, United Kingdom</p>	<p>Parallel session 4-2: Internationalisation of emerging markets MNEs Location: HBS G04</p> <p>Chair: Dr Fernanda Steiner Perin, Birmingham City University, United Kingdom</p>	<p>Parallel session 4-3: FDI, geography, and inequalities Location: HBS 101</p> <p>Chair: Dr Eduardo Ibarra-Olivo, Henley Business School, United Kingdom</p>

	<p>Parallel session 4-4: MNE Subsidiaries and innovation Location: HBS 102 Chair: Dr Quyen Nguyen, University of Reading, United Kingdom</p>	<p>Parallel session 4-5: EMNEs, regionalisation, and location decisions Location: HBS 201 Chair: Dr Katuscia Lavoratori, Henley Business School, University of Reading, United Kingdom</p>	<p>Parallel session 4-6: MNE activities in various contexts Location: HBS 208 Chair: Dr Martin Heinberg, University of Leeds, United Kingdom</p>	<p>Parallel session 4-7: GVCs and global strategy Location: HBS G10 Chair: Prof Priit Vahter, University of Tartu, Estonia</p>	<p>Special session 2: Meet the Editors Location: HBS 108 Journal of International Business Policy (Ari Van Assche) Global Strategy Journal (Gabriel R. G. Benito) Transnational Corporations (Heinz Tüselmann) Multinational Business Review (Irina Surdu) Critical Perspectives on International Business (Rudolf Sinkovics)</p>
12:30pm - 2:00pm	<p>Lunch Location: Meadow Suite</p>				
2:00pm - 2:30pm	<p>AIB UK&I Membership Meeting Location: ICMA 150</p>				
2:30pm - 2:45pm	<p>Award Ceremony 3: John Dunning Lifetime Achievement Award Location: ICMA 150</p>				
2:45pm - 4:15pm	<p>Alan Rugman Debate: Internalization strikes back: The limits of GVCs Location: ICMA 150 Chair: Ari Van Assche Panelists: Stephanie Wang, Luciano Ciravegna, Valentina de Marchi, Vivek Soundararajan</p>				
4:15pm - 4:30pm	<p>Award Ceremony 4: Pavlos Dimitratos Best Dissertation Award Palgrave Macmillan Prize for the best paper Location: ICMA 150 - Pavlos Dimitratos Best Dissertation Award for the best dissertation, sponsored by the Adam Smith Business School, University of Glasgow - Palgrave Macmillan Prize for the best paper for the best conference paper, sponsored by Palgrave Macmillan</p>				

General information

Venue

The Conference is taking place in the Henley Business School and ICMA buildings in the Whiteknights Campus of the University of Reading. The Henley Business School Building is marked with number 138 and ICMA building with number 71 on the campus map available [here](#). Henley Business School and ICMA Centre

University of Reading

Whiteknights Campus

RG6 6UD Reading

Telephone: +44 (0) 118 378 5044

Registration

Conference registration desk is located in in ICMA building and opens as follows

Date	Location	Time
Thursday 7 April 2022	ICMA Centre - Foyer	13:00 – 18:00
Friday 8 April 2022	ICMA Centre - Foyer	8:30 – 18:00
Saturday 9 April 2022	ICMA Centre - Foyer	8:30 – 11:00

Please refer to the registration desk for any query.



Delegates are kindly requested to wear their identification badge throughout the conference.

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Wi-Fi access

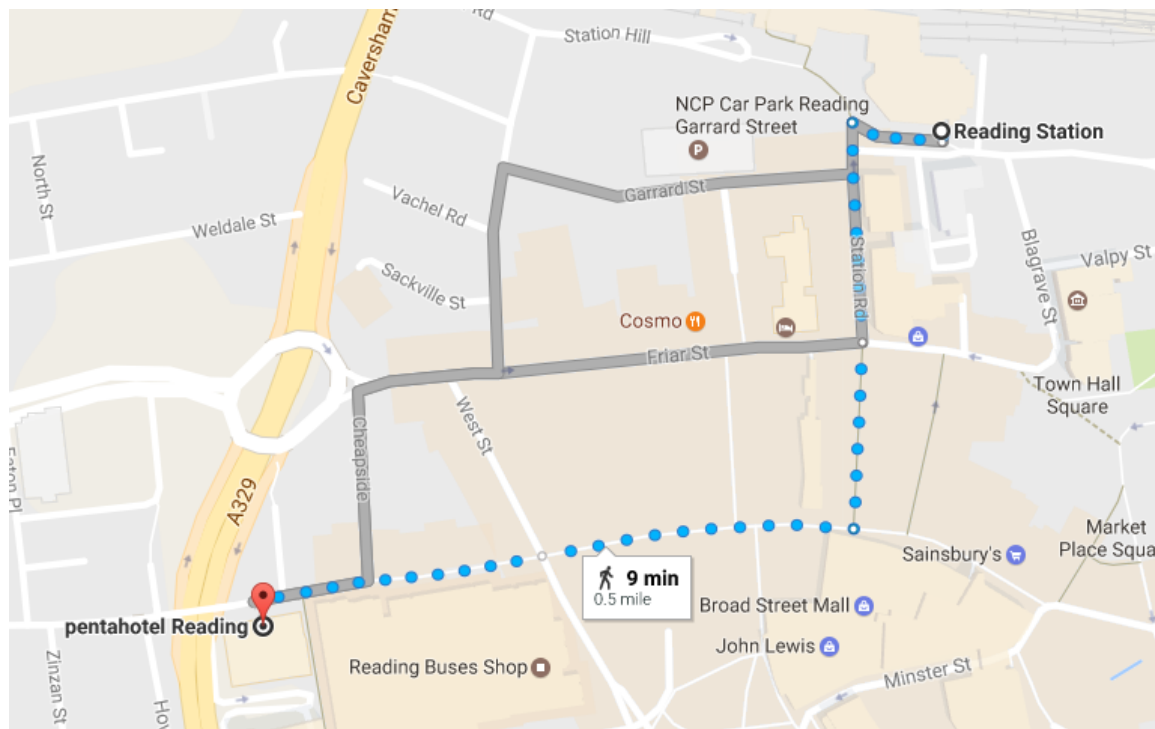
Wi-Fi access will be available in the conference venue. To access Wi-Fi, you will need a username and a password. The easiest way to connect is via Eduroam, which is available at Henley Business School. Many institutions use Eduroam Wireless. If your institution uses Eduroam and you require Wi-Fi access during the conference, talk to your institution's IT team before you leave. You can then use your usual institution credentials to log on to Wi-Fi while you are here.

If you are unable to connect to the Wi-Fi network, guest access details and instructions will be available on request from the registration desk.

Welcome Reception, Gala Dinner and Lunches

Welcome Reception

A Welcome Reception with drinks and canapés will be offered on Thursday 7 April, 18:30-19:30 at the Penta Hotel, Oxford Road, Reading RG1 7RH. The Penta Hotel is in Reading town centre, a short walk away from the train station. If you are attending pre-conference activities on Thursday 7 April, please see the section on "Travelling from Reading Town to the University and back" below.

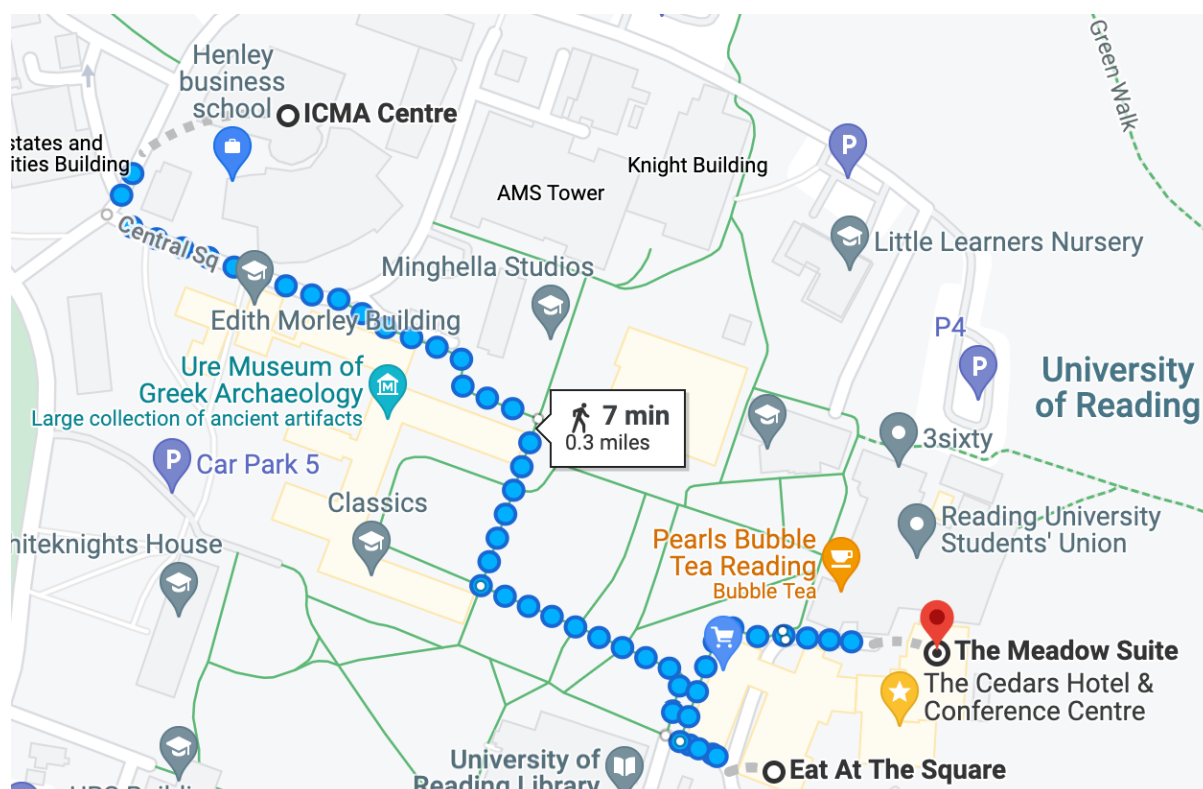


Gala Dinner

The Gala Dinner will be at our Greenlands Campus, Henley on Thames (which is about 10 miles away from the Whiteknights campus, the conference venue). Transport by bus will be arranged from the conference venue to the Greenlands Campus at 18:15, returning to the University and Reading town centre around 21:30-22:00.

Lunch

Lunch will be served on Friday 8 April at Eat At the Square and on Saturday 9 April at the Meadow Suite. Both are in the Whiteknights Campus, a short walk away from the Conference Venue.



Provision of special meals

Delegates with dietary restrictions

Dietary restrictions will be catered for during lunches. *Special meals will be labelled and located in the Conference Venue during lunchtime.*

When entering the Gala Dinner hall, guests with dietary restrictions are kindly requested to collect a colour-coded place card with their name from the table available in the room, and place the card at their dinner table for identification by waiting staff.

Transport and travel

Travelling from Reading Town to the Conference Venue and back

Transport from Reading town centre to the Conference Venue will be provided on Friday 8 April and Saturday 9 April. A first bus will leave at **8am** from the Penta Hotel, Oxford Road, Reading RG1 7RH. The bus will also pick up delegates at the south side of the train station next to the RailAir bus stop (the bus stop is labelled 'EJ'). See the map below. There will be a second bus around **8.30am**.



If you are unable to catch the conference busses, then the number 21 and 21a public buses are also available to catch from the station, and from other spots throughout town to the University. The buses run every 7-8 minutes between the town and the university (during peak hours). Journey time is 15 minutes, £2.10 (return £4.20). You will need exact change, if paying cash, or you may pay with a contactless card. Please see route maps here: <https://www.reading-buses.co.uk/services/RBUS/21>. This map will show you how to walk to HBS from the bus stop <https://goo.gl/maps/xGR3qfpuRajwiPVM7>.

A pre-paid QR code will be provided to all delegates to acquire free bus use on the 21 and 21a service over the course of the 8-9th April, therefore you should not have to pay for any trips. **Please note if you do pay for a trip, it will not be reimbursed.**

On the evening of the gala dinner buses are provided between the University and the venue at Greenlands (Henley), and back to Reading (university and town centre) around 21:30-22:00.

Travelling to/from Reading

By air

London Heathrow

Heathrow is the closest airport. If coming from Heathrow, the RailAir buses both arrive and depart from Reading Station and take about 45 minutes to Reading. RailAir buses are the most efficient and cost-effective way to get from Heathrow to Reading, and run about every 20 minutes throughout the day. It is cheaper to buy a return trip than two singles. For details see www.railair.com.

Alternatively, you can take the Heathrow express to Paddington in Central London, and then take the train to Reading.

Do not take a black cab from the airport, it will cost you more than £130!

If you want to travel by taxi from Heathrow to Reading, we recommend pre-booking an airport transfer for about £45. The University of Reading recommends the following taxi services:

Loddon Cars+44 (0) 118 932 1321, <https://www.loddoncars.com/services/airport-transfer/>

Yellow Cars+44 (0) 118 966 0660, <https://yellowcars.com/airport-transfers/>.

Gatwick Airport

Please be aware that there are NO direct connections from Stansted or Luton Airport to Reading. It takes more than 2 hours to get to Reading. You will need to take a bus or train to London (one hour), then need to take another train to Reading. In between you will have to navigate London public transport.

A pre-booked airport transfer from Stansted/Luton costs approximately £120/£80.

Stansted (STN) and Luton (LTN)

Please be aware that there are NO direct connections from Stansted or Luton Airport to Reading. It takes more than 2 hours to get to Reading. You will need to take a bus or train to London (one hour), then need to take another train to Reading. In between you will have to navigate London public transport.

A pre-booked airport transfer from Stansted/Luton costs approximately £120/£80.

By train

Reading is a mainline train station and is easily accessible from most other places in the UK. There are direct rail links from many major cities, including Birmingham, Manchester, Glasgow, Cardiff, Bristol, and Exeter, as well as a number of routes through London.

If you are travelling from or via London, the quickest route to take is from London Paddington station. Trains from London Paddington to Reading run approximately every 15-20 minutes throughout the day and the average journey time is around 30 minutes. Trains from Waterloo Station take about an hour. A return ticket during rush hour (peak times) costs about £50. After 09:30 am, a return ticket costs less than £25 (off-peak tickets). Peak times from Reading are 06:00-9:30 am. Peak times from London are 06:00-09:30, and 16:00-18:00.

If you travel by Eurostar, you will arrive at St Pancras International, which is across town. We recommend you take a taxi to Paddington station, but the two are also connected by the Tube (you will need to buy a ticket or oyster card).

Find out more on the National Rail website.

By car

The Whiteknights campus of the University of Reading is approximately 1.5 miles from the M4 motorway. Sat Nav users are recommended to use the postcode: RG6 6UR

If you are driving to the Conference Venue, please be aware that parking campus on campus is limited. Monday to Friday between 8am and 5pm a Pay & Display car park is available to use by visitors (Car Park 1A). The cost will be £1.50 per hour, or £10 for all day parking. The machines accept credit/debit cards for payment. A visitor's parking permit can be pre-arranged by contacting the admin team.

Travel by taxi within Reading

There is a taxi rank outside the Reading railway station. A taxi will cost approximately £9.

There is no taxi rank on the campus. Taxis must be pre-booked by phone. The University of Reading recommends the following taxi services:

Loddon Cars +44 (0) 118 932 1321

Yellow Cars +44 (0) 118 966 0660

Accommodation

The list of accommodations below includes hotels with a rating from 5* to 2*. The majority of the hotels are located in the town centre of Reading, up to 2 miles from the conference venue and within a walking distance to the railway station.

5* RATED

The Forbury Hotel

26 The Forbury, Reading, RG1 3EJ.

Location: Reading town centre

4* RATED

Novotel Hotel

25B, Friar Street, Reading, RG1 1DP.

Location: Reading town centre

Penta Hotel (preferential rate agreed, see below)*

Oxford Road, Reading, RG1 7RH.

Location: Reading town centre

Malmaison Hotel

18-20 Station Road, Reading, RG1 1JX.

Location: Reading town centre

Premier Inn Hotel

Letcombe Street, Reading, RG1 2HN.

Location: Reading town centre

Crown Plaza

Caversham Bridge Richfield Avenue, Reading, RG1 8BD.

Location: 1.0 mile from Reading Station and 3 miles from the Conference Venue

The Hilton Hotel

Drake Way, Reading RG2 0GQ, United Kingdom

Location: 15 min by taxi from the conference venue. 2.1 mile from Reading town centre.

3* RATED

IBIS Reading Centre Hotel

25 Friar Street, Reading Station, Reading RG1 1DP.

Location: Reading town centre

IBIS Style Hotel

4 - 8 Duke Street, Reading, RG14RY.

Location: Reading town centre

Mercure George Hotel Reading

10-12 King Street, RG1 2HE Reading

Location: Reading town centre

The Great Expectations

33 London Street, Reading, RG1 4PS

Location: Reading town centre

2* RATED

Hillingdon Prince Hotel (Sure Hotel by Best Western)

39 Christchurch Rd, Reading, RG2 7AN.

Location: Near the University of Reading, within 1 mile walk of the Conference venue.

The Cedars Hotel

University of Reading, Venue Reading, Park House, Whiteknights, Reading, RG6 6UR

Location: On the University of Reading Campus, within a 5-minute walk from the conference venue.

Reading Central Travelodge

Oxthorn House, 60 Oxford Road, Reading, RG1 7LT.

Location: Reading town centre

Eating out

Name	Cuisine	Address	Website
All Bar One	British	The Oracle Centre, Riverside Level, Reading RG1 2AG	http://www.allbarone.co.uk/national-search/south-east/all-bar-one-reading
Bel & The Dragon	British	Blakes Lock, Gas Works Road, Reading RG1 3EQ	http://belandthedragon-reading.co.uk/
Bella Italia	Italian	Unit 11a, The Oracle Centre, Reading RG1 2AG	https://www.bellaitalia.co.uk/menu/main-menu/
Bill's Reading Restaurant	British	St Marys Church House, Chain St, Reading RG1 2HX	https://bills-website.co.uk/restaurants/reading/
Bolan Thai	Thai	1st floor, The Village, 8A, 11A, King's Rd, King St, Reading RG1 2HG	http://www.bolanthaicuisine.co.uk/
Browns	British	5A, The Oracle, The Oracle Centre, Reading RG1 2AG	http://www.browns-restaurants.co.uk/restaurants/southeast/reading
Buenasado	Argentine Steakhouse	Unit 28 Lower Mall The Oracle Shopping Centre, Reading RG1 2AQ England	http://www.buenasado.com/restaurants/reading/
Carluccio's	Italian	Forbury Square, Reading RG1 3EY	http://www.carluccios.com/restaurants/reading
Clay's - Hyderabad Kitchen	Indian	45 London Street, Reading RG1 4PS	http://www.clayskitchen.co.uk/
Coconut Bar & Kitchen	World	63 St Mary's Butts, Reading RG1 2LG	http://www.coconutbarkitchen.co.uk/#about-us
Cosmo	World	35-38 Friar St, Reading RG1 1DX	http://www.cosmo-restaurants.co.uk/locations/reading/
Côte Brasserie	French	The Oracle, 9 The Riverside, Reading RG1 2AG	https://www.cote-restaurants.co.uk/cote/
Five Guys	American Burger	The Oracle Centre, Unit U1 - Upper Level (4), Reading RG1 2AG	https://www.fiveguys.co.uk/
Franco Manca	Pizza	Bridge St The Oracle, Reading RG1 2AT England	http://www.facebook.com/francomanca-reading/
Furama Chinese	Chinese, Sichuan dishes	109 Friar St, Reading RG1 1EP	http://www.memoryofsichuan.co.uk/web/
Gordon Ramsay Street Burger - Reading		The Oracle, Riverside, Reading RG1 2AG	https://www.gordonramsayrestaurants.com/street-burger/reading/
House Of Flavours	Indian	32-36 King's Rd, Reading RG1 3AA	http://house-of-flavours.co.uk/
Kungfu Kitchen	Chinese	80 Christchurch Rd, Reading RG2 7AZ	https://kungfureading.co.uk/
Itsu	Japanese, Sushi a strength	31 Queen Victoria St, Reading RG1 1SY	http://www.itsu.com/
Las Iguanas	Brazilian	The Oracle Centre, Riverside, Reading RG1 2AG	http://www.iguanas.co.uk/
London Street Brasserie	British	The Oracle, 2-4 London St, Reading RG1 4PN	http://www.londonstbrasserie.co.uk/
Miller & Carter	Steakhouse	5, The Oracle Centre, Reading RG1 2AG	http://www.millerandcarter.co.uk/restaurants/south-east/millerandcarteroracle

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Mission Burrito	Mexican, burritos a strength	The Oracle Centre, Reading RG1 2AG	http://missionburrito.co.uk/
Nando's	Chicken	The Oracle Centre, 4, The Riverside, Reading RG1 2AG	https://www.nandos.co.uk/eat/menu
Osaka Reading	Japanese	The Oracle, Unit R16 Riverside Mall Level, Reading RG1 2AG	http://www.osakarestaurants.co.uk/
Pappadams	Indian	74 King's Rd, Reading RG1 3BJ	http://www.pappadamsreading.co.uk/index.html
Pepe Sale	Italian	Broad Street Mall, 3 Queens Walk, Reading RG1 7QF	http://www.pepesale.co.uk/menu.htm
Pho	Vietnamese restaurant	1 King St, Reading RG1 2HG	http://www.phocafe.co.uk/reading
Piwnica	Central European	81 London Road Rg1 4dx entry to car park, Reading RG1 5BY	https://piwnica-restaurant.business.site/
Pizza Express	Italian	R11 Riverside Level, The Oracle, Reading, Berkshire, RG1 2AG	https://www.pizzaexpress.com/reading-oracle?link=nolink
Prezzo	Italian	King St, Reading RG1 2HF	http://www.prezzorestaurants.co.uk/restaurant/reading/
Royal Tandoori	Indian	Royal County Hotel, 4-8 Duke St, Reading RG1 4RY	http://www.royaltandoorireading.com/
Sweeney & Todd	British, pies a strength	10 Castle St, Reading RG1 7RD	http://www.sweeneyandtodd.co.uk/
Thai Corner	Thai	47 West Street, Reading RG1 1TZ	http://www.thaicornerreading.co.uk/
The Botanist	British Gastropub	1-5 King Street, Reading RG1 2HB	http://thebotanist.uk.com/locations/reading
The Real Greek	Greek	The Oracle Centre Debenhams, Reading RG1 2AT	http://www.therealgreek.com/
The Slug And Lettuce	British	The Oracle Centre, Riverside Level, Reading RG1 2AG	http://www.slugandlettuce.co.uk/slug-reading/
Valpy Street Bar & Bistro	Bistro	17-19 Valpy St, Reading RG1 1AR	http://www.valpys.co.uk/
Wagamama Reading	Japanese	The Oracle Centre, Riverside Level, Reading RG1 2AG	http://www.wagamama.com/restaurants/reading
Wolf - Italian Street Food	Italian	94 Broad St, Reading RG1 2AP	http://www.wolfstreetfood.com/
YO! Sushi	Japanese	The Oracle Centre, House of Fraser, Reading RG1 2AS	https://yosushi.com/restaurants/reading-house-of-fraser
Zerodegrees	European	9 Bridge St, Reading RG1 2LR	http://zerodegrees.co.uk/

Health and safety information

COVID Measures

The UK government removed the legal restrictions around self-isolation. However, the University of Reading continues to keep some measures in place to keep its staff and students safe as we navigate living with COVID-19. As such, if you have any of the three main symptoms of COVID-19 (a new continuous cough, a high temperature or a loss or change to your sense of taste or smell) or you test positive for COVID-19 through a lateral flow or PCR test, you must avoid our campuses.

We continue to encourage the wearing of face coverings when in crowded places or when moving around inside buildings.

Fire emergency

If you discover a fire, you must:

- if safe to do so, close the door of the room
- raise the alarm using the nearest fire alarm call point
- phone the emergency services 999
- phone Security Services Emergency Control 0118 378 6300
- evacuate the building using the nearest fire exit; report to the assembly point in Car Park 2

Only attempt to put out the fire if it is safe to do so. If you call the emergency services, you must inform Security Services Control of this so that Security can help to direct the emergency services.

On hearing a continuous alarm you must:

- evacuate the building as quickly as possible, using the nearest safe exit. Lifts must not be used (unless they are clearly marked as suitable for the evacuation of disabled people; they should then only be used for the evacuation of disabled people)
- ensure that staff/students/visitors who need assistance are escorted to a Refuge Area or out of the building
- close all doors and windows in the area before leaving but not if this will endanger yourself
- report to the Fire Warden/Evacuation Officer (wearing fluorescent jacket) at your designated assembly point in Car Park 2
- do not re-enter the building or leave the assembly point until advised by the Emergency Services or Evacuation Officer that you can do so.

First aid

The appointed first aiders are Jana Oslejova, Ellie Biggs and Martin Ridley.

For minor medical assistance, please contact Jana Oslejova on 0118 378 7667

For medical emergencies

- To call an ambulance: *dial 999*
- Ask for the ambulance service. Be prepared to give details of: the nature of the accident/injury; the condition of the casualty; your exact location (including building name (Henley Business School), floor, room number etc.)
- Phone University Security on 0118 378 6300 to alert them to the fact that an ambulance has been called. Ask them to direct the ambulance to your location.
- Be prepared to send other helpers to direct Security and ambulance personnel to your location.
- Provide reassurance to the casualty until trained help arrive

Detailed Programme

This program has been printed on 7 April 2022. Please Scan QR Code for update programme



Date: Thursday, 07/Apr/2022

1:45pm - 2:15pm

HBS 101

Registration (Doctoral Colloquium)

Location: **HBS 101**

2:15pm - 3:45pm

HBS G03

Doctoral Colloquium A-1: Stream A (Advanced)

Location: **HBS G03**

Panelists: Sorin Krammar & Olli Kuivalainen

An Investigation of the Adoption of Servitization Business Models by UK Manufacturing SME-Exporters

Asif Majid

Sheffield Hallam University, United Kingdom

Are innovation and internationalisation always reinforcing one another? Evidence from Germany

Jill Josefina Juergensen

Henley Business School, University of Reading, United Kingdom

2:15pm - 3:45pm

HBS G04

Doctoral Colloquium A-2: Stream A (Advanced)

Location: **HBS G04**

Panelists: Jeffrey Reuer & Roger Strange

Stakeholder's influence and engagement in strategy implementation at the subsidiary level: An in-depth case study of a state-owned Multilatin Company

Carolina Marin Cadavid

University of Strathclyde, United Kingdom

Let's talk about senior managers. Investigating managerial roles in foreign divestment decisions

Ha Nguyen

University of Vaasa, Finland

Multi-national Corporations and Business Human Rights: Perspectives, Procedures and Conduct in Australia

Thomas Cadd

University of South Australia, Australia

2:15pm - 3:45pm

HBS G10

Doctoral Colloquium A-3: Stream A (Advanced)

Location: **HBS G10**

Panelists: Surender Munjal & Sjoerd Beugelsdijk

Tax avoidance by multinationals: A case study of the Zambian manufacturing sector

Grivas Chiyaba

University of Reading, United Kingdom

Tax haven use in the digital economy

Santiago Juan Gallego de Caceres

Aston Business School, United Kingdom

Government policy in the entrepreneurial ecosystem: A comparative case study of Singapore and Hong Kong

Jun Yuan Seng

Copenhagen Business School, Denmark

	<p>Formal firm responses to competition from informal firms: moderating effect of Global Value Chain (GVC) participation</p> <p>Syeda Sabreena Zaman University of Reading, United Kingdom</p>
2:15pm - 3:45pm	<p>Doctoral Colloquium A-4: Stream A (Advanced)</p> <p>Location: HBS 101 Panelists: Fuad Mohammad & Quyen Nguyen</p>
HBS 101	<p>Investor sentiment, cross-border acquisitions and market performance: Evidence from Chinese acquirers</p> <p>Xinran Wang Univeristy of Leeds, United Kingdom</p> <p>Strategic-asset Seeking OFDI and Innovation Performance of Chinese MNEs' Parent Firm: the Moderating Role of Regional Institutions</p> <p>Chenhui Jiang University of Leeds, United Kingdom</p> <p>The Impact of the Takeover Defence Mechanism on Hostile Takeover Duration</p> <p>WENJIN MA University of Leeds, United Kingdom</p> <p>How do political connections affect Chinese firm's OFDI propensity?</p> <p>Zetao Zhu Univeristy of Leeds, United Kingdom</p>
2:15pm - 3:45pm	<p>Doctoral Colloquium B-1: Stream B (Beginner)</p> <p>Location: HBS 102 Panelists: Yen Tran & Mark Casson</p>
HBS 102	<p>An Examination of Managerial Capabilities and Cognition in SME MNC Collaborations</p> <p>Davin Dunlea TU Dublin, Ireland</p> <p>Human Resource Management, Labour Flexibility and Offshoring: Empirical Evidence for Italy</p> <p>Luigi Tredicine^{1,2} ¹University of Ferrara, Italy; ²University of Parma, Italy</p> <p>Managing opportunities and liabilities of returnee entrepreneurship in developing countries. A study from an identity perspective.</p> <p>Huyen Trang Nguyen University of Huddersfield, United Kingdom</p>
2:15pm - 3:45pm	<p>Doctoral Colloquium B-2: Stream B (Beginner)</p> <p>Location: HBS 201 Panelists: Rudolf Sinkovics & Nigel Driffield</p>
HBS 201	<p>Managing post-merger integration: the role of process dynamics and speed (LATAM Airlines case study)</p> <p>Mikel Larburu The University of Manchester</p> <p>MULTINATIONALS INTERNATIONALIZING THEIR BUSINESS MODEL INNOVATION INTO EMERGING ECONOMIES: A MYTH OR REALITY</p> <p>toyosi anthony phillips university of surrey, United Kingdom</p>

	<p>Impact of Public Sentiment on Cross-border Mergers and Acquisitions of Multinational Enterprises from Emerging Markets Bingkun Liu University of Leeds, United Kingdom</p>
	<p>R&D Concentration and Economic Performance of Global Cities Geon Ho Lee KU Leuven, Belgium</p>
2:15pm - 3:45pm	<p><u>Doctoral Colloquium B-3: Stream B (Beginner)</u> Location: <u>HBS 208</u> Panelists: Yi Wang & Xiaohui Liu</p>
<u>HBS 208</u>	
	<p>Does it pay to be good? If so, when? Corporate Social Responsibility and the MNEs Jeongsun Park Warwick Business School, United Kingdom</p>
	<p>Sustainability in the Apparel Industry: The Promise of Industry 4.0 Technologies for Developing Country Manufacturers Denanjalee Gunaratne University of Glasgow, United Kingdom</p>
	<p>ESSAYS ON THE ROLE OF MANAGERS IN THE DIGITAL TRANSFORMATION Pablo Leao FGV EAESP, Brazil</p>
2:15pm - 3:45pm	<p><u>Doctoral Colloquium B-4: Stream B (Beginner)</u> Location: <u>HBS 108</u> Panelists: Ulf Andersson & Mona Bahl</p>
<u>HBS 108</u>	
	<p>Resilience building processes of GVCs under uncertainty Federica Sacco University of Pavia, Italy</p>
	<p>SMEs sustainable upgrading in Global Value Chains: An institutional and network approach. Andrea Pallás University of Valencia, Spain</p>
	<p>Blending purpose and profits: assessing enterprises social value creation chiara andreoli Copenhagen Business School; University College London, School of Management</p>
	<p>Knowledge accumulation in competing technologies: Incumbents' R&D dispersal and intra-organizational linkages during the era of ferment Seyyed Milad Shirvani¹, Alessandra Perri² ¹Department of Management, Ca' Foscari University of Venice, Venice, Italy; ²LUISS Business School & Dept. of Business and Management, LUISS University Rome, Italy</p>
3:45pm - 4:00pm	Break
4:00pm - 5:30pm	<p><u>Special workshop: How to publish from doctoral thesis and plan your academic career?</u> Location: <u>HBS G15</u></p>
<u>HBS G15</u>	

4:00pm - 4:45pm	<u>JIBS-JIBP: Paper Development Workshop - Plenary session</u> Location: <u>HBS 208</u>
<u>HBS 208</u>	Grazia Santangelo (JIBS Reviewing Editor) Ari Van Assche (JIBP Deputy Editor and JIBS Editorial Review Board member)
4:45pm - 6:00pm	<u>JIBS-JIBP PDW (Blue group): Small group discussion</u> Location: <u>HBS 208</u>
<u>HBS 208</u>	Authors: Zhibo Qiu (Oxford University) Alison Hearne (Trinity College Dublin) Discussants: Liena Kano (University of Calgary) Mark Casson (University of Reading)
4:45pm - 6:00pm	<u>JIBS-JIBP PDW (Green group): Small group discussion</u> Location: <u>HBS 208</u>
<u>HBS 208</u>	Authors: George Yunxiong Li (LSE) Amy Linh Thuy Nguyen (University of Bradford) Discussants: Stephanie Wang (Indiana University) Sjoerd Beugelsdijk (University of Groningen)
4:45pm - 6:00pm	<u>JIBS-JIBP PDW (Orange group): Small group discussion</u> Location: <u>HBS 208</u>
<u>HBS 208</u>	Authors: Andrea Pallás (University of Valencia) Yueling Zhou (Nova School of Business and Economics) Discussants: Grazia Santangelo (Copenhagen Business School) Luciano Ciravegna (King's College London and INCAE, Costa Rica)
4:45pm - 6:00pm	<u>JIBS-JIBP PDW (Purple group): Small group discussion</u> Location: <u>HBS 208</u>
<u>HBS 208</u>	Authors: Xiaocan Yuan (Aston University) Eun Sun Godwin (University of Wolverhampton) Discussants: Noemi Sinkovics (University of Glasgow) Marina Papanastassiou (University of Leeds and Carnegie Mellon University, Qatar)
4:45pm - 6:00pm	<u>JIBS-JIBP PDW (Red group): Small group discussion</u> Location: <u>HBS 208</u>
<u>HBS 208</u>	Authors: Der-Ting Huang (University of Illinois at Urbana-Champaign) Syeda Sabreena Zaman (University of Reading) Discussants: Ari Van Assche (HEC Montréal) Rudolf Sinkovics (University of Glasgow)
4:45pm - 6:00pm	<u>JIBS-JIBP PDW (Yellow group): Small group discussion</u> Location: <u>HBS 208</u>
<u>HBS 208</u>	Authors: Chengcheng Miao (University of Reading) Iiris Saittakari (Aalto University) Discussants: Aloysius Newenham-Kahindi (University of Victoria) Gabriel Benito (BI Norwegian Business School)
6:30pm - 7:30pm	Welcome: Reception Location: <u>Penta Hotel</u>

Date: Friday, 08/Apr/2022

8:30am - 9:00am	Registration (Main Conference) Location: ICMA Centre Foyer
ICMA Centre Foyer	
9:00am - 9:30am	Welcome Location: ICMA 150
ICMA 150	
9:30am - 11:00am	Plenary Debate 1: Can MNEs really play a role in reducing inequality? Location: ICMA 150 Chair: Rajneesh Narula Panalists: Farok Contractor, Anne Jacqueminet, Aloysius Newenham-Kahindi, and Irina Surdu
ICMA 150	
11:00am - 11:10am	Award Ceremony 1: Peter J Buckley & Pervez N. Ghauri Prize, Michael Z Brooke Doctoral Prize, & Neil Hood and Stephen Young Prize Location: ICMA 150 - Peter J Buckley & Pervez N. Ghauri Prize for the paper by an Early Career Researcher, sponsored by the Leeds Business School. - Michael Z Brooke Doctoral Prize for the best paper by a doctoral student. - Neil Hood and Stephen Young Prize for the Most Original New Work in the doctoral colloquium.
ICMA 150	
11:10am - 11:30am	Coffee Break Location: ICMA Centre Foyer
ICMA Centre Foyer	
11:30am - 1:00pm	Panel session 1: History of the AIB UK & I Chapter in tribute to Stephen Young: A forward-looking agenda for enhancing relevance and impact of IB research Location: HBS G15 Chair: Frank McDonald & Heinz Tüselmann Panelists: Peter Buckley, Nigel Driffield, Margaret Fletcher, Kevin Ibeh, Jonathan Slow, Ana Tavares-Lehmann
HBS G15	
11:30am - 1:00pm	Panel session 2: Transformational Impact of Digital Platforms Ecosystems on Global Value Chains (GVCs) accelerated by COVID-19 Location: HBS G10 Chair: David Schulzmann Panelists: Roger Strange, Marina Papanastassiou, Mohammad Bakhtiar Rana, Matteo Borghi Discussant: Savanid (Nui) Vatanasakdakul
HBS G10	
11:30am - 1:00pm	Parallel session 1-1: Emerging market MNEs, political connections, and geopolitics Location: HBS G03 Session Chair: Dr Kim Bui , University of Greenwich, United Kingdom
HBS G03	
	The amalgamation process in Chinese MNEs' strategic asset seeking M&As—the case of Geely Yanze Liang, Axèle Giroud, Asmund Rygh The University of Manchester, United Kingdom <p>In this paper, we investigate the amalgamation process in Chinese multinationals' strategic asset seeking (SAS) acquisitions from the springboard perspective and the composition-based view. Based on an in-depth case study, we disentangle how Chinese firms combine acquired strategic assets and ordinary resources at home, leading to the new product development and product localization after strategic asset seeking M&As. We also shed light on how local Chinese suppliers can benefit from or hinder the collaboration with strategic asset seeking acquirers and on how the supplier can release relational synergies in this process. The data is collected by semi-structured interviews with key personnel from multiple sides in the strategic asset seeking acquisition and collected from secondary archival data. We contribute to theory by exposing the amalgamations process of strategic assets and ordinary resources in the later stages of the springboard process and by disentangling what resources have been combined and how resources are combined for the realization of SAS acquisition synergies and for Chinese MNEs' upgrading at home.</p>

LIABILITIES OF FOREIGNNESS AND EMERGING-MARKET FIRMS: A REVIEW AND AGENDA FOR FUTURE RESEARCH

Karishma S. Nagre¹, Elizabeth L. Rose², Sreevas Sahasranamam³

¹University of Leeds, United Kingdom; ²Indian Institute of Management Udaipur; ³University of Strathclyde

Although substantial research exists on internationalizing firms' liabilities of foreignness (LOF), much of this research is rooted in the context of companies based in developed markets. Although emerging-market firms (EMFs) have been at the forefront of global trade in recent years, we still have limited understanding of the LOFs that they face. In this paper, we review 75 articles published in leading management journals, to review the state of the LOF literature pertaining to EMFs. We classify this literature into four categories – pertaining to individual-, firm-, industry- and country-level liabilities – and discuss the strategies used by EMFs to overcome the liabilities. Based on the existing state of knowledge, we recommend areas for future research and propose a broader agenda to incorporate new theoretical perspectives, methodologies, and contexts.

THE ROLE OF POLITICAL CONNECTION AND HUMAN RESOURCE SLACK IN FIRM INNOVATION PROCESS

Tao Chen, Hyeyoun Park, Tazeeb Rajwani

University of Surrey, United Kingdom

This research examines how political connection affects firm innovation as a critical source to access rare external resources. Given the uncertain and unpredictable nature of the external resources from political connections, we explain the critical role of HR slack that helps firms to absorb and utilize the external resources to enhance firm innovation. Drawing on RBV, We argue that distinct types of HR slack may lead to distinct outcomes due to the differences in knowledge and experience. Specifically, highly-skilled HR slack with advanced knowledge and experience promotes firm innovation by helping firms better absorb and utilize the external resources, while codified HR slack with general knowledge and experience hampers the innovative process. We obtain empirical evidence for our predictions by testing them on a dataset comprising 3,229 Chinese listed firms and 24,779 firm-year observations from 2006 to 2017.

Sinologism and the geopolitics of 5G: A case study of Huawei in the UK

Kim Bui, Francisca Da Gama

University of Greenwich, United Kingdom

This paper looks at the controversy surrounding 5G in the United Kingdom (UK) and argues that it needs to be seen within the broader context of the tensions between the United States (US) and China in the race to dominate 5G technology. Drawing on a case study approach of Huawei's presence in the UK, we analyse the narrative shifts from the UK government and found the three principal themes of innovation and collaboration, national security and trust, and undermining UK relations with its allies. Our findings show the UK initially pursued its own economic interest towards Huawei, however internal and external pressures resulted in a shift towards geopolitical interests. This case study suggests that deployment of non-market strategies is not always effective where the persistence of an ideological Sinologism and wider geopolitical interests are at stake and despite efforts of institutional engagement, Huawei's experience demonstrates the persistent liability of foreignness.

11:30am –
1:00pm

HBS G04

Parallel session 1-2: Entrepreneurs, networks, and international growth

Location: **HBS G04**

Session Chair: **Prof Per Servais**, Linneaus University, Sweden

International New Ventures in the wake of global factories – a network approach to opportunity exploration and exploitation.

Per Servais¹, Antonella Zucchella²

¹Linneaus University, Sweden; ²University of Pavia, Italy

The outset for this article is international new ventures that already are or are to be entangled in the global factories. This article departs in the orchestration and management of the global factories (Buckley, 2009). It highlights the impact of the network on the perception of opportunities (Mainela et al 2014). The article argues that global factories tunnel the opportunity recognition/pathway of the participating international new ventures as they can be perceived as opportunity-seeking/creating entrepreneurs in global industrial value nets (Möller & Rajala, 2007). More concretely, Buckley (2009) emphasizes the role of branding of and in global factories. We elaborate this viewpoint by expanding the opportunity of born global firms to cobrand with the central MNC in the global factory or other global factory value net partners. Finally, we develop strategies for the new venture to pursue further co-development with global factories. We base this on the "hangar ship" strategy developed by Vapola et al. (2008). Altogether, the relations with global factories have consequences for the learning in the international new ventures (Magnani & Zucchella 2021) and the conceptualization and development of business models in different kinds of international new ventures.

Managers and digital transformation in small internationalisers

Vahid Jafari-Sadeghi, Hannan Amoozad Mahdiraji

Aston University, United Kingdom

This paper is set to explore the role of individual-level behaviours and actions in the digital transformation of international SMEs. This is particularly important since little is known regarding the extent to which entrepreneurs and decision-makers manage the digitalisation process. Thus, building on the theory of planned behaviour, this research focuses on individual-level micro-foundations in the digital transformation of small internationalisers. The paper benefits from a mixed-method synthesis. First, through a systematic review of literature, we identified a total number of twenty-seven factors in four inclusive micro-foundation categories such as technology management capacities, knowledge management capabilities, entrepreneurial and innovation capabilities and leadership and management capabilities. Then, the list of factors has been narrowed down to the top seven individual-level micro-foundations, using Intuitionistic Fuzzy Delphi. Subsequently, Intuitionistic Fuzzy Decision-Making Trial and Evaluation Laboratory analysis is applied to disentangle the causality and effectuality as well as conceptual framework to depict their interrelationships.

Towards a scaling ecosystem: a holistic approach

Vanessa P. G. Bretas, Jonathan Levie, Esther Tippmann

National University of Ireland, Galway, Ireland

This research investigates the distinctive features of a scaling ecosystem. Scaling is a big challenge for entrepreneurs. Entrepreneurship and IB research consider ecosystems as an important enabler for scaling businesses. Our goal is to underscore how being part of a scaling ecosystem help firms access scaling expertise and support. Through a qualitative research design, we highlight the structural elements of a scaling ecosystem, the interactions between stakeholders, and location-related aspects of scaling. In-depth interviews with organisations headquartered or with EMEA bases in Ireland are being conducted. Preliminary results show that access to specific stakeholders, expertise, and a global orientation are particular features of a scaling ecosystem.

How actors at different levels manage the transforming international business arena? SMEs as agents in institutional change

Anna Karhu, Eini Haaja

University of Turku, Finland

This paper presents a theoretical framework for exploring the collective agency of firm and policy actors in institutional change. The aim is to shed light on the interaction between business and policy makers, highlighting the role of not only large but particularly smaller firms in changing markets and trade. The study stems from the changing dynamics of global trade, trade policy systems and thereby the environment for international business. The transforming institutional logics of global trade governance pressure companies, industries, and nations to renew the way they build strategies and operate. These new strategies and operation forms again create a need to change the global level structures. Therefore, this study views institutional change as a complex evolutionary process, and suggests collective opportunity recognition as a mechanism for agency in evolutionary changes.

11:30am –
1:00pm

HBS 101

Parallel session 1-3: Internationalisation: Drivers and performance

Location: HBS 101

Session Chair: **Dr Yama Temouri**, Khalifa University, United Arab Emirates

Building roads before travelling on them: Internationalizing by co-creating markets and institutions

Juan Du, Catherine Welch

University of Sydney Business School, Australia

The assumptions of market or institution pre-existence and institutional environment exogeneity prevail in conventional IB research about firm internationalization. Under these assumptions, multinational enterprises (MNEs) respond to market conditions and institutional environment to minimize transaction costs, pace internationalization, and adjust entry and expansion strategies. These assumptions do not hold for new technologies, the markets for which are emerging and not well formed, such as the digital technologies that are currently transforming the global landscape. Breaking away from these dominant assumptions, we propose alternative ones and view MNEs as co-creators of markets and institutions. We develop alternative assumptions by problematizing IB literature on firm internationalization in the digital era and synthesizing insights on market and institution co-creation from multiple disciplines. We draw attention to aspects of market and institution co-creation in the dynamic capability framework and institutional theory. We argue that by integrating the untapped aspects of these two popular theoretical perspectives, IB scholars can better explain the internationalization innovative technologies and cross-border engineering of platforms and ecosystems, especially in the digital economy context. We propose new research questions to encourage and guide further research in IB on the topic.

Learning By Serving (At Home)

Uzoamaka Nduka, Jun Du

Aston University, United Kingdom

The increasing participation of manufacturing firms in providing services has prompted studies aimed at understanding why manufacturing firms do this and what benefits providing services might have for these firms. Our paper focuses on the export of services by manufacturing firms and investigates the factors that drive manufacturing firms to export services abroad, focusing on the role played by productivity, firm specific advantages (FSAs) and provision of services domestically. We consider the participation in service exports, intensive and extensive margins of trade. We argue that in addition to productivity and FSAs, providing services domestically serves as a channel of learning for manufacturing firms, and this learning at home enables them to successfully export services. The results show that productivity and FSAs help manufacturing firms enter service export markets, however, only the provision of services domestically is positively related to service export participation, intensive and extensive margins.

Foreign Ownership, Board of Directors and Environmental Commitment: An Investigation of International New Ventures in 25 European Countries

Adah-Kole Onjewu¹, Joseph Amankwah-Amoah², Richard Nyuur³, Femi Olan³, Eun Sun Godwin¹

¹University of Wolverhampton; ²University of Kent; ³Northumbria University

Although understanding of corporate governance (CG) in international ventures is pivotal in advancing entrepreneurship research, the current literature has mainly focused on international mature small and medium-sized enterprises as well as multinational corporations (MNCs). Based on 181 cases of international new ventures (INVs) in 25 European countries, this study seeks to fill the gap in our understanding by examining the effects of foreign ownership and the presence of a board of directors on commitment to environmental issues and export intensity. Using a robust path analysis, the study shows that foreign ownership significantly and positively boosts environmental commitment and export activity of international new ventures, to the exclusion of the other factors. Theoretically, this paper provides a new perspective by considering environmental issues in the assessment and context of international new ventures. The full implications of the findings are described.

Cross-country evidence of marketing e-commerce SME internationalization and the role of policy

Yama Temouri¹, Vijay Pereira², Geoffrey Wood³, Krista Lewellyn⁴, Dimitrios Reppas¹

¹Khalifa University, United Arab Emirates; ²NEOMA Business School, Reims, France; ³Western University, Canada; ⁴Florida Southern College, USA

This paper contributes by offering an exploratory analysis of international marketing e-commerce activity using data for SMEs from around the world. Based on two research questions on internationalization challenges and policy satisfaction, we build on comparative institutional analysis to argue that country level differences in institutions, innovation systems, and associated areas of policy impact on SME efforts to internationalize via e-commerce. Using fuzzy-set qualitative comparative analysis, we find that high intensity e-commerce SME exporters in emerging countries are more satisfied with home country policies than those from developed countries. Moreover, firms from mature Liberal Market Economies and, indeed, from common law systems more generally, did not seem to enjoy inherent advantages, despite common assumptions of inherent superiority in radical innovation in such countries. Finally, although low regulation is often held up as a panacea, SMEs with high exporting intensity view that consistency and coherency in policy and rule setting represents the key to internationalization success. We draw out the implications of our study for theory and policy.

11:30am -
1:00pm

HBS 102

Parallel session 1-4: MNE headquarters and subsidiary

Location: **HBS 102**

Session Chair: **Ana Botella Andreu**, Universitat de Valencia, Spain

Home is where my friends are: legitimization of the location for corporate headquarters

Marleen Wierenga¹, Olga Lavrusheva², Iiris Saittakari², Pettu Kähäri²

¹Radboud University, Nijmegen School of Management, Netherlands; ²Aalto University School of Business, Finland

The relocation of corporate headquarters (CHQ) is understood as a process in which top management follows the most attractive location attributes. By studying how the media (de)legitimize the choice of the location of an MNC's CHQ, we demonstrate the complexity of the relocation process. We explore the dismantling of the dual corporate structure of Unilever and consequently the relocation of its CHQ, first to Rotterdam but then to London. Taking a CDA approach, we collected a database of media documents on the relocation events from the Dutch and British media, and press releases from Unilever. Our study contributes by theorizing the relocation process from decision to implementation. Second, the study shows that legitimization of the location choice is important for the successful completion of relocation.

SOLVING AGENCY ISSUES THROUGH THE PARENTING ADVANTAGE IN MNC

Ana Botella Andreu, Jose Pla Barber, Cristina Villar Garcia

Universitat de Valencia, Spain

Intermediate Units have a unique particularity in the MNC network: they hold a dual agency role as they are principals (for a group of subsidiaries) and agents (for the CHQ) at the same time. Such complex strategic duality stems from its parenting position and the need to be permanently connected to the rest of the units. In this paper, we investigate how IUs leverage their parenting advantage to manage their relationships with CHQs and local subsidiaries in order to mitigate the agency problem. We apply the dynamic view of Agency Theory which highlights that the intensity of relationships between actors reduces agency issues because it provides constant information to upgrade the position in front of other actors (Tirole, 1986). Also, we test a set of hypotheses through PLS on a sample of Spanish Intermediate Units. Our results show how IU's market experiential knowledge is essential to maintain the relationship with the CHQ and the subsidiaries. However, local subsidiaries will primarily maintain their relationship with IUs due to their technical expertise while CHQ will value their supervisory experience. Practical and theoretical implications are derived.

Do the Cultural Traits of the Headquarters Affect the Success of Strategic Issue Selling by Foreign Subsidiaries?

Jorge Carneiro¹, Renato Santos¹, Ulf Andersson²

¹FGV EAESP Sao Paulo School of Business Administration, Brazil; ²Mälardalen University

An important contribution of subsidiaries of multinational corporations is identifying relevant ideas that connect their local reality to the benefit of the whole organization. However, such ideas may never gain the attention – and the commitment thereof – of headquarters if subsidiaries do not engage in purposeful strategic issues selling efforts. The subsidiaries' efforts notwithstanding, headquarters' attention is limited and selective. In this study, we delve into the influence that cultural traits of the headquarters may have on the effect of issue selling tactics pursued to attract headquarters' attention. The study corroborates past literature regarding the direct impacts of issue selling tactics. In addition, it finds that uncertainty avoidance and power distance both strengthen the positive effect of an issue's degree of organizational consistency, which nonetheless may hinder innovation. Surprisingly, social collectivism seems to negatively affect collective efforts by multiple subsidiaries. Other cultural dimensions examined (specifically, performance orientation and in-group collectivism) do not have any significant moderating impact. The results show that other variables (e.g., extent of headquarters' centralization) may exert a stronger effect on the chances of a subsidiary being heeded by the headquarters.

11:30am -
1:00pm

HBS 201

Parallel session 1-5: Distance, reputation, and the role of managers

Location: **HBS 201**

Session Chair: **Prof Maksim Belitski**, University of Reading, United Kingdom

Adjusting MNE Regional Strategy: An Analysis from Behavioral and Microfoundation Perspective

Che Tang¹, Dimitrios Georgakakis², Peder Greve³, Winfried Ruigrok¹

¹University of St. Gallen, Research Institute for International Management, Switzerland; ²University of York, Management School, UK; ³Henley Business School, University of Reading, UK

International Business research applying the regionalization lens suggests that MNEs gradually adjust their regional strategy over time. The present study addresses this proposition regarding the dynamics in MNE regional strategy from a behavioral and microfoundation perspective. The authors hypothesize that the difference between MNE's actual performance and aspiration level motivate MNE managers to deviate from (or keep) the company's previous regional strategy. Meanwhile, CEO's international and inter-firm experience diversity moderate this relationship. The hypotheses will be tested with European MNEs' foreign investment data between 2003 and 2018. The study will contribute to a dynamic view on MNE's regional strategy and enrich the behavioral theory of the firm with a microfoundation perspective.

Reputation development in emerging economies: The case of foreign MNEs in sub-Saharan Africa

Erin Makarius¹, Aloysius Newenham-Kahindi², Charles Stevens³

¹The University of Akron; ²University of Victoria, Canada; ³Lehigh University

A firm's success or failure is affected not just by actions and actors internal to the firm, but is also driven by how it is viewed by others. A firm's reputation - collective assessment of a firm's attractiveness (Fombrun, 2012), has been linked to numerous positive outcomes including increased profitability, decrease in employees turnover, increased desirability to form social and political ties with stakeholders. In this paper we investigate *how does firm reputation develops in emerging economies and what are the performance and strategic implications for firms*. Given the institutional complexities faced by FDIs and MNEs abroad, we use an inductive qualitative method to collect our primary data in East and Central Africa region. This research creates the ability for us to better understand the opportunities and challenges FDIs and MNEs face with respect to building their reputation locally in a dynamic, emerging economies' setting. We aim to contribute to IB research and theory by uncovering the importance of reputational interdependency and interconnectedness of firms' reputation within and across countries in the region.

Gendered Effects, Institutional Environment, and Exports

Farzana Chowdhury¹, David Audretsch², Maksim Belitski³

¹University of Durham, UK; ²Indiana University; ³University of Reading

We investigate the institutional context proxied by two types of corruption - pervasive and arbitrary - associated with firm exports, focusing on how this relationship differs between men and women-led firms. Using self-reported micro-level cross-country data from 4,714 firms on arbitrary and pervasive corruption during 2008-2015 across 75 economies, we find that pervasive and arbitrary corruption types have different effects on firm exports. We also find that female Chief Executive Officers (CEOs) mitigate this effect of corruption in two distinct ways. Our results contribute to institutional and feminist theories and are robust when controlling for economic development and quality of gender institutional characteristics. Our study suggests that female CEOs in developing and emerging economies will be less vulnerable to predictably corrupt institutions rather than to uncertain institutions.

It's personal: The emotional dimension of psychic distance in the context of MNE knowledge transfer.

Qiu Wang¹, Jeremy Clegg², Hanna Gajewska-De Mattos³, Peter Buckley⁴

¹Sheffield University, United Kingdom; ²Leeds University, United Kingdom; ³Leeds University, United Kingdom; ⁴Leeds University, United Kingdom

Psychic distance (PD) is a perceived obstacle to information flows between home and host markets. It is predominantly conceptualized as a geospatial concept – symmetric, continuous and stable over time. However, the impact of subjective perceptions of macro-level distance factors disrupting information flows is undertheorized. Utilizing appraisal theory in a qualitative study of MNE knowledge transfer within a Chinese MNE, we unpack distance stimuli from the individual's own perspective and find distance is assessed in the light of their personal concerns, leading to salient emotions. In the light of these insights, PD is theorized as a psychological mechanism focused on the emotionally charged processes of individuals coping with perceived uncertainties to information flows.

11:30am -
1:00pm

HBS 108

Parallel session 1-6: FDI determinants, entry modes, and motives

Location: HBS 108

Session Chair: **Prof George Jim Georgopoulos**, York University, Canada

When a foreign market is optimal for one entry mode but suboptimal for others: A multi-dimensional International Market Selection method for detecting specific markets

Yueling Zhou¹, Emanuel Gomes¹, Ferran Vendrell-Herrero²

¹Nova School of Business and Economics, Portugal; ²Birmingham Business School, University of Birmingham

By drawing on the International Market Selection (IMS) literature, this study develops a multi-dimensional and flexible IMS decision model, considering the impact of different types of entry modes on the market screening and selection process. We argue that the widely accepted view is limited when the entry mode is chosen after selecting the final target market. Hence, our model helps overcome the "IMS first or entry modes first" dilemma. We propose a new multi-criteria method in which we split variables that are more relevant to export and FDI types of entry modes, assign different weights to each variable, conduct country rankings for different entry modes, and present each country's export and FDI attractiveness scores on the coordinate axis. By comparing the distance from each country to the Least-squares trend line and the 45-degree line, we divide countries into two categories: common markets and specific markets. Our result suggests that different countries have various levels of attractiveness to different entry modes. Firms need to pay more attention to countries in "specific markets," compare the suitable entry modes, and make a proper market selection accordingly.

Determinants of FDI in Balkan countries: the role of different stages of EU accession

Luigi Benfratello, Anna D'Ambrosio, Alida Sangrigoli, Gabriele Scabbia

Politecnico di Torino, Italy

We investigate the role of the different phases of the European Union accession process in affecting the location choice of multinational firms in Balkan countries by using information on 9,185 greenfield FDI locating in 8 Balkan countries from 84 origin countries worldwide over the 2003-2019 period. We control for standard FDI determinants (market size, openness to trade, wages and governance) as well as different forms of co-location between the new investment and those previously located in the same host country. We stratify our sample in terms of both FDI origin countries (EU and non-EU investors) and industry activity located abroad. Overall, all stages (negotiations, approval, official membership) appear to be associated with positive gains in FDI. An anticipation effect emerges from the approval phase, most likely due to the reduction in the uncertainty perceived by investors. The positive effect of prospect membership also extends to the years before official negotiations start. These results also hold when stratifying the sample for industry heterogeneity and origin country of investments, the only exception being the negative effect of EU membership on the location of FDI in manufacturing.

The Impact of Financing Constraints on Cross Border M&As

George Jim Georgopoulos¹, Umar Boodoo², Laurence Booth³, Walid Hejazi³

¹York University, Canada; ²Warwick Business School; ³Rotman School of Management

Cross-border mergers and acquisitions (CBM&As) are a significant component of foreign direct investment, which in turn is at the heart of international business strategy for MNEs. However, while there is a large theoretical and empirical literature documenting how these strategies are determined and implemented, there is a relative dearth of research in the international business literature on the role played by financial constraints in financing CBM&As. We hypothesize that financially constrained firms are inhibited from undertaking CBM&As due to these two factors of scale and immediacy. Furthermore, we argue that these constraints are increasingly binding the less developed the financial market where the target firm is located, and the greater the institutional distance between the home and target market. Evidence in support of these hypotheses is documented using firm-level data on CBM&As from OECD and BRICS countries into every country in the world for which data exists. The implication is that not only are financing constraints important in explaining the extent to which firms undertake CBM&As, but also that these constraints may have a significant impact on where acquiring firms target companies for acquisition.

Exploring the effects of economic crises on the investment behaviour of multinational enterprises: The case of the PIIGS

Charikleia Theodoraki¹, Fragkiskos Filippaios², Carmen Stoian³, Umair Choksy³

¹Manchester Metropolitan University, UK; ²University of East Anglia, UK; ³University of Kent, UK

We study the impact of economic crises on foreign direct investors. We argue that effect of each type of crises on incoming foreign direct investment (FDI) differs depending on the motivations of investing multinational enterprises (MNEs). We test our hypotheses on a sample of 12,993 greenfield investments in the EU peripheral countries (both from developed and developing economies) from 2003 to 2018.

11:30am -
1:00pm

HBS 208

Parallel session 1-7: International HRM: Culture, performance, and Covid-19 pandemic

Location: **HBS 208**

Session Chair: **Dr Rita Fontinha**, Henley Business School, United Kingdom

A configurational approach to expatriate cultural intelligence profile and its boundary conditions

Lianghui Lei¹, Sabrina Thornton², Ondřej Částecký³

¹University of Huddersfield, United Kingdom; ²Sheffield University, United Kingdom; ³Masaryk University, Czech Republic

This study advances our understanding about cultural intelligence (CQ) as a profile construct and the boundary conditions of CQ profile. Drawing from person-culture congruence model and configuration theory, we show how CQ dimensions configure with two boundary conditions of cultural distance and perceptual cultural novelty to produce expatriate cross cultural adjustment. Applying fuzzy-set Qualitative Comparative Analysis (fsQCA) techniques, the results from a survey of 106 expatriates in the Czech Republic indicate that five expatriate CQ profiles are effective for work adjustment success, whilst four profiles are associated with low work adjustment. Furthermore, we depict the boundary conditions under which these CQ profiles produce respective outcomes. These results demonstrate that CQ dimensions always work together, rather than in isolation, to influence expatriate adjustment, and that expatriate adjustment is a function of the fit between expatriate CQ profile and the cultural environment. We discuss the implications for theory and practice.

The determinants of migrants' skill composition

Esra Karapınar Kocağ¹, Yutong Li²

¹Bağlarbaşı Mah, Gümüşhanevi Kampüsü, Sosyal Bilimler MYO; ²University of Reading

Movements of labour across the world is an ongoing debate in the literature in terms of its drivers and results in sending and receiving areas. The skill composition of migrant labour has been discussed by several papers, although they generally focussed on visa policies or firm-level productivity. However, this paper focuses on the relationship between migrants' educational attainment and government budgeting on R&D. Findings reveal that higher budget allocation for R&D is associated with the higher skill level of migrants within the overall migrant population. Besides, this relationship varies among subgroups of migrants that would have significant policy implications.

THE IMPACT OF THE COVID 19 PANDEMIC ON JOB INSECURITY AND WORK ENGAGEMENT: LONGITUDINAL EVIDENCE FROM UK'S HIGHER EDUCATION SECTOR

Rita Fontinha, James Walker, Chris Brewster, Washika Haak-Saheem, Fabio Lamperti
Henley Business School, United Kingdom

We examine the determinants of work engagement among UK academics at two stages of the Covid-19 pandemic: a month after the first complete UK lockdown (March-April 2020 – Time 1) and at a recovery stage in terms of academic work (October-November 2021 – Time 2). Theoretically grounded in the Job-Demands Resources model, we found that overall engagement levels did not differ significantly at the two stages of the pandemic, apart from levels of vigour which were higher at Time 2. Levels of perceived job insecurity decreased, and perceived employability increased. We found that job insecurity was negatively associated, and perceived employability positively associated, with all engagement dimensions at both times, but these relationships became weaker at Time 2. Academics born outside the UK reported higher levels of engagement at both stages. We outline the implications for IHRM in a context of macro-economic turbulence, advancing an agenda for future research and practice.

Understanding the evolution of international human resource management research: A bibliometric review over the past 25 years (1995-2019)

Joonghak Lee¹, Chungi Chae², Rita Fontinha¹, Jongmin Lee¹

¹University of Reading, United Kingdom; ²Wenzhou-Kean University

This paper aims to depict the evolution of international human resource management (IHRM) research by mapping the semantic structure of the literature over the last 25 years. We conduct a bibliometric analysis of 1,507 articles published in the field of IHRM at the keyword, thematic, and network levels. Our analysis reveals that IHRM research has a complex semantic structure that is socially constructed. We also identify the evolution of main research trends across three time windows and branch out key themes for each time window. This study employs the bibliographic coupling analysis to provide an accurate systematic interpretation of IHRM literature to identify the main research patterns in the field of IHRM and to interpret the core themes that contributed to the evolution of IHRM research.

Cultural Orientations, Work Adjustment and Performance Among Corporate Expatriates

Alexei Koveshnikov

Aalto University School of Business, Finland

In this paper, we build on social categorization theory, which postulates that to make sense of how to behave in a specific social context, individuals tend to categorize themselves and others into in-groups and out-groups, to argue that corporate expatriates' local / global cultural orientations, captured in their ethnocentrism versus cosmopolitanism, influence how they perceive either the cultural differences or the degree of homophily between them and their host country supervisors to be. These then affect how expatriates adjust to their new work context and how well they perform their tasks while on assignment. Empirically, the paper analyses 250 expatriate-supervisor dyads from organizations in Russia. By doing so, the paper complements extant research on corporate expatriates by addressing the following, so far little researched, questions: (a) how the quality of the relationship with host country supervisors affect the performance of expatriates; (b) how the local / global orientations as captured by ethnocentrism / cosmopolitanism of expatriates influence their success on the assignment; and (c) through what mechanisms such orientations translate into implications for expatriates' adjustment and performance.

11:30am -
1:00pm

ICMA G09

Parallel session 1-8: MNEs, institutions, and exporting activity

Location: ICMA G09

Session Chair: **Prof Marco Grazzi**, Università Cattolica del Sacro Cuore di Milano, Italy

EXPORT INTENSITY OF MNE FOREIGN SUBSIDIARIES THE ROLE OF SUBSIDIARY-SPECIFIC ADVANTAGES AND HOST COUNTRY SPECIFIC ADVANTAGES

Quyen Nguyen

University of Reading, United Kingdom

We contribute to the theory of the multinational enterprise (MNE) by examining subsidiary-specific capability in financial management, defined as the ability to plan, manage, control, and direct financial resources effectively and efficiently, and the perceptions of subsidiary managers on host country financial development as drivers of export intensity (the share of sales that are exported) of MNE foreign subsidiaries. We theorise that subsidiary-level capability in financial management is conceptually a valuable subsidiary-specific advantage and it is as relevant as other traditional competitive advantages, such as R&D and marketing intensity. Host country financial development is argued to be largely related to the characteristics of the host country-specific advantage. We provide empirical evidence to support for these arguments using a survey dataset of the foreign subsidiaries of Western MNEs together with other public data sources. Export intensity depends on subsidiary-specific advantage and host country specific advantage. We discuss the implications of our findings for theory and practice.

Institutional Duality and MNCs Environmental Behaviors

Dina M. Abdelzaher¹, Nora Ramadan²

¹University of Houston Clear Lake-USA; ²University of Stirling, United Kingdom

Determinants of MNCs environmental behaviour remain vague. This paper poses the question of how can factors of institutional duality shape MNCs' environmental behaviour. We propose that MNCs can take various environmental roles through its subsidiaries depending on factors of institutional duality. These roles are Green Innovator, Green Agent of Change, Green Washer, and Green Exploiter. Accordingly, we propose a two-by-two typology that can serve as a potential analytical tool to differentiate between subsidiary responses to the varying degrees of institutional duality pressures and compare across multinational corporations (MNCs') subsidiary networks on environmental behaviors. Theoretical and practical implications of the typology are then discussed.

Learning-by-exporting during de-internationalization: The impact of country-specific export relationships on decreasing export value

Alfredo D'Angelo¹, Marco Grazi¹, Le Li³, Daniele Moschella²

¹Università Cattolica del Sacro Cuore di Milano, Italy; ²Scuola Superiore Sant'Anna, Pisa, Italy; ³Guangzhou College of Commerce, Guangzhou, China

This research investigates partial de-internationalization focussing on firms' ceasing some existing export relationships while keeping presence in the same foreign market. Our results show firms partially de-internationalizing more likely to suffer a decrease in their export value. However, this relationship is moderated by exporting experience. Building on the learning-by-exporting literature and using firm-country-buyer-seller transactions data, our findings present a non-linear relationship between firms' experience (both generic and specific) and decreasing export value. Our study reveals that, for a firm partially exiting a foreign market, any year of country-specific experience matters to avoid a decrease in export value. This does not occur in case of generic exporting experience.

"Distance" isn't "dead"! MNEs and the duality of institutions: Regulatory pressures, social responsibility pressures and the FDI decision

Huimin Liang¹, Irina Surdu², Nigel Driffield³

¹Warwick Business School; ²Warwick Business School; ³Warwick Business School

Given the constant changes taking place in the international business (IB) landscape, a firm's institutional environment is recognized as a key source of uncertainty. Addressing calls to explore how multinational enterprises (MNEs) strategize to manage complex institutional pressures, this paper examines the effects of institutional duality on entry mode choices. We explore how key institutions – both at home and abroad - affect MNEs' foreign direct investment (FDI) decisions. In practice, country of origin still matters as MNEs seek to manage the pressures exerted by their host institutional environments, whilst also strategizing to maintain home market institutional legitimacy. Further, we propose and show that regulative and normative institutional pressures affect the choice of FDI mode differently. Using a sample of 44,720 FDI events between 2013 and 2019, we show that higher degrees of FDI such as wholly owned subsidiaries, tend to be used by MNEs when the distance between normative institutions, i.e., home and host CSR norms and practices, is high. Whilst regulative distance is managed through setting up joint venture relationships, wholly owned subsidiaries are chosen to control whether, and to what extent, MNEs adapt to different, host market CSR standards and practices.

1:00pm - 2:30pm

Lunch

Location: [Eat at the Square](#)

[Eat at the Square](#)

2:30pm - 4:00pm

Award presentation session: Pavlos Dimitratos Best Dissertation Award Presentation

Location: [HBS G15](#)

[HBS G15](#)

Essays on Outward Foreign Direct Investment and Technological Innovation

Yunxiong Li

London School of Economics, United Kingdom

The influence of IPR on the offshoring of innovation activities: governance choices, and location strategies adopted by MNCs in China

Jie Hong

University of Leeds, United Kingdom

The Role of Strategic Leaders in International Business: Competitive Strategies and International Complexity

Tommaso Vallone

Politecnico di Milano, Italy

2:30pm - 4:00pm

Panel session 3: Megatrends in International Business

Location: [ICMA G09](#)

[ICMA G09](#)

Chair: Spiros Batas

Panelists: Rudolf Sinkovics, Olli Kuivalainen

2:30pm - 4:00pm

Parallel session 2-1: Institutions and performance

Location: [HBS G03](#)

[HBS G03](#)

Session Chair: **Dr Elizabeth Moore**, Northeastern University, United States of America

Who's likely to go informal? Insights from the anomie theory

Chengli Shu¹, Mengli Zhao¹, Elizabeth Moore², Luis Alfonso Dau²

¹Xi'an Jiaotong University, China; ²Northeastern University, United States of America

Informal entrepreneurship is defined as starting a business venturing without legally registering the business through formal government channels and processes. Despite a sizeable share and growth of the informal economy in many developing, emerging, and developed countries, there is still a marked gap in our understanding of why some entrepreneurs actively choose to operate their ventures outside of formal and legal regulatory structures. We build on the anomie theory to suggest that informal entrepreneurship can be defined as a deviant behavior, thus departing from formal and legal institutions. Extant scholarship of the anomie theory suggests that deviance may come from two sources: individual and country level factors. To test our conceptual model, we assembled a dataset from several sources in two levels, individual- (drawn from Global Entrepreneurship Monitor, GEM) and country level (drawn from several datasets). Using multilevel method, along with several sensitivity analyses, our empirical analyses and findings based on 14,636 new ventures in 44 countries are rigorous and offer several key findings.

Highlighting Asymmetries: Re-Examining the Firm-Level Impacts of Pro-Market Reforms in Latin America

Bruno Buscariolli¹, Jorge Carneiro¹, Luis Alfonso Dau², Elizabeth Moore²

¹FGV EAESP Sao Paulo School of Business Administration; ²Northeastern University, United States of America

Impacts of pro-market reforms on profitability have been investigated for more than two decades, but accumulated results still prove inconclusive. While there seems to be consensus highlighting why pro-market reforms would lead to higher profitability, findings remain mixed. We refine past research by 1) employing causal analysis methods (specifically, vector autoregression and impulse response functions) that improve upon previous techniques, 2) using more appropriate sampling of countries and of firms (specifically, multiple countries that are comparable and that illustrate opposing directions of reforms), and 3) including additional key financial indicators as dependent variables to parse out the complex impacts of the reforms. Using firm-level data about 1,248 publicly listed firms from seven Latin American countries (2000-2016), our results offer novel insights. Interestingly, our results do not demonstrate a statistically significant result for the impact of pro-market reforms on profitability (return on sales). However, our findings do indicate a positive relationship between pro-market reforms and operational efficiency (reduction in administrative and selling expenses) as well as between pro-market reforms and financial leverage (corporate indebtedness and interest expenses). Understanding these asymmetric effects, while also considering pro-market reversals, offers a more finely variegated lens to extant literature.

Formal versus informal institutions and the competitive impact of international mergers and acquisitions

Dimitrija Kalanoski¹, Francesco Cappa², Pinelli Michele³, Jean-Philippe Bonardi⁴

¹Alliance Manchester Business School; ²Campus Bio-medico University; ³Free University of Bozen-Bolzano; ⁴University of Lausanne - HEC

The institutional based view of strategy aims at bringing institutional factors to our understanding of how and why firms develop successful strategies. Existing literature has thus investigated the importance of institutions for international entry strategies, the development of innovative strategies, or the degree of vertical integration that firms should adopt. What is still currently missing, however, is an exploration of how institutional dimensions impact competitive rivalry. In this paper, we tackle this question by examining how differences in the degree of development of the institutional environments where acquiring, target and rival firms operate, impact rivals' performance upon the M&A announcements of their competitors. We argue that formal and informal institutions should have opposite effects: while large differences in informal institutions between the acquirer and the target should make a M&A more difficult to implement and should thus positively impact rivals, the opposite should be true for differences in formal institutions. In addition, the rivals' own institutional environment should affect their ability to handle the competitive threats from the M&As of competitors, and should therefore mitigate the main effects. We test this theory on a sample of M&As and find broad empirical support.

Informal institutions and the international strategy of MNEs: Effects of institutional effectiveness, convergence, and distance

Luis Alfonso Dau¹, Jiaotao Li², Marjorie Lyles³, Aya Chacar³

¹Northeastern University, United States of America; ²Hong Kong University of Science and Technology, Hong Kong, China; ³Florida International University, United States of America

Informal institutions influence all aspects of international business (IB), but they have received limited attention in the literature relative to formal institutions. This perspective article extends prior IB work by examining the relationships between several key formal and informal institutional factors and the international strategy of MNEs. First, it examines the direct effects of formal and informal institutional effectiveness, convergence, and distance on MNE local adaptation, developing arguments and propositions for each relationship. Second, it focuses on the interactions of formal and informal institutional effectiveness and convergence to develop an eight-fold typology of market institutional configurations. This typology depicts the role that informal institutions take in a market depending on the interaction of these three institutional factors. Third, it builds on these interactions and the concept of institutional distance to develop a conceptual framework of market and MNE institutional diversity and dynamism. This framework captures the formal and informal institutional relationships *within* a home market, host market, parent firm, and foreign subsidiary, as well as the informal institutional relationships *across* each of these entities over time. In so doing, this perspective helps advance research on informal institutions and IB, which can lead to considerable future work on the topic.

2:30pm - 4:00pm

HBS G04

Parallel session 2-2: Institutional environments and political activities

Location: **HBS G04**

Session Chair: **Zibang Chen**, University of Manchester, United Kingdom

When can SMEs pay less attention to political risks? The moderating role of legitimacy spillovers in FDI location choice

Zibang Chen, Axèle Giroud, Asmund Rygh

University of Manchester, United Kingdom

IB studies show that MNEs tend to invest in locations with fewer political risks. Recent literature on emerging multinationals, however, shows that Chinese multinationals may behave differently, mostly because of the uniqueness of their country of origin. In this paper, we examine the impact of political risk on location decisions of Chinese Small and Medium-Size Enterprises (SMEs), and explore the role of legitimacy spillovers as a moderator of the relationship between political risk and location choice. Our empirical investigation is based on an original database of 617 FDI location-choice decisions made by 240 Chinese SMEs between 2006 and 2017. Results show that political risk deters Chinese SMEs' from choosing a particular location, but political and economic legitimacy spillovers positively mitigate this relationship. We also show that legitimacy spillovers impact differently upon the relationship, especially when taking firms' prior experience in the host country in consideration. Our novel contributions are: increased understanding of Chinese SMEs' internationalization, conceptual development of legitimacy spillovers, and new focus on political risk and MNEs' location choice.

All Aboard! When Do MNEs Use Relational Corporate Political Activity?

Irakli Barbakadze¹, Davide Castellani¹, Stefano Elia², Irina Surdu³

¹Henley Business School, University of Reading, United Kingdom; ²School of Management, Polytechnic University of Milan, Italy; ³Warwick Business School, University of Warwick, United Kingdom

The nexus between business and government remains a topic increasingly debated in international business and management. Corporate political activities (CPAs) are used strategically to secure a firm's access to market knowledge and legitimacy. Relational CPAs - a longer term, and higher commitment, form of political activity, which includes hiring former politicians in high-level positions within the organization - may be particularly beneficial for the multinational enterprise (MNE) in order to overcome the liability of outsidership (LoO). Yet, MNEs also face considerable costs and risks when building such political connections. We examine variations in firms' use of relational CPA, based on a comprehensive dataset consisting of 24,591 firms and 41 countries. By integrating LoO and Resource Dependency Theory (RDT), we discuss how, overall, foreign subsidiaries of MNEs are, in fact, less likely to engage in relational CPAs compared to domestic-owned firms. Our findings, however, also reveal that the value of knowledge acquired through relational CPAs in reducing LoO significantly increases with the degree of dependency on local resources. MNEs use political connections more when they (1) have higher local market commitment; (2) operate in industries with high informal regulation; or (3) operate in a host environment characterized by autocratic political systems.

The impact of informality years on firm performance and the moderating role of institutional quality

Bisrat A. Misganaw¹, Dawit Z. Assefa², Ana Colovic³

¹NEOMA Business School, France; ²University of Messina, Italy; ³NEOMA Business School, France

This study examines the relationship between initial informality and firm performance. Based on an empirical investigation covering 116 developing economies over the 2006–2018 period, we demonstrate that firms that started operation without formal registration perform better than firms that started operation formally. However, we find that the relationship between time spent unregistered and firm performance is non-monotonic, taking an inverted-U shape form. We further show that institutional quality moderates this relationship, such that firms operating in countries marked by poorly functioning formal institutions benefit from staying unregistered longer. This suggests that although it may seem beneficial for entrepreneurs to start in the informal sector, operating informally for too long is disadvantageous, negatively affecting firm performance. We contribute to the informality literature by providing evidence and explanation that reconciles the contradicting views on the relationship between initial informality and performance.

Tax havens and emerging market multinationals: the role of property rights and economic freedom

Chris Jones¹, Yama Temouri², Jun Du¹, Karim Kirolos³

¹Aston University, UK; ²Khalifa University, United Arab Emirates; ³Warwick University, UK

This paper sheds light on an important underexplored dimension in which to view EMNE internationalization over time. We build on recent research on tax havens by investigating the link between institutional quality and EMNEs. We develop a conceptual framework that adapts the *institutional escapism framework*, whereby EMNEs expand globally to escape institutional hazards in the home country and the *institutional leverage framework*, where EMNEs can leverage the home institutions as a competitive advantage. This allows us to conceptually derive and explain the curvilinear (U-shaped) relationship between institutional differences and reforms over time and how this impacts on EMNE strategy towards tax havens. We further empirically test a number of hypothesis using a large cross-country firm level dataset, which ultimately allows us to draw several managerial and policy related implications.

2:30pm - 4:00pm

HBS 101

Parallel session 2-3: Upper echelons: Succession and turnover

Location: **HBS 101**

Session Chair: **Dr Liang Li**, Henley Business School, University of Reading, United Kingdom

Board Diversity as a Mediating Factor of the Relationship between National Diversity and MNE Performance

Anthi Avloniti², Fragkiskos Filippaios¹

¹University of East Anglia, United Kingdom; ²University of Central Lancashire Cyprus, Cyprus

The impact of national diversity on MNE performance has been the subject of extensive research and a multiplicity of arguments and findings exist in the literature. In this study we argue that board diversity as defined by the proportion of foreign nationals on the executive board of a corporation can help the firm moderate the effects of national diversity when doing business abroad and thus create a positive effect on corporate performance. We develop a conceptual model based on the Transaction Cost Theory, the Resource Based View of the firm and the Institutional Environment that explains the underlying processes of the effect of national diversity on corporate performance. Our research involves British MNEs operating in a diversity of foreign countries worldwide. Through empirically examining a sample of British MNEs we indicate that a culturally varied board of directors can be more effective in dealing with the negative aspects of the influence of Cultural and Psychic Distance on MNEs performance.

Changing the sails to steer in the wind: Conceptualising top management succession

Mads Emil Wedell-Wedellsborg

Henley Business School, United Kingdom

Studying top management team (TMT) composition tends to be from single-sided views of either looking at the characteristics of entries into the TMT or aggregate turnover levels in isolation. This paper conceptualises a framework where compositional changes in the TMT are shaped by both exits and entries of non-CEO TMT members. When both exit and entry occurs, then entry into the TMT is a "replacement", meaning that treating the entry event alone will lack some information that will be provided based on the characteristics of the departing member. We provide a model of four different types of replacements and suggest contexts that can shape these replacement scenarios. Thus, we contribute to the increasing importance of including managerial traits in business studies. We also provide a novel way of approaching research on top management replacements

IT'S ALL RELATIVE: PERFORMANCE FEEDBACK, CULTURAL DISTANCE, AND FOREIGN SUBSIDIARY GENERAL MANAGER TURNOVER

Liang Li¹, Vanessa Hasse², Marketa Rickley³

¹Henley Business School, University of Reading, United Kingdom; ²Ivey Business School, Western University; ³University of North Carolina at Greensboro

The turnover of foreign subsidiary general managers (GMs) is critical to multinational enterprise (MNE) decision makers who aim to address the poor subsidiary performance. But we know little about how subsidiary GM turnover decisions are made in the unique context of MNEs. Also, existing research has yielded inconclusive results regarding the association between poor organizational performance and GM change. By drawing on a performance feedback perspective, we argue that MNE decision makers evaluate the difference: (a) between the focal subsidiary's performance and its historical aspiration; and (b) between the focal subsidiary's performance and its social aspiration in order to make informed subsidiary GM turnover decisions. However, the cultural distance between home and host country may influence the effects of these two comparisons. Using Toyo Keizai Needs Merged Database from 1991 to 2013, we find empirical support. We discuss the implications of these results and suggest directions for future research.

2:30pm - 4:00pm

HBS 201

Parallel session 2-4: External environments and international business

Location: **HBS 201**

Session Chair: **Ha Nguyen**, University of Vaasa, Finland

Global Value Chains of Commonwealth Countries post-COVID

Sangeeta Khorana¹, Hubert Escaith¹, Salamat Ali², Sushma Kumari³

¹Bournemouth University, United Kingdom; ²Commonwealth Secretariat; ³Hull University

The COVID-19 pandemic reignited the debate on global value chains (GVCs) focussing on whether the gains from GVCs outweigh the associated risks of transmission of shocks amid growing protectionism. This paper bridges the gap between international trade and supply chain management, proposes a framework that investigates whether growing protectionism, associated with reshoring and decoupling with nearshoring, could change the constellation of Commonwealth GVCs post-COVID. Results show that protectionism is likely to impact supply chains and that the disruptions from the pandemic are likely to lead to a reconfiguration of GVCs through reshoring and potential decoupling which could lead to nearshoring in the long run. This presents an optimistic picture for Commonwealth countries and firms as these could benefit from supply chain diversification following on from potential geographical redistribution of suppliers by larger economies, such as Europe and North America.

A 40-year-retrospective of foreign divestment and its implications: Past Achievements and Future Direction

Ha Nguyen

University of Vaasa, Finland

Over the past forty years, foreign divestment has received a tremendous attention in international business and management research. While there are novel previous studies on antecedents of foreign divestment decisions, implications of the decisions such as divestment mode choices, process and outcome have received scant attention. It leads to a disconnection between antecedents and implications of foreign divestment. This paper traces the history of these research streams over the past four decades using bibliometric technique and qualitative content analysis to synthesize findings of previous research on antecedents and implications of the foreign divestments. Precisely, we reviewed 304 published and unpublished studies from 1979 to 2021. We highlight the evolution of interest in different contexts, phenomena, theories, and methodologies, along with the factors that have driven interest in these topics. We also offer a research agenda to stimulate new insights and novel work on divestment of foreign subsidiaries.

Economic loss and recovery under natural disaster: Implication for international business

Zhao Zeng¹, Huan Zou², Laixiang Sun², Weijiang Li³, Qinghua Ye⁴, Zhan Tian⁵, Ralf Toumi⁶

¹Tianjing University; ²SOAS University of London, United Kingdom; ³Shanghai Normal University; ⁴Deltare; ⁵Southern University of Science and Technology, China; ⁶Imperial College

The complexity and wickedness in managing natural disasters are oblivious beyond 'normal' business practice, which is indeed a grand challenge for multiple stakeholders who all cannot be isolated from the devastating events (Yamori and Goltz, 2021). The urgency to find new ways of thinking in responding to natural disaster and managing the potential economic risks is indeed critical. To date, except for limited theoretical papers in international business field (i.e. Oh and Oetzel, 2021), relatively little work specifically examines risk management for natural disasters. Instead of rushing to the strategy-decision and resource allocation to prepare for and respond to natural disaster threat at firm-level, we argue it is pivotal to understand how a natural disaster threat impact on economic activities at a disaggregated level. Different from conventional methodologies in IB research, this study is interdisciplinary by nature, offering an integrated modeling in which couple the state-of-art hydrodynamic model and economic-based model. Using the case of Typhoon Winnie, which was the worst tropical cyclone typhoon in 1997 that impacted Shanghai and the surrounding coastal areas in China, we explore the economic loss and recovery in six future scenarios.

Technological discontinuities, the role of incumbents, challengers, and late entrants: A systematic literature review.

Deborah Tiniwah Mensah

University of Ca'Foscari Venice, Italy

This paper enquired into the role played by industry incumbents, challengers, and late entrants within a technological discontinuity. Our paper provides the first systematic literature review on the subject. We review 60 articles on technological discontinuities in various context published in 31 journals over 20 years (1991-2021), covering the academic disciplines of management, joint discipline of management and technology, innovation, and economics. The findings generally portray wide-ranging determinants of incumbent response, varying across industries and situations and mediated by other variables. Further the study highlighted strategy as the basis of the transition of leadership from conventional leaders to emerging challengers in incumbent-challenger dynamics. Organizational knowledge is found to be a core input in the successful adaptation of incumbents, disruption by challenger and catch-up by late entrants are firmly entrenched in the literature. We then identify the gaps in the literature and suggest areas for future research on technological discontinuities.

2:30pm - 4:00pm

HBS 102

Parallel session 2-5: Internationalization, performance, and regional strategy

Location: [HBS 102](#)

Session Chair: **Nhan Nguyen**, Edinburgh Business School, Heriot-Watt University, United Kingdom

Enhancing Firm Innovation Performance through Internationalisation: The Perspective of Emerging Market SMEs

Nhan Nguyen, Yen Tran

Edinburgh Business School, Heriot-Watt University, United Kingdom

Prior international business (IB) literature has emphasised the benefits of outward international activities (export, FDI) for firms' innovation enhancement from the perspective of multinational corporations. Our study of emerging marketing SMEs shows that it is the inward international activities (i.e., imports, in-licensing, and acting as suppliers for foreign customers) that play important role in improving local SMEs' innovation performance. Conducting cross-country analysis of 7 upcoming Asian emerging economies (Bangladesh, Indonesia, Malaysia, Pakistan, Philippines, Thailand, and Vietnam) followed by longitudinal analysis focusing on Vietnam, we provide the evidence that local SMEs can significantly increase their innovation performance simply by staying in their home country and engaging in "more receiving" activities of imports, in-licensing and acting as suppliers for foreign customers. This effect is further amplified if they strategically invest in R&D to develop their absorptive capacity. Additionally, this research makes a methodological contribution by overcoming self-selection bias (i.e., international companies already possess higher innovative capabilities before entering overseas markets) to show the positive impact of export intensity on subsequent new product innovation in the longitudinal analysis.

Interactions matter: Revisiting intra- and inter-regional diversification and MNE performance

Jongmin Lee

University of Reading, United Kingdom

This study theorizes internationalization patterns of multinational enterprises (MNEs) considering the interaction of intra- and inter-regional diversification and explores how the levels of intra- and inter-regional diversification affect firm performance, respectively as well as collectively. We argue that the effects of intra- and inter-regional diversification are not linear but orthogonal and that intra- and inter-regional diversification moderates each other's effects on firm performance. This study finds that both intra- and inter-regional diversification has inverted U-shape relationships with MNE performance. However, the impact of inter-regional diversification on performance is much stronger than that of intra-regional diversification. The result also uncovers that MNEs with moderated levels of both intra- and inter-regional diversification outperform other MNEs with different internationalization patterns. This implies that better firm performance can be achieved through 'balanced' intra- and inter-regional diversification. Our findings conclude that it is not so much the degrees of intra- and inter-regional diversification as the internationalization patterns that matter to MNE performance.

The Moderating Role of Country Characteristics in MNEs' Regionalization of FDI Locations

Che Tang¹, Dimitrios Georgakakis², Winfried Ruigrok¹

¹University of St. Gallen, Research Institute for International Management, Switzerland; ²University of York, Management School, UK

Regional strategy research stresses the importance of supranational region in MNE internationalization and finds that MNEs coordinate foreign investment location decisions regionally. This theory challenges the classic models which consider country as the most relevant level of International Business context. However, it remains unclear whether foreign investments into all host countries are equally subjected to this regionalization effect. Our study addresses this research gap and examines the country-level moderators in the relationship between an MNE's previous investments into a region and its subsequent investments into a country of the region. With foreign investment data from 133 European MNEs from 2010 to 2017, we find that MNE investments into medium-sized markets and into countries with more intra-regional or less inter-regional free trade agreements are more influenced by the company's previous investments into the region, while the host country's institutional uniqueness in the region does not play a significant moderating role.

DETERMINANTS OF MNC'S SECOND HEADQUARTERS IN THE HOME REGION

Ana Botella Andreu¹, Katuscia Lavoratori²

¹Universitat de Valencia, Spain; ²University of Reading

Second Headquarters (HQs) are known to appear with multinational international expansion in new markets and regions just to deal with the increasing complexity of the operations of the multinational corporations (MNCs). However, some of them appear also to arise in the MNC's home region and at late stages of the internationalization process. This phenomenon challenges our understanding of the disaggregation of Headquarters in MNCs until the moment and, particularly, it challenges the complexity argument based on Information Processing Theory. We analyse data on 554 new HQ investment projects in the European region undertaken by 471 European companies. Our study suggests that a second HQ is an information processing response of MNCs to global/regional value chain complexity. The reason is that some subsidiary activities require greater information processing efforts than others. In this sense, we call for an extended understanding of the complexity argument which includes value chain activities, position or conditions of the subsidiaries. A further implication is that more concentrated global value chains and or regional concentrated value chains after the COVID pandemic may have an impact on the disaggregation of the Corporate Headquarters phenomenon.

**2:30pm –
4:00pm**

HBS G10

Parallel session 2-6: Development, inequality, and corporate governance

Location: **HBS G10**

Session Chair: **Dr Washika Haak-Saheem**, Henley Business School, University of Reading, United Kingdom

Effect of FDI in Pakistan under the China-Pakistan Economic Corridor (CPEC) on Income Inequality, Households' Welfare and Economy-wide Welfare

Fiaz Hussain¹, Hasnain Abbas Naqvi², Zhang Yan³, Denise Tsang¹

¹Henley Business School, University of Reading, United Kingdom; ²College of Business Administration, University of Hafr Al Batin, Saudi Arabia; ³School of Economics, Shandong University, China

This study intends to provide a Computable General Equilibrium (CGE) analysis of the effect of China's direct investment in Pakistan under the China-Pakistan Economic Corridor (CPEC) on income inequality, households' welfare, and economy-wide welfare. The CGE analysis addresses the various transmission channels that are neglected in the literature when it comes to studying the impact of foreign direct investment (FDI) on the incomes of different urban and rural households. FDI is beneficial for the host country as it brings various advantages such as job creation, tax revenues, technological and managerial expertise. These benefits ultimately accrue to higher economic growth and employment creation in developing nations which help to reduce income inequality and poverty. Chinese direct investment, with a 41 percent share of total FDI, could be a game-changer for the country at a time when its socio-economic indicators do not portray a healthy picture. China's rise as a global economic player has created an opportunity for Pakistan to attract foreign investors. This will help in attracting more funds from other countries.

EXPLORING REFUGEE INTEGRATION THROUGH THE LENS OF CONSERVATION OF RESOURCES THEORY: PRE AND POST EMPLOYMENT EXPERIENCES FROM GERMANY

Washika Haak-Saheem, Rita Fontinha, Chris Brewster, Sara Jastram

Henley Business School, University of Reading, United Kingdom

As Employment is fundamental to refugee integration. We use a conservation of resources perspective to explore inductively, the views and experiences of refugees, agency employees and managers in two connected but independent studies. Study I highlights off-the-job resource constraints and study II uncovers on-the-job resource challenges. We show that refugees, agencies, and managers actively shape the provision of resources that contribute to workforce integration. Our findings also pave the way for future research on resource constraints in the context of employment and integration of refugees.

The Corporate Governance Perspectives of Internationalization Decisions

Ling Liu¹, Mahdi Mousavi², John Henley¹

¹University of Edinburgh, United Kingdom; ²University of Bradford, United Kingdom

We use internalization theory to analyse the establishment (greenfield vs acquisition) and entry mode decisions (i.e. full ownership vs joint venture) of MNEs. We look into external corporate governance measured as home country governance quality and internal governance measured as family ownership by taking into accounting particular characteristics of governance capability, risk orientation, and legitimacy acquisition. We examine foreign entries to 18 Sub-Saharan Africa countries from a wide range of home countries with 1197 observations of entries, allowing a focused study of the combined influence of home-host country factors and family ownership. We find that MNEs originating from home countries that are characterized by high corporate governance are more likely to acquire stand-alone assets rather than greenfield investment, and to take higher ownership shares. Furthermore, compared to non-family MNEs, family owned MNEs tend to prefer greenfield investment rather than acquisition, and to take full ownership. We enrich internalization theory and governance perspective by demonstrating its predictive and explanatory capacity.

Exploring how Chinese entrepreneurs use empowerment as their firms grow: Does Western logic apply?

Juana Du¹, Christopher Williams²

¹Royal Roads University, Canada; ²York University, UK

Chinese entrepreneurs in high-tech SMEs face the challenge of managing increasing numbers of employees. While literatures on employee relations have been largely developed in the Western context, there have been calls for research on factors contributing to employee empowerment in small-medium sized enterprises (SMEs). In current study, we examine how the growth rate of SMEs affects employee empowerment in growing high-tech Chinese firms. Drawn upon literatures on employee empowerment and SME growth, we argue that faster growing SMEs are reluctant to empower their staff compared to slower growing ones. Combining the literatures on corporate communication channels, we also hypothesize the indirect impact of face-to-face and computer-mediated communication channels on the relationship between rate of employee growth and employee empowerment. We conducted a survey of 114 Chinese SMEs for this analysis. The research findings confirm a negative impact of employee growth rate on employee empowerment. The results also provide partial support for technology-mediated communication channels and strong support for face-to-face communication channels as moderators. This study contributes to the literatures by highlighting the social and business context that entrepreneurs need to make choices of sharing power and adopt communication channels. Practical implications are also discussed.

2:30pm –
4:00pm

Special session 1: Meet the Editors

Location: [HBS 108](#)

[HBS 108](#)

Journal of International Business Studies (Grazia Santangelo)

Journal of World Business (Ulf Andersson)

International Business Review (Roger Strange)

Data in Brief (Noemi Sinkovics)

Journal of Industrial and Business Economics (Antonello Zanfei)

4:00pm –
4:20pm

Coffee Break

Location: [ICMA Centre Foyer](#)

[ICMA Centre
Foyer](#)

4:20pm –
4:30pm

Award Ceremony 2: Global Strategy Journal best paper award

Location: [ICMA 150](#)

for the best paper presented at the conference in the domain of Global Strategy, sponsored by the Global Strategy Journal

[ICMA 150](#)

4:30pm –
6:00pm

Plenary Debate 2: MNEs and urban inequality

Location: [ICMA 150](#)

Chair: Davide Castellani

Panelists: Luisa Gagliardi, Katuscia Lavoratori, Andrés Rodríguez-Pose, Andreas Schotter

[ICMA 150](#)

6:30pm –
10:00pm

GALA Dinner

Location: [Henley Business School, Greenlands Campus](#)

[Henley Business
School,
Greenlands
Campus](#)

Date: Saturday, 09/Apr/2022

9:00am – 10:30am	<u>Panel session 4: Can MNEs' GVC Governance Be Inclusive Enough to Achieve the SDGs?</u> Location: HBS G15
HBS G15	Chair: Shasha Zhao Panelists: Pervez Ghauri, Roger Strange, Ari Van Assche, Jacqueline J. You
9:00am – 10:30am	<u>Panel session 5: Speed mentoring for Women in AIB (WAIB)</u> Location: ICMA G09
ICMA G09	Chair: Margaret Fletcher & Noemi Sinkovics
9:00am – 10:30am	<u>Parallel session 3-1: Research in International Business: A historical perspective</u> Location: HBS G03
HBS G03	Session Chair: Prof Gabriel R.G. Benito , BI Norwegian Business School, Norway
	<p>The untold story: Teaching cases on multinational enterprises in US business schools and the rise of International Business as a new academic field, 1955-1963 Rolv P. Amdam, Gabriel R.G. Benito, Birgitte Grøgaard BI Norwegian Business School, Norway</p> <p>Whereas the dominating narrative about the rise of international business (IB) focuses on early research and the institutionalization of a new academic field, this study explores the role of case writing in the field's formative period from the mid-1950s to the early-1960s. Based on an analysis of cases about IB topics, we demonstrate that case-based teaching, including the writing of cases, was an innovative pedagogical method that made a strong impact on the formation of the new academic field. The analysis of the cases and the background and affiliation of the authors of the cases give new insights into the linkages to other academic fields from which the new academic field emerged. Further, the analysis of the cases gives also new insight into how the case producers connected to the new practical experiences from an increasing number of multinational enterprises, particularly from the US, and conceptualized the experiences into a pedagogical language. The investigation builds on studies of 489 cases written by scholars located in around 20 countries in the period 1955 to 1963, as well as of archival studies of several business schools and institutions that initiated the production of new cases.</p>
	<p>Turning towards narrative: integrating time and space in International Business Studies Eun Sun Godwin, Edda Nicolson University of Wolverhampton</p> <p>This paper proposes the use of Czarniawska (2004)'s concept of 'action nets' as a useful analytical strategy for bringing historical analysis on narratives to International Business (IB) studies. 'Action nets' are constructed by visualising an entanglement of interactions between places, actors and events both within and around an organisation, which can then be used to both encompass and explain the narration of memories that reveal the social (rather than physical) construction of that organisation. It is the visual value of an 'action net' that helps to catch and link together these different events that is so useful to IB studies, in that as IB usually involves a multi-spatial and multi-cultural approach it is effective to have a neutral language that explains the linking of events, time and space with the thick description provided by narrative 'remembering'. This adds much needed variety to theorising approaches in IB.</p>
	<p>HISTORICAL MILITARY CONFLICT AND CROSS-BORDER VC PERFORMANCE Axel Buchner¹, Pia Helbing², Abdul Mohamed³, David Yoon³ ¹University of Passau; ²University of Edinburgh; ³University of Leeds</p> <p>Drawing from intergroup relations theory, this study investigates the impact of historical military conflict (between home countries of venture capital [VC] firms and portfolio companies) on performance of cross-border VC investments. Using exhaustive data on global cross-border investments during 1986-2017, we find that adverse memories imprinted by historical military conflict have a negative effect on cross-border performance as measured by IRR or PME. Our results show that nation-dyadic (i.e. political affinity) and governance (i.e. board seat and syndication) related contingencies moderate the negative relationship between historical military conflict and cross-border performance. Collectively, our findings shed light on the presence of intergroup interaction challenges in cross-border investments and demonstrate channels of mitigating their adverse effects.</p>

FOREIGN MULTINATIONALS IN NORTHERN IRELAND MANUFACTURING 1945 – 1973

Alison Hearne¹, Frank Barry²

¹Institute of Technology Carlow; ²Trinity College Dublin

ABSTRACT

'History matters...' (Friedman & Jones, 2011). We contend that an historical examination of FDI in Northern Ireland provides insights into the host country experience, which have relevance in the modern global investment space, particularly in respect of inequalities and geographical location. Using a historical narrative approach (Fletcher and Godley, 2000; Godley 1999) we provide firm-level information on foreign MNE investment into Northern Ireland between 1945 and 1973. FDI into Northern Ireland increased towards the latter part of the 1950s, followed by increasing European investment during the 1960s. FDI is examined in terms of (a) ownership, (b) provenance, (c) industrial sector and (d) employment levels. We posit that investment decisions should be viewed as a co-constructed endeavor which actively seeks to engage both the home and the host country space in optimising outcomes for both.

9:00am -
10:30am

HBS G04

Parallel session 3-2: Corporate strategy and the external environment

Location: **HBS G04**

Session Chair: **Prof JAMES WALKER**, Henley Business School, United Kingdom

Cross-border acquisition waves and deal completion: The role of wave timing, acquisition pace and linguistic distance

Mohammad Fuad¹, Ajai Gaur²

¹Leeds University Business School, United Kingdom; ²Rutgers Business School-Newark and New Brunswick, USA

Cross-border acquisitions (CBAs) exhibit a wave-like pattern, clustering temporally, and industry-wise. Drawing upon the arguments from the information asymmetry perspective, we theorize that CBAs conducted in a wave differ from those happening in a non-wave setting. Our findings suggest that wave deals have a lower likelihood of acquisition completion compared to non-wave deals. Further, within a CBA wave, we observe that acquirers moving early and those with a high acquisition pace have a higher likelihood of deal completion. We also examine how information asymmetry arising due to linguistic distance moderates the relationships between acquisition timing, pace and deal completion. We test our arguments on a simulation based dataset comprising of 20471 wave and non-wave deals identified between 1990 and 2012 across 13 acquirer and 19 target countries. In doing so, we contribute to the CBA literature by differentiating between wave and non-wave environments and their impact on deal completion.

The influence of institutional inefficiencies and local ownership on MNE subsidiaries' performance during the COVID-19 pandemic

Nuruzzaman Nuruzzaman, Gina Aprilitasari

University of Manchester, United Kingdom

We study the impact of economic crisis in the wake of COVID-19 pandemic on the performance of multinational enterprises' subsidiaries, analyzing how host country institutional inefficiencies and the local ownership affect the performance of MNE subsidiaries during COVID-19 pandemic. We build on the institutions-based theory to propose that both generalized and arbitrary institutional inefficiencies aggravate the negative effect of COVID-19 pandemic on the performance of MNE subsidiaries, because they escalate the cost of doing business and uncertainty, respectively. Further, we argue that political and social capital of local partners can help MNE subsidiaries in mitigating the heightened uncertainty associated with arbitrary institutional inefficiencies in the time of crisis. However, the benefits of local ownership disappear when MNE subsidiaries operate in countries with high generalized institutional inefficiencies.

Are entry modes and equity ownership two pods in a pea? An empirical analysis of their effects on foreign exit.

Ha Nguyen, Jorma Larimo

University of Vaasa, Finland

Prior research on foreign exit highlights influences of entry strategies, yet previous findings are inconsistent. Our research systematically examines how entry strategies, i.e. mode choices and equity ownership structures, involve foreign exit probability. Precisely, we integrate the transaction cost economics and organizational learning theory to investigate influences of acquisitions and greenfields, as well as wholly owned subsidiaries (WOSs) and international joint ventures (IJVs) on foreign exit probability, accounting also for endogeneity issue. We argue that entry modes and equity ownerships lead foreign firms to experience different costs and risks, that may influence foreign exit differently. Our empirical analysis consists of 939 investments made by 181 MNEs in 51 different host countries during 2000 – 2015. Our findings show that once controlling for endogeneity issue, entry mode shows a non-significant influence on foreign exit, while equity ownership structures still show a significant effect. A naive model that not controlling for endogeneity, however, shows that entry mode choices influence the exit probability. Our research contributes foreign exit literature by showing that while entering by acquisitions or greenfield may not relate to exit rate, the ownership structure significantly influences how a foreign subsidiary operate its daily routines, leading to different propensity of exit.

How has Brexit's Affected Mobility of People – Evidence of Academia

JAMES WALKER, CHRIS BREWSTER, RITA FONTINHA, Washika Haak-Saheem, FABIO Lamperti

Henley Business School, United Kingdom

In this study, we investigate the extent to which Britain's withdrawal from the European Union (EU) led academics to consider emigrating. Using a survey representative of two partially overlapping groups of academics – one with a high EU nationals' representation, Economics and Econometrics, and another with average representation, Business and Management - we show that more than half of those surveyed had considered leaving the UK. We examine what is driving the likelihood of individuals considering emigrating due to Brexit by exploring the following findings: more productive researchers were more likely to consider emigrating suggesting that in the longer-term Brexit may 'hollow out' UK research; considering emigrating after Brexit is also associated with individual-level factors, such as academics' country of origin, tenure, role and where their PhD training occurred, as well as more contextual elements such as the characteristics of their institutions.

The longer the researcher's tenure, the more likely they would not consider leaving the UK. We did not find that Early Career Researchers are more likely to consider leaving the UK, but those on research intensive roles were. Surprisingly, we did not find that institutional reputation was a determinant. Implications for policy and limitations are discussed.

9:00am -
10:30am

HBS 101

Parallel session 3-3: Corporate responsibility and irresponsibility

Location: HBS 101

Session Chair: **Shuna Shu Ham Ho**, Dalhousie University, Canada

Corporate controversies and corporate financial performance – exploring the ambiguous moderating role of sustainable supply chain management practices (SSCM) in emerging vs. developed countries' firms

Gezim Hoxha, Stefano Elia, Lucia Piscitello

Politecnico di Milano

This study aims to explore the link between corporate controversies and corporate financial performance (CFP) in companies located in advanced versus emerging countries. Furthermore, the link between sustainable supply chain management (SSCM) and CFP is analyzed. Finally, SSCM will be used as a moderator to explore its influence in the relationship between corporate controversies and CFP, in advanced versus emerging countries. From a methodological perspective, regression analyses are performed by adapting a sample of 1,927 listed companies in both advanced and emerging countries. Findings suggest that there is a negative relationship between corporate controversies and CFP which is present in advanced countries in comparison to emerging markets where this relationship is not significant. In contrast, the link between SSCM and CFP is positive in both advanced and emerging markets with a stronger relation in emerging countries. Finally, the SSCM strengthens the negative relationship between corporate controversies and CFP in advanced markets but not in emerging countries. This study has both practical and policy-related implications. Adopting more SSCM practices has financial benefits for companies. In terms of policy-related implications, the results might be useful to draw future policies and regulations with a focus to make the supply chain more sustainable.

With the Cats Away, do Mice come out to Play? Institutional Pressure and Internationalization into Tax Havens

Johan Rewilak¹, Giulio Nardella², Chris Jones³, Stephen Brammer⁴, Yama Temouri⁵

¹Aston Business School; ²Loughborough University School of Business & Economics, United Kingdom; ³Aston Business School; ⁴Bath School of Management; ⁵Khalifa U., Abu Dhabi

Institutions are expected to play a critical role in deterring corporate social irresponsibility, such as when firms use and abuse tax havens. However, research concerning how formal and informal institutional pressure deters international business misconduct, remains underdeveloped. Combining the institutional complexity perspective and behavioral theory, we attend to this gap by examining how changes in the resourcing of formal institutional bureaus - such as those tasked with tax investigation - as well as shifting informal institutional pressure - namely media scrutiny - influence firm decisions to internationalize into tax havens. Utilizing a unique and granular dataset of tax haven subsidiaries between 2008-18, we theorize that organizations are deterred to internationalize into tax havens following enhanced formal institutional pressure, with informal institutions generally exerting relatively weaker pressures on firms. Additionally, we theorize and show how managerial discretion, as well as the degree of firm influence, act to (de)sensitize organizations to formal and informal institutional pressures. Among our central contributions, this study advances theory on the role played by specific formal and informal institutions in the 'dark side' of international business activities.

The Conditions of Corporate Social Responsibility and Corporate Political Activity for Social and Legal Licenses

Shuna Shu Ham Ho

Dalhousie University, Canada

Corporate social responsibility (CSR) and corporate political activity (CPA) are two major nonmarket strategies that a multinational corporation (MNC) use for socio-political legitimization. Regarding social license (SL) as social legitimacy and legal license (LL) as political legitimacy, this study examines the complementarity of CSR and CPA for achieving these strategic outcomes. Applying social contract theory onto a developed country, this study theorizes that high CSR and low CPA are necessary for attaining SL, but low CSR and high CPA are sufficient for easing the attainment of LL. Based on necessary condition analysis (NCA), this study shows that for a sample of MNCs mining at different sites in Australia, CSR is a necessary condition for attaining SL, whereas CPA is a sufficient condition for both obtaining LL and losing SL. Therefore, MNCs must optimize the outcomes of SL and LL by adjusting their degree of CPA when social contract is developed.

IGOs and the impact of institutional and economic integration on CSR performance: Evidence from the European Union

Elizabeth Moore¹, Larissa Pacheco¹, Kristin Brandl², Luis Alfonso Dau¹

¹Northeastern University, United States of America; ²Gustavson School of Business, University of Victoria, Canada

Intergovernmental organizations (IGOs), such as the European Union, coalesce divergent member countries toward cooperative political, social, environmental, and economic activities to promote the betterment of communities and societies. The level of integration of member countries in the IGO is thereby expected to shape the level of betterment. To understand this connection, we study the impact of institutional and economic integration of member countries on the CSR performances of its firms. Building on insights from political science, nonmarket strategy, and institutional theory as well as an empirical analysis of the EU, we find that low levels of institutional and economic integration of IGO member countries reduce CSR performances of their firms. We also find that a high economic integration moderates the negative impact of low levels of institutional integration on the CSR performances of firms. We contribute to institutional theory and societal sustainability concerns, by connecting the supranational, national, and firm level.

9:00am -
10:30am

Parallel session 3-4: International entrepreneurship, migration, and managerial capability

Location: [HBS 102](#)

[HBS 102](#)

Session Chair: **Dr Johannes Kleinhempel**, Alliance Manchester Business School | The University of Manchester, United Kingdom

IMMIGRANT ENTREPRENEURSHIP IN INTERNATIONAL BUSINESS AND ENTREPRENEURSHIP, A SYSTEMATIC REVIEW

Eleni Chiarapini, Asmund Rygh, Xia Han, Johannes Kleinhempel

Alliance Manchester Business School, United Kingdom

Migration has been regarded as one of the new "grand challenges" and "big questions". The growing interest in migration has been evidenced by the rising number of studies on immigrant entrepreneurship across various disciplines. Previous reviews have focussed on immigrant entrepreneurship from a multidisciplinary perspective. We fill this gap by developing a multilevel framework-based systematic literature analysis focussing on immigrant entrepreneurship in the IB, management, and entrepreneurship literature and we identify recurring themes in the literature which we discuss from an IB perspective and give future research directions according to these themes.

How does national culture influence entrepreneurship?

Johannes Kleinhempel

Alliance Manchester Business School - The University of Manchester

How does national culture influence entrepreneurship? There are three dominant perspectives – internalized cultural dispositions, legitimacy, and social support view – which propose distinct theoretical channels and yield partially conflicting propositions regarding the role of culture in entrepreneurship. I offer a fresh approach to culture-entrepreneurship research by decoupling the theoretical mechanisms proposed by the internalized cultural dispositions view from other cultural perspectives. The empirical context of this study are second-generation immigrants. Second-generation immigrants have been born, educated, and currently live within the shared cultural, institutional, and economic environment of the U.S. but potentially differ in cultural dispositions as influenced by the culture of their country of ancestry. Specifically, I argue that second-generation immigrants are more likely to be entrepreneurs if their parents' country-of-origin culture is characterized by high levels of risk-taking propensity, need for achievement, and need for autonomy. Using data on more than 50,000 second-generation immigrants and multilevel modelling, I find support for these propositions. The results are robust to the incorporation of the legitimacy and social support view and non-cultural explanations proposed by immigrant entrepreneurship research. This paper, by providing evidence from the internalized cultural dispositions perspective, sheds light on the mechanisms through which culture matters.

	<p>The origin of International Entrepreneurial Orientation – The role of Dynamic Managerial Capability</p> <p>Md Imtiaz Mostafiz¹, Mathew Hughes², Mujtaba Ahsan³</p> <p>¹Sheffield Business School, Sheffield Hallam University, United Kingdom; ²School of Business and Economics, Loughborough University, United Kingdom; ³Flower College of Business, San Diego State University, USA</p> <p>International entrepreneurial orientation (IEO) originates within entrepreneurial firms, although how it originates towards international strategizing is inconclusive. Why do some international entrepreneurial firms are successful, and others do not. The answer relies on the wealthy dynamic managerial capability (DMC). DMC's unique attributes such as human capital, social capital and managerial cognition shape entrepreneurs to achieve strategic success. However, we do not know whether DMC gives rise to IEO. Grounded on the upper echelon theory, we investigate our research model on 241 Malaysian firms and test the hypotheses through structural equation modelling. Salient findings prove that entrepreneurs who are high in DMC favour international experience, knowledge structures, and networks that give rise to the firm's IEO. Moreover, based on the contingency theory, we also postulate that commercialisation of IEO is contingent on international cannibalisation on its route to international performance. Effectuation of IEO-driven efforts and the firm's longevity hinges upon forgoing short-term benefits and focusing on long-term value-creating opportunities to stay competitive in the international market.</p>
<p>9:00am - 10:30am</p> <p><u>HBS 201</u></p>	<p><u>Parallel session 3-5: Knowledge management and innovation</u></p> <p>Location: HBS 201</p> <p>Session Chair: Andrea Pallás, University of Valencia, Spain</p>
	<p>Transforming Knowledge for Innovation: The Role of Dynamic Boundary Capabilities in an MNE Subsidiary</p> <p>Paul Ryan¹, Majella Giblin², Ulf Andersson³, Giulio Buciuni¹</p> <p>¹Trinity College Dublin; ²NUI Galway, Ireland; ³Mälardalen University and BI Norwegian Business School</p> <p>A well-established advantage of global organisations is their capacity to extend their product innovation activities through sourcing knowledge via subsidiaries situated in geographically dispersed repositories worldwide. Subsidiaries of global organizations span multiplex intra- and inter-organisational boundaries that in turn enables them to cross knowledge boundary types of increasing complexity. But, whilst dynamic capabilities for innovation are widely addressed at MNE level, less explored are those in subsidiaries. Consequently, we need to have a much more developed understanding of these multiplex evolutionary processes, and how the subsidiary especially develops dynamic capabilities to traverse the most complex pragmatic knowledge boundary type which is critical to novel product innovation. We draw on real-time data from longitudinal case studies of three high-technology subsidiaries over a prolonged time period of almost two decades. We provide a contextualised explanation of how a subsidiary can develop microprocesses of scouting, sourcing and shaping knowledge across multiples organisational boundaries. These evolutionary processes facilitate the competence-creating subsidiary to develop dynamic boundary capabilities to sequentially transfer, translate and transform its integrated knowledge into product innovation by crossing increasingly complex knowledge boundary types.</p>
	<p>Innovation in SMEs: Analysing the impact of geographical scope and business vs. non-business networks.</p> <p>Andrea Pallás, Cristina Villar, José Pla-Barber</p> <p>University of Valencia, Spain</p> <p>This paper studies the influence of network linkages and geographical scope on small and medium-sized enterprises (SMEs) technological and sustainable innovation intensity. The interplay of business and non-business networks and firms' geographical domain is analysed through a logit regression using a database of 120 Spanish, traditional manufacturing SMEs. The results show that intense interactions with market agents increase the probability of innovating intensely, whereas competitors, non-business agents and private-public interactions are relevant for technological innovation only. An extended geographical scope and its interaction with non-market agents increase the likelihood of developing intense sustainable innovations, while the interaction of geographical scope and value chain collaborators barely works for technological improvements. This research offers new insights into the potential of networks and firms' international scope as promoters of resource-constrained SMEs' innovation in a sectorial context where driving innovation through private and private-public interactions will be crucial to navigating the current crisis.</p>

How do IJVs Facilitate Knowledge Transfer Speed in the Low Carbon Technology Sector? An Interaction between Dynamic Capabilities and Organisational Relationships

Linlan Huang, Huan Zou

SOAS, University of London, United Kingdom

Prior studies emphasise parent-IJV knowledge flows and dynamic capabilities to influence the speed of international knowledge transfer. However, the interaction between IJV-local relationships and dynamic capabilities to boost knowledge transfer speed over time are still debated in emerging markets. In this paper, we build on the dynamic capability concept and discuss the interaction between dynamic capabilities and organisational relationships to understand the changing speed of knowledge transfer in inter-phase and intra-phase perspectives. Based on longitudinal multiple case studies, we undertook two rounds of fieldwork in 2018 and 2020, with 37 informants in 66 semi-structured interviews. Our findings propose the knowledge transfer reside within the IJV-parent and the IJV-local relationship. IJVs can develop sensing, assimilation and transformation capabilities by effectively leveraging their relationship with parents and various local partners to facilitate knowledge transfer speed across absorption, implementation, and innovation phases. To facilitate knowledge transfer speed, sensing capabilities identify knowledge gaps in learning transferred knowledge and access external knowledge to fill the gaps, while assimilation/transformation capabilities use acquired external knowledge to enhance IJV's knowledge base through integration or reconfiguration. Overall, the interaction between dynamic capabilities and external knowledge builds a sustainable competitive advantage in the domestic market and approaching international markets.

Managing external dependence to build innovative competitiveness: A case of emerging economy multinationals from China

Huan Zou¹, Chia-Ling 'Eunice' Liu², Rudolf R. Sinkovics³

¹SOAS University of London, United Kingdom; ²National Taiwan University; ³University of Glasgow

This study adopts the resource dependence theory and orchestration perspective to explain where emerging economy multinational enterprises (EMNEs) develop their competitive advantages in global markets as they manage external dependence on global value chains and political institutions. Relationship orchestration and local institutional capability represent EMNEs' relational capability and serve as two important mediating mechanisms for EMNEs to manage their dependence and develop their product innovativeness. We employ partial least squares structural equation modelling and mediation analysis based on survey data of 208 Chinese EMNEs. Our results provide supporting evidence of the mediating effects of relational capability. However, although the literature highlights that the ownership of state-backed EMNEs is conducive to enjoy and extend their home-built linkages with political partners, our results find contrasting evidence, indicating that this so-called home advantage is reduced alongside their international activities. State-backed EMNEs are more likely to externalise their organisational linkages with value chain partners in global markets, signalling an important strategic shift towards a more value-creation mission. In contrast, non-state-backed firms remain reliant on their external partners to leverage both business and non-business networks for benefits overseas, while reducing the uncertainties and risks because of the resource constraints they face both domestically and abroad.

9:00am -
10:30am

Parallel session 3-6: Knowledge, innovation, and technology in international business

Location: [HBS 108](#)

[HBS 108](#)

Session Chair: **Jill Josefina Juergensen**, Henley Business School, University of Reading, United Kingdom

Innovative FDIs and the knowledge base of green and digital technologies: a patent-based analysis of the European "twin transition"

Michela Bello^{1,5}, Davide Castellani^{4,6}, Giacomo Damioli¹, Giovanni Marin³, Sandro Montresor²

¹Joint Research Centre of the European Commission, Italy; ²Gran Sasso Science Institute (GSSI), Italy; ³University of Urbino Carlo Bo, Italy; ⁴Henley Business School, University of Reading, UK; ⁵Science Policy Research Unit, University of Sussex, UK; ⁶University of Perugia, Italy

The paper aims to investigate the extent to which innovative FDIs account for the propensity of the host-location to acquire the knowledge base used to develop green and digital technologies from the home-location. Drawing on recent research about the geography of innovation and FDIs, we expect that innovative greenfield investments and innovative mergers & acquisitions could be a channel through which this knowledge transfer can take place. We perform the analysis with respect to European countries by identifying green and digital patents made by EU-based applicants to EPO, and by using the patents that they cite (i.e., backward citations) to measure the knowledge base relevant for the digital and green technological transitions. Using a gravity-modelling framework, we investigate the role of FDIs in the patent citation dyads and role of possible factors moderating the relationships of interest.

DYNAMICS OF CO-CREATING SUSTAINABLE INNOVATIONS IN AN INTERNATIONAL PROJECT BUSINESS NETWORK: The role of hub company in shipbuilding industry context

Eini Haaja¹, Natasha Evers²

¹University of Turku, Finland; ²Trinity College Dublin, Ireland

The objective of this study is to explore how environmentally sustainable innovations are created by partners collaborating in international project context. The chosen research context is the shipbuilding industry as it constitutes a highly complex, project-based sector. Given the recent EU-level agenda to enhance the environmental performance of the maritime industry, shipping companies together with shipyards and their international supplier networks are required to renew their products and production processes in many ways. Combining literature on open innovation, network orchestration and international opportunity recognition, this paper examines factors leading to the co-creation of sustainable innovations in an international shipbuilding project network. The expected contributions of this research will provide theoretical insight as well as managerial and policy implications for supporting environmentally sustainable innovation.

From networks to GVCs: When do strategic alliances foster organisational innovation?

Jill Juergensen¹, Rajneesh Narula¹, Irina Surdu²

¹Henley Business School, University of Reading, United Kingdom; ²Warwick Business School, University of Warwick

In today's global environment, we continue to witness the importance of international strategic alliances, as well as firms' efforts to constantly alter their internal practices and routines in order to enhance competitiveness. Yet relatively little is known about whether and how alliances influence a firm's organisational routines and practices by triggering *organisational innovation* (OI). We draw on panel data from the Mannheim Innovation Panel to examine how different types of strategic alliances affect a firm's propensity to engage in OI. Our findings show a nuanced relationship between alliances and OI, in that: firms with vertical international alliances (i.e., alliances with customers and suppliers) are more likely to engage in OI, while firms with horizontal international alliances (i.e., alliances with market rivals) are less likely to engage in OI. Our findings shift the focus from a firm's wider business network as a source of organisational innovation, to the firm's GVC.

The origin of foreign knowledge transfer and local learning: The trademark evidence from Vietnam

Amy Linh Thuy Nguyen

University of Bradford, School of Management, United Kingdom

Past IB literature proposed different ways of which MNEs helped reshaping host country's environment and industry's innovation development via foreign knowledge transfer and local learning. Focusing on Vietnam, the country that is seen as Asia's next economic tiger, the question of how significant is the origin of foreign activities on the evolution of Vietnamese pharmaceuticals and medicine industry still remains unsettled, especially on the under-researched topic of trademarks. Using PPML regression, the evidence is drawn on trademark registrations in Vietnam between 1984-1998 at multi-level-analysis. The findings demonstrated the use of trademark data as an indicator for foreign knowledge transfer and local learning in emerging markets like Vietnam. It also proposed that the speed of learning is faster with trademarks compared to patents. The research highlighted the important role of multinationals on strengthening local trademarking activities, catching-up process, and improving host country's innovation system. This study is among the first few attempts to look at pharmaceutical industry through the lens of trademarks, moving away from the traditional patent-focussed approach. In the era of de-globalisation/post-Covid-19 age, the findings provided important insights to host-countries' policies makers from emerging markets to recognise the beneficial effects of foreign entries which can lead to product/brand innovation.

9:00am –
10:30am
HBS 208

Parallel session 3-7: Local and Global: Emerging market MNEs

Location: **HBS 208**

Session Chair: **Prof Irina Mihailova**, University of Eastern Finland, Finland

The role of Greenfield Foreign Direct Investments in supporting global technological collaborations of European regions with emerging countries

Ivan De Noni, Fiorenza Belussi, Yanting Gu

University of Padova, Italy

For some decades, European Union innovation policies have been promoting technological cooperation and encouraging the share of knowledge between member States. From this perspective, large attention has been specifically directed to interregional collaborations as a potential solution to reduce the innovation performance gap between knowledge-intensive and lagging behind regions within Europe. On the other hand, several studies have been also highlighting the advantages for European regions of being involved in global networks. In so doing, they emphasize the extent to which emerging countries like China might play in the advancement of future technologies and the need to promote specific policies to exploit the additional strength of extra-European collaborations. Nevertheless, to be successful, these policies require reducing the effects of spatial and cultural distance which usually decreases the collaboration opportunities, especially with emerging countries. Following such an approach, this paper investigates the extent to which greenfield Foreign Direct Investments (FDIs) can represent a bridge able to stimulate technological collaboration opportunities between European regions and emerging countries.

'Universal' CSR and its discontents in an emerging economy

Alan Brejnholt

Loughborough University London, United Kingdom

Despite having endured political economic turmoil in recent years, Brazilian MNCs are increasingly approximating higher levels of corporate social responsibility (CSR). However, with insights drawing from 35 online semi-structured interviews in and around firm level CSR engagement of Brazilian companies, implications suggest continued concerns for CSR decoupling between policy and practice. In particular the causes for such decoupling are found in institutional incongruences of existing communitarian CSR engagement and the increased expectation for marketized forms of universal CSR adoption. Whilst I find a domestic political climate taking advantage of the ride by decentralising public responsibilities, it notwithstanding tends to favour larger Brazilian companies, especially Brazilian MNCs' as they absorb and leverage 'universal' CSR policy squeezing out CSR adoption of SMEs. Secondly, it dismantles pre-existing CSR practice as accountability is shifted to foreign institutional investment criteria. I argue this leads to four discontents: Gung-ho CSR; old wine in new bottles; CsiR havens, and; 'governing' through CSR. It contributes to bringing more clarity to the interrelation between CSR policy and practice in emerging economies through the lens of institutional complexity.

Dynamic Capabilities and Digital Transformation: A study on Brazilian Multinationals

Maria Tereza Fleury, Pablo Leao, Thomaz Rocha

FGV EAESP, Brazil

Previous research has suggested that organizations need to develop dynamic capabilities to support their digital transformation, but there is still a lack of evidence on how firms develop and deploy these capabilities. This paper investigates how dynamic capabilities enable firms' digital transformation. We draw from the literature to develop a theoretical model, suggesting that dynamic capabilities are built upon resources, alliances, knowledge and learning, entrepreneurial orientation, and a dynamic environment. In turn, dynamic capabilities can support organizations to remain competitive in the digital era through a series of mechanisms that enable their digital transformation. We conducted a multiple case study with seven Brazilian multinationals from the manufacturing and service sectors. Our results showed that the firm's dynamic capability supports three main enablers of digital transformation: collaboration in innovative ecosystems, agility, and the development of an innovative culture. These mechanisms are necessary to enable these firms' digital transformation, allowing them to be more competitive in the digital era. We collaborate with the capabilities literature by connecting the antecedents of dynamic capabilities, its microfoundations, and digital transformation. Additionally, we fill a gap in digital transformation literature, offering a contextual example of how emerging multinationals are developing their capabilities to thrive in the digital era.

MNE-led local industry development in emerging economy: Uruguay forest sector

Irina Mihailova¹, Sini Rantanen², Veera Tahvanainen¹, Mika Gabriellson¹

¹University of Eastern Finland, Finland; ²Karelia University of Applied Science

The impact of MNEs on local actors in developing economies has been important topic in international business and policy research. However, it largely examines productivity gains, spillovers and performance implications through an econometric approach showing mixed evidence about MNEs impact on local firms. This study aims to extend existing knowledge in this area by examining the MNE-led process and mechanisms of local industry development and growth in an emerging market. We apply evolutionary lenses to explain how spillover effects and power dynamics shape the process of local industry development. We conduct an in-depth qualitative study in the empirical context of Uruguay forest sector. This research contributes to research on the role of MNEs in industrial development and industry development process in emerging markets. The study insights have important implications for international business research, as well as for policy makers in emerging markets that aim to undergo industrial transformation.

<p>9:00am – 10:30am</p> <p>HBS G10</p>	<p>Parallel session 3-8: Contemporary issues in global strategy</p> <p>Location: HBS G10</p> <p>Session Chair: Prof Jeffrey Reuer, University of Colorado, United States of America</p>
	<p>EXPANSION MODES OF FOREIGN SUBSIDIARIES BY MULTINATIONAL CORPORATIONS</p> <p>Arkadiy Sakhartov¹, Jeffrey Reuer²</p> <p>¹University of Illinois, United States of America; ²University of Colorado, United States of America</p> <p>Multinational corporations expand foreign subsidiaries by switching resources from other locations or by scaling up these subsidiaries independently. Although the two options are alternatives, the choice between them has not been explicitly investigated. This study develops a model that casts these options as alternatives and provides several insights. First, neither the strongest advantage of a subsidiary over other subsidiaries justifies its expansion via the switching option, nor does the strongest individual performance of a subsidiary justify its expansion via the growth option. Second, the negative effect of the cost of implementing each option depends on uncertainty. Finally, while uncertainty enhances the use of the switching option, this effect holds for the growth option only with high growth costs. These results help explain unaccounted findings in international strategy research as well as motivate future empirical studies on the means by which firms expand their foreign subsidiaries.</p> <p>The Alliance Balanced Scorecard: Developing a Coordination Tool to Improve Cooperation</p> <p>Catherine Georgiou, Nigel Driffield, Hossam Zeitoun</p> <p>Warwick Business School, United Kingdom</p> <p>The value of cooperation and coordination in alliances has been well acknowledged, although the way in which these facets of collaboration work together, and the way in which the coordination-cooperation reinforcing loop is initiated have not been investigated. This paper explores this gap by focusing on international alliances, where cooperation and coordination are further challenged by differences owing to the different countries in which the partner firms are located. We firstly investigate whether due diligence increases the extensiveness of a coordination tool – the alliance balanced scorecard; and secondly, whether this specific coordination tool enhances alliance cooperation. We explore our research questions by utilizing a unique international alliance database of over 2000 collaborative relationships, with firms located in over 40 countries and across 6 continents. Our analysis shows that due diligence investigations do in fact kick-start the coordination-cooperation loop, and that the balanced scorecard improves coordination via increased trust.</p> <p>Strategy Implementation in Multinational Corporations: A Multilevel Approach</p> <p>Ausrine Silenskyte¹, Jorge Carneiro², Marko Kohtamäki³</p> <p>¹University of Vaasa, Finland; ²FGV EAESP Sao Paulo School of Business Administration; ³University of Vaasa, Finland</p> <p>The strategy implementation (SI) process is one of the core elements of strategic management through which designed or emergent strategies can make an impact on company's performance. After forty years of research on the topic, top management remains with little guidance on how to design a cohesive, comprehensive SI process that would link organizational systems, structures, practices, and individual responses across organizational hierarchy. To address this shortcoming, we conducted an in-depth case study in one MNC (headquartered in Finland and its two foreign subsidiaries – in India and in Russia), in which we investigated SI at multiple levels of analysis, observing macro- and micro-level interactions. Building on this abductive study, we provide a framework for systematic management of SI process in MNCs. We find that the signaling-receiving mechanism drives macro-micro interactions in SI process. Managing signal consistency rather than separate entities in SI process would allow achieving better SI results across the organizational hierarchy in culturally diverse contexts within MNC. This study contributes to the international management literature by providing a multilevel conceptualization of the SI process in MNCs and illustrating how an Integrative view of SI – that incorporates both structural and agency-related issues – can be studied empirically.</p> <p>Global production network and environmental innovation: A Developed country MNE perspective</p> <p>Jun Du, Xiaocan Yuan</p> <p>Aston Business School, United Kingdom</p> <p>Green innovation is crucial for firm's pursuit of competitiveness and contributing to environmentally sustainable societies. MNEs are the major actors in the evolution of global economic and environmental development, possessing the resources and abilities to promote social values as well as seeking to cultivate capabilities for sustainable innovation. Our work aims to seek explanations for why some MNEs reveal higher capacity to undertake environmental innovation than others by analysing antecedents related to their strategic foreign investment and firm characteristics. As such, we contribute to an important intersection between IB literature and green innovation field by exploring MNEs' foreign investments from multifaceted perspectives. By incorporating the dimension of organizational structure from corporate governance literature into the domain of strategic environmental innovation, we extend the existing theoretical framework used to analyse determinants of green innovation at the organizational level. We find that developed country MNEs' international diversification, economies of scale, integration of developing markets and majority ownership of those developing country subsidiaries all contribute to their green innovation capacity. Such results also provide valuable insights for practitioners and policymakers worldwide to plan and stimulate such innovative activities effectively.</p>

10:30am – 11:00am	Coffee Break Location: ICMA Centre Foyer
ICMA Centre Foyer	
11:00am – 12:30pm	Panel session 6: What does it take to build an inclusive governance of global GVCs? Location: HBS G15
HBS G15	Chair: Elizabeth Yi Wang Panelists: Nigel Driffield, Jeremy Clegg, Lilian Miles, Mohammad Faisal Ahammad
11:00am – 12:30pm	Panel session 7: Inequality, geography and GVCs – A Commonwealth perspective Location: ICMA G09
ICMA G09	Chair: Roger Strange Panelists: Brendan Vickers, Jodie Keane, Lucy Slack, Tess Phippen, Deb Leary, Arif Zaman, Surender Munjal, Sangeeta Khorana
11:00am – 12:30pm	Parallel session 4-1: Institutions, policy, and development Location: HBS G03 Session Chair: Dr Vikrant Shirodkar , University of Sussex, United Kingdom
HBS G03	Incapable or politicized? State orchestration of CSR in a developmental state Alan Brejnholt Loughborough University London, United Kingdom Despite the role of government in CSR is increasingly recognized as a prominent actor, extant literature tends to apply a narrow view on government conceived to intervene through either direct or indirect means and especially in relation to activities in the Global North. I seek to extend literature on government-CSR configurations by bringing in the concept of state orchestration to examine a broader view on intentions and outcomes of government engagement in CSR in the Global South. I do this with reference to the 'developmental state' of Brazil. Drawing on interviews based on clusters of governance, governmental agencies, market actors and NGOs, the empirical analysis suggests a current government that has sought to dismantle preexisting government-CSR configurations. This is not an absent government or a shift from direct to indirect government intervention but rather a politicization of CSR. However, I find that whilst stronger government engagement can reinforce positive or conversely negative efficacy of CSR, the outcome of this, is contingent on the capacity of a <i>broader</i> set of state actors beyond government with public authority to steer orchestration of CSR.
	MNEs' Lobbying and Foreign Subsidiary Performance: Evidence from the United States Vikrant Shirodkar, Palitha Konara University of Sussex, United Kingdom Research on Multinational Enterprises' (MNEs') corporate political activities (CPAs) in host countries is gaining increasing scholarly attention. In this paper, combining resource based views with institutional theory, we hypothesise that the subsidiary performance implications of MNEs' lobbying in a host country are impacted by their host experience, their lobbying frequency, and subsidiaries' technological intensity. Our empirical analysis used to test our hypotheses is based on a panel dataset of 224 subsidiaries of foreign MNEs from 13 home-countries operating in the United States (US) and spanning the 8 year period 2005-2013. We find that MNEs' lobbying does not directly impact subsidiary-level financial performance. However, subsidiary-level financial performance is positively impacted by lobbying among MNEs with greater levels of host experience and among subsidiaries' with lower levels of technological intensity. Overall, by examining the lobbying-performance relationship in an international business context, we contribute to studies on the implications of MNEs' host-government relationships.

With a Little Help from My (Political) Friend: Political Connections and Allocation of COVID-19 Aid

Irakli Barbakadze

University of Reading, United Kingdom

The paper studies the role of political connections on allocation of COVID support programs. Using Enterprise Survey (BEEPS) data and the corresponding COVID follow-up survey rounds which cover nearly 15,000 firms from 30 countries, the study shows that firms' political connection does not affect the overall propensity to access to government support. However, the results are heterogeneous and depend on the program type. In fact, politically connected firms have 3.4 percentage points higher propensity to obtain direct cash transfers compared to the firms without such connections; the effect is muted for any other programs. We also showed that political favoritism in distributing cash transfers is only observed during the first few months of COVID start, when the rules of government programs were not yet set and the eligibility criterion were not well defined. The paper also provides the evidence that political favoritism may lead to a resource misallocation. The model predicts that the value of political connection is much higher among the firms that are not eligible for the government support; political connection compensates firms' non eligibility status and allows them to access cash transfers even they do not require such support and are not eligible for the funding.

Sustainable Investment: What are the location factors that enable countries to retain investments?

Irina Gokh², Fragiskos Filippaios¹

¹University of East Anglia, United Kingdom; ²De Montfort University, United Kingdom

Fostering corporate investment and attracting foreign direct investment has been the main aim of policy makers. Investments are an engine for economic growth and prosperity. While a lot of emphasis has been placed on creating and attracting investments little has been said on the way policy makers can retain investments in a constantly globally changing environment. In this study we discuss the factors that can retain investments and foster business expansion. We then test our conceptualisation empirically using a sample of over 22,000 restructuring decisions across the European Union over the period 2002 till 2019. We find that the size of the market, a good institutional framework reflected in the government efficiency and the existence of distribution infrastructure as well as a well-educated labour force all lead to sustainable investment.

11:00am -
12:30pm

HBS G04

Parallel session 4-2: Internationalisation of emerging markets MNEs

Location: **HBS G04**

Session Chair: **Dr Fernanda Steiner Perin**, Birmingham City University, United Kingdom

The Internationalisation of the Large Brazilian Pharmaceutical Companies: Challenges, Competitive Advantages and Strategies

Fernanda Steiner Perin^{1,2}, Julia Paranhos²

¹Birmingham City University, UK; ²Federal University of Rio de Janeiro, Brazil

The paper aims to analyse the characteristics of the Large Brazilian Pharmaceutical Companies' internationalisation. Internationalisation can be used as a strategy to overcome the challenges the companies are facing in the domestic market and an opportunity to catch up. We carried out a multiple case study with eight companies to identify their competitive advantages and strategies of going abroad. The results show the typical characteristics of companies and two distinct patterns: the exploration and the exploitation of assets and capabilities in the international market. The conclusions bring contributions to the International Business of emerging countries and evolutionary literature: i) the competitive advantages of companies are built before internationalisation concerning financial capacity and adaptation to the home institutional environment; ii) the companies follow strategies of technological catch-up in developed countries as a shortcut to overcome their innovative weaknesses; iii) the main obstacles to internationalisation refer to the vulnerability of the institutional, political, and regulatory domestic environment.

The Effects of the Degree of Internationalization on the Market Value of Cash: Evidence from Latin America

Aviner Augusto Silva Manoel¹, Jorge Carneiro²

¹University of São Paulo, Brazil; ²FGV EAESP Sao Paulo School of Business Administration

We advance the literature on cash holdings and international business by analyzing whether the degree of internationalization influences the value investors place on cash holdings. We examine the particular case of Latin America. Consistent with the hypothesis, we find strong and robust evidence that investors do not perceive the cash of multinational corporations from Latin America or Multilatinas as providing greater benefits relative to the cash of their domestic peers. As a consequence, we document that investors do not place a higher value on the cash of Multilatinas than on that of Latin American domestic companies, despite the fact that the former has higher growth opportunities. This paper is an important step in understanding Latin America and the multinational corporations from this region. Furthermore, our research has implications for managers of multinational corporations that have subsidiaries in countries with valuable growth opportunities, but the risk of cash expropriation is substantial due to the poor protection of shareholders rights. Finally, our study highlights the relevance of considering the mandatory disclosure of foreign cash, in location and amount, to improve efficiency in stakeholder decision-making and also to advance the understanding the effects of foreign cash on Multilatinas' investment decisions.

New challenges for EMNEs: Digital maturity and related capabilities

Afonso Fleury¹, Maria Tereza Fleury², Luis Oliveira³, Pablo Leão²

¹University of São Paulo, Brazil; ²Fundação Getúlio Vargas, Brazil; ³Dalarna University, Sweden

With the advent of the digital economy, becoming digital is vital for every firm. That is not an end in itself but a means to cope with increasing contextual complexity. For emerging market multinationals that adds and blends with the innumerable other challenges they were already facing on their internationalization processes. So, we ask: Are the more digitally mature EMNEs better-resourced to thrive in the digital economy? We combine the academic literature with more practical approaches to precise the new modus-operandi imposed by the digital economy and identify the set of capabilities necessary for EMNEs to thrive. We test our hypotheses on a structural equation model based on partial least squares, using original data surveyed from 91 Brazilian multinationals. Our contribution is twofold. First, we formalize a set of five capabilities that constitute what can be dubbed Digital Maturity Capability (DMC), a complex higher-order capability that supports socio-technical processes leading to digital maturity. Second, we identify that it is indeed possible for EMNEs to build elements of competitive advantage in the modern digital markets through an enhanced digital maturity. Such results have practical implications for managers of EMNEs that navigate in the digital era.

OUTWARD FOREIGN DIRECT INVESTMENT AND HOME COUNTRY ECONOMIC GROWTH - THE CASE OF INDONESIA

Kadek Ade Sawitri, Louis Brennan

Trinity Business School

The studies that focus on outward FDI from Indonesia are rare. Accordingly, this paper is the first to offer an analysis of the causality relationship between outward FDI and economic growth in Indonesia from 1980 to 2019. By means of a Toda-Yamamoto-Dolado-Lutkepohl augmented Vector Auto Regression method, this paper considers outward and inward FDI, exchange rates, exports, Gross Domestic Product (GDP), Gross National Income (GNI), imports, and the number of listed domestic companies as variables. This paper establishes the role of outward FDI on Indonesia's economy in relation to the growth of GDP and listed domestic companies, in complementing imports, and in weakening the exchange rate of the Indonesian rupiah to the US dollar. We found that there is a negative relationship between GNI and outward FDI as domestic MNCs prefer doing business in domestic markets. This paper reveals that imports and listed domestic companies are push-factors of outward FDI and inward FDI is a pull-factor of outward FDI from Indonesia. We recommend Indonesia's government to focus not only on inward FDI but also on outward FDI by boosting the firm-specific advantages of domestic companies and by encouraging these companies to engage in outward FDI.

11:00am -
12:30pm

[HBS 101](#)

Parallel session 4-3: FDI, geography, and inequalities

Location: [HBS 101](#)

Session Chair: **Dr Eduardo Ibarra-Olivo**, Henley Business School, United Kingdom

FDI and the growing wage gap in Mexican municipalities

Eduardo Ibarra-Olivo¹, Andres Rodriguez-Pose²

¹Henley Business School, United Kingdom; ²London School of Economics

Foreign firm entry affects wages. In general, inward FDI has been associated with increases in local wages, but the evidence on the overall effect of FDI on regional average wages, the wage gap between skilled and unskilled labour, and inter-industry heterogeneity remains sparse. We address these questions for Mexican municipalities and industries in a period that witnessed increasing FDI and sectoral change, while the wage gap between skilled and unskilled workers rose. By combining difference indifference and propensity score matching techniques we find that FDI in Mexico is associated with higher wages mostly for skilled workers—but often for the unskilled as well—and with a widening gap between them. Both of the latter effects vary both between and within industries depending on location, and they tend to either wax or wane when the initial or incremental effects are considered.

The importance of global value chains and regional capabilities for the economic complexity of EU-regions

Federico Colozza¹, Ron Boschma^{2,3}, Andrea Morrison^{2,4,5}, Carlo Pietrobelli^{1,6,7}

¹Roma Tre University; ²Utrecht University; ³University of Stavanger; ⁴University of Pavia; ⁵Bocconi University; ⁶UNU-Merit; ⁷National Research University Higher School of Economics, Moscow

This paper combines various literatures on Global Value Chains (GVC), Economic Complexity and Evolutionary Economic Geography. The objective is to assess the role of regional capabilities and GVC participation in fostering economic complexity in 236 NUTS2-regions in Europe. Our results suggest there is no such thing as a common path of economic upgrading across EU regions. Regions with high economic complexity tend to keep their advantageous positions, as they are capable of benefiting from both regional capabilities (as proxied by a high relatedness between local activities) and external linkages in terms of GVC participation. Conversely, low-complex regions do not benefit from GVC participation, unless their regional capabilities (in terms of relatedness density) are also stronger.

Functional division of labour and value capture in global value chains: A new empirical assessment

Andrea Coveri, Antonello Zanfei

University of Urbino, Italy

This work provides a new empirical assessment of global economic hierarchies and the associated unequal distribution of value between core and peripheral economies. This is accomplished by looking at the functional division of labour induced by the international fragmentation of production and the related value capture dynamics in global value chains (GVCs). To this aim, we introduce and compute an indicator of 'functional specialization in FDI' which allows us to detect the value adding activities in which more than 100 countries have specialized from 2003 to 2018. We show that the most intangible-intensive activities are concentrated in core capitalist economies, while production operations at the lower end of the value chain are mainly the prerogative of less developed countries. Although China and India have emerged as partial but significant outliers, a substantial persistence of this functional division of labour across world macro-regions is also observed over the period. Most notably, we find that a higher specialization in the most intangible-intensive functions allows countries to capture a greater amount of value from trade in GVCs, thus providing novel empirical support to the 'Smile curve' hypotheses and to the underlying 'intellectual monopoly' perspective.

Internal versus External Agglomeration Advantages in Investment Location Choice: The Role of International Connectivity of Global cities

René Belderbos^{1,4,5}, Davide Castellani², Helen S. Du³, Geon Ho Lee¹

¹KU Leuven; ²Henley Business School, University of Reading; ³NEOMA Business School; ⁴UNU-MERIT; ⁵Maastricht University

The location of value chain activities is likely to be driven by a tradeoff between the collocation advantages with other activities of the firm (internal agglomeration) and the advantages of proximity to industry clusters of similar activities (external agglomeration). We argue that: 1) these competing two forces, internal and external agglomeration, are substitutes, weakening each other's influence on location choice, 2) the connectivity of a location reduces the benefits of geographic proximity and agglomeration, 3) such influence of connectivity is stronger for internal agglomeration than for external agglomeration, changing the balance in the tradeoff. We find support for these hypotheses in an analysis of more than 42,636 cross-border investment decisions across value chain activities in 71 global cities, 2008-2016.

11:00am -
12:30pm

HBS 102

Parallel session 4-4: MNE Subsidiaries and innovation

Location: **HBS 102**

Session Chair: **Dr Quyen Nguyen**, University of Reading, United Kingdom

THE PHOENIX FACTOR: How Subsidiaries Recombine Resources To Manage Mandate Loss

Edward Gillmore¹, Ulf Andersson²

¹Jonkoping International Business School, Sweden; ²Malardalen University

This paper examines outcomes of mandate loss on subsidiary charter evolution. We found that subsidiaries quite regularly survive and are successful when their charter is depleted, thus we examined the counterfactuals of how this played out. This paper utilizes exploratory cases to examine the subsidiary responses to mandate loss, and elucidated three process that allowed this – mandate management – capability development – resource recombination. Our contribution is twofold, firstly we unpack the process of how a subsidiary can sustain a positive trajectory ex-post. Secondly we find that the complimentary nature of freed up resources post loss in recombination with the subsidiary's existing combining capabilities and slack resources aids it in sustaining these trajectories

Performance of MNE foreign subsidiaries: Theory and empirical evidence

Quyen Nguyen

University of Reading, United Kingdom

We draw upon new internalization theory from the international business literature to examine the performance of foreign subsidiaries of multinational enterprises (MNEs), which operate at the interface with their parent firms and host countries. We propose that subsidiaries develop "bundling capability", defined as the higher-order ability to blend, meld, reconfigure, and integrate internationally transferable knowledge and resources from the parent firms with local knowledge that the subsidiaries have generated and resources that they have accessed in the host countries. Subsidiaries also utilize internal debt financing from MNEs' internal capital markets to drive their performance. We theorise that bundling capability is a subsidiary-specific advantage which enables subsidiaries to deliver superior performance. We develop a set of hypotheses which examine the direct impacts of bundling capability and internal debt financing on performance of foreign subsidiaries and how internal debt financing moderates the effectiveness of bundling capability on subsidiary performance. We empirically test our hypotheses using a survey dataset with the managers of MNE foreign subsidiaries. Results find support for our hypotheses. We discuss the implications of our findings for research and practice.

Revisiting the role of intellectual property protection in determining firms' innovation performance across countries

Eva Mavroudi², Mario Kafourou¹, Chengqi Wang³, Murod Aliyev², Junjie Hong⁴, Fei Jia⁵

¹Alliance Manchester Business School, United Kingdom; ²Leeds University Business School; ³Nottingham Business School; ⁴University of International Business and Economics; ⁵Jilin University of Finance and Economics

This study examines the mechanisms through which IPR protection affects firm innovativeness (the likelihood of introducing new products and services) across a sample of emerging economies. It considers the indirect mechanisms, both mediating and moderating, through which the strength of IPR protection influences firm innovativeness. It therefore explains the role of IPR protection more holistically. It also shows that IPR protection influences the willingness and ability of firms to innovate differently and may in turn lead to very different innovation outcomes.

11:00am -
12:30pm

HBS 201

Parallel session 4-5: EMNEs, regionalisation, and location decisions

Location: [HBS 201](#)

Session Chair: **Dr Katiuscia Lavoratori**, Henley Business School, University of Reading, United Kingdom

Why investing in Africa? The differential role of Chinese government support

Luigi Benfratello, Anna D'Ambrosio, Alida Sangrigoli

Politecnico di Torino, Italy

We study whether the determinants of greenfield FDI in Africa differ between Chinese and non-Chinese investors. By using investment-level data we focus on the differential effect of risk- and information-related factors, i.e., investment protection provided by International Investment Agreements (IIAs) and agglomeration economies (country-of-origin agglomeration, industry agglomeration, and internal agglomeration) both at an aggregate level and for different functions. We find that Chinese investors are not only more market-seeking, but also significantly less reliant on internal and country-of-origin agglomeration and on investment protection agreements than non-Chinese ones. These results are driven by investments in Services and Manufacturing activities. We attribute them to the direct engagement of their State when locating in Africa so that firm co-location and IIA protection are less salient in affecting their location choices.

A Real Options Perspective on Outward FDI from African MNEs

Nigel Driffield¹, Keith W. Glaister², Katiuscia Lavoratori³

¹Warwick Business School, University of Warwick; ²Leeds University Business School; ³Henley Business School, University of Reading

We adopt real options theory to examine outward FDI by African multinational enterprises (MNEs). We posit that the exercise of the growth option entails African MNEs investing within Africa, whereas the exercise of the switch option entails African MNEs engaging in FDI outside of the African region. We further examine endogenous and exogenous uncertainty in growth and switching options by considering the influence of prior colonial relationships and the effect of bilateral investment treaties on the decision of where to undertake FDI. Employing African outward FDI data over the 2013-2019 period, we find broad support for the study's hypotheses.

INTERNATIONALIZATION AND INNOVATION PERFORMANCE OF EMERGING MARKET FIRMS: THE ROLE OF STATE OWNERSHIP

Si Zhang¹, Shasha Zhao², Asmund Rygh³

¹UCAS, China; ²Surrey University, United Kingdom; ³University of Manchester, United Kingdom

State ownership entails distinct effects such as access to non-market resources on internationalization. Based on a longitudinal sample of 93,728 firm-year observations of Chinese high-tech firms, we examine the differences in effects of outward internationalization modes on their innovation performance between Chinese state-owned enterprises (SOEs) and privately-owned enterprises (POEs). We find the internationalization-innovation performance effects to vary across the entry modes and ownership types. POEs and SOEs differ significantly in their learning through exporting and the differing modes of internationalization bring POEs and SOEs the same significant benefit of new patents. However, we find no different effects of acquisition and greenfield investments on innovation performance of SOEs and POEs.

The Location Choice of Chinese OFDI: The Influence of Home Region Global Connectivity

Yunxiong Li

London School of Economics, United Kingdom

Abstract: This paper combines the regional global connectivity literature with host location choice studies to explain the location strategies of CMNEs. I argue that prior connectivity of a subnational home region with foreign countries influencing the spatial behaviours of MNEs originating from it. This connectivity is measured with respect to three dimensions: international trade connectivity through exports and imports; innovation connectivity through patent co-invention activities; and social connectivity through international "friendship city" (city twinning) relationships. Chinese provinces have heterogeneous patterns of global connectivity and, at the same time, MNEs originating from each province show significantly different destination preferences. Econometric models show that patent co-invention activities as well as the "friendship city" relationship facilitate OFDI, while the effect of international trade is ambiguous. This study contributes to further understanding the important role played by the subnational home location in explaining firms' internationalization behaviours: the advantages of a region or city not only depend on its own resources but also on how it is connected with other places and its position in the global network.

11:00am -
12:30pm
HBS 208

Parallel session 4-6: MNE activities in various contexts

Location: **HBS 208**

Session Chair: **Dr Martin Heinberg**, University of Leeds, United Kingdom

Using firm-specific advantages to unlock SDG achievements: a MNE corporate value maximisation perspective in the context of SDG12 interactions

Ziko Konwar¹, Hinrich Voss²

¹University of Leeds, United Kingdom; ²HEC Montreal, Canada

This theoretical paper addresses the relational-contextual dimensions of FSAs, as a core transferable asset of MNEs that could be utilised to make progress in SDG implementation within a cross-border context. We develop a framework of analysis building on the complex interactions between MNEs' economic activities and the extent to which it aids or hinders sustainable development. To achieve this, we prioritise our attention on UN SDG12 which aims to establish responsible consumption and production by 2030 through decoupling economic growth from environmental degradation, increasing efficiency of resource utilisation and promoting sustainable lifestyles. We conduct a thorough assessment of the interdependencies of SDG 12 with other SDGs and highlight how MNEs are likely to stimulate positive (synergies) and negative (trade-offs) outcomes through their economic activities. By scoping this context and drawing on IB theory, we highlight the possibility of recalibration of FSAs internally and their deployment by MNEs to reposition their role in sustainable development generally, and facilitating SDG achievement more specifically.

Measurement, effects, and contingencies of retail evolution across countries

Martin Heinberg, Constantine S. Katsikeas, Sourindra Banerjee

University of Leeds, United Kingdom

The phenomenon of retail evolution within a particular country has captured the attention of managers and academics alike. Yet, international business literature suffers from drawbacks such as conceptualization of retail evolution across countries, negligence of effects of retail evolution on firms beyond retailers, and brevity in terms of boundary conditions of retail evolution effects. In addressing these drawbacks, we contribute to the literature by providing a clear definition and mathematical formula for retail evolution. Moreover, we show that effects of retail evolution beyond retailers are relevant; specifically, we demonstrate that during retail evolution the strength of the retail exposure–brand value link is diminished whereas the strength of the advertising exposure–brand value link is enhanced. Lastly, we establish that brand origin (i.e., foreign vis-à-vis domestic brands) lowers retail evolution's effect. We demonstrate our results using hand collected data on country-, brand-, and individual-level variables. Overall, our nested dataset comprises samples from four countries (the U.S., Japan, India, China), approximately 24 FMCG brands per country, and a total of 3351 respondents. Using a Bayesian approach to multilevel structural equation modelling, we test our measures and results rigorously and find support for our research hypotheses.

Examining the barriers and enablers for the internationalization of social enterprises

Naif H Saaty, Marty Reilly

Business School at Dublin City University

Abstract

This study examines the barriers and enablers for the internationalization of social enterprises. It adopts a qualitative methodology, with data collected through interviews, where nine social enterprises were used in a multiple case study. Preliminary findings of this study reveal that financial capability, experience in the international market, and availability of international networks to partner with are the critical enablers of social enterprise internationalization. It has also found lack of finances, lack of international experience, cultural constraints, lack of a standard model of internationalizing to adopt, shortage of human resource, and structure and strategy-related challenges as the main barriers facing social enterprise when internationalizing. Recognizing such challenges, this paper also addresses additional themes within this context including the internationalization process, motives for social enterprise internationalization, and internationalization methods identified.

Keywords: Social Enterprises, Internationalization, Enablers, Motivation, Barriers.

Internationalization, Foreign Ownership and the Innovation performance: The Case of Turkish Auto Firms

Emine Beyza Satoglu

Izmir Katip Celebi University, Turkey

This paper examines the determinants of innovation in Turkish auto firms by using the firms' patent applications. The quantitative analysis focused on the international trade activities, R&D expenditures, and foreign ownership structure of the firms. The results of the negative binomial model prove that Turkish auto firms do not increase their innovation capacity by learning from exporting. On the other hand, increases in R&D expenditures and foreign ownership have a significant and positive impact on the innovation performance of the firms.

11:00am -
12:30pm

HBS G10

Parallel session 4-7: GVCs and global strategy

Location: **HBS G10**

Session Chair: **Prof Priit Vahter**, University of Tartu, Estonia

Joining and exiting the value chain of multinationals and performance of suppliers: evidence from inter-firm transaction data

Jaan Masso, Priit Vahter

University of Tartu

This paper investigates the productivity effects for domestic suppliers from joining and exiting the value chains of multinational enterprises (MNEs). Our econometric analysis is based on firm-to-firm transactions recorded in the valued added tax declarations data from Estonia. Treatment analysis based on propensity score matching suggests that starting to supply multinationals initially boosts the value added per employee of domestic firms, including effects on the scale of production and the capital-labour ratio. These first linkages to MNEs do not affect the total factor productivity (TFP) of domestic firms, suggesting that TFP effects take time to materialise. We find no significant positive effects on the second-tier suppliers: the positive effects are limited to the first-tier suppliers with direct links to MNEs. One novel result is the evidence that the productivity of suppliers does not fall, on average, after decreasing or ending supplier relationships with MNE customers.

Reshoring and Plant Closures in Covid-19 times: Evidence from Italian MNEs

Enrica Di Stefano², Giorgia Giovannetti¹, Michele Mancini³, Enrico Marvasi¹, Giulio Vannelli⁴

¹Università di Firenze, Italy; ²Banca d'Italia; ³Banca Centrale Europea; ⁴Université Paris 1 Panthéon-Sorbonne

This paper provides new evidence on reshoring and plant closures ex-ploiting a novel dataset of Italian multinational firms surveyed throughout 2020 and 2021, the years of the Covid-19 pandemic. We find that Covid-19 did not spur large waves of reshoring nor plant closures. Even though the pandemic has caused severe losses to firms, including multinationals, most did not stop foreign production nor are willing to do so in the near future. Furthermore, they maintained existing suppliers. Tariffs and trade policy uncertainty, on the other hand, are more likely to induce reshoring and plant closures. This evidence is consistent with a simple multi-period model, illustrating how offshoring, on the one side, and reshoring or plant closures, on the other side, are asymmetric in important ways. In the presence of sunk costs, reshoring and plant closures require sufficiently large and permanent shocks to demand, trade and foreign production costs to induce behavioural changes. Covid-19 was a major shock, but it was mostly perceived as temporary, while persistent trade policy uncertainty, especially if combined with other shocks, might induce firms to revise their internationalization strategies.

MATRIX APPROACH TO MODELING FOREIGN DIRECT INVESTMENT

Ninel Seniuk

National Research University Higher School of Economics, Russian Federation

Taking as the initial basis of our analysis the most popular John Dunning eclectic OLI-model (O - ownership, L - location, I - Internalization), we argue that despite its neoclassical simplification and limitations, this construct can be used as a single configuration of the investment activity of multisubject business systems in all three spaces based on universal 3x3 matrix approach. The top layer of this matrix is represented by Dunning's OLI-set, albeit in a slightly modified LOI-form, reflecting the key role of location in the corporate capitalization of comparative advantages of the place. The middle row, respectively, reflects Agglomeration, Partnership and Internationalization (API), while the bottom layer contains Regionalization, Integration and Globalization (RIG). Such a matrix approach opens up a broad prospect for the unified digital identification of any global economic actors, starting from high-tech startups and innovative SMEs, and for the digital modeling of investment interactions between them. At the same time, this approach allows to use Artificial Intelligence (AI) in designing, investment and management by innovative GVC, based on the own technological innovations.

11:00am - 12:30pm	<u>Special session 2: Meet the Editors</u> Location: HBS 108
HBS 108	<p>Journal of International Business Policy (Ari Van Assche)</p> <p>Global Strategy Journal (Gabriel R. G. Benito)</p> <p>Transnational Corporations (Heinz Tüselmann)</p> <p>Multinational Business Review (Irina Surdu)</p> <p>Critical Perspectives on International Business (Rudolf Sinkovics)</p>
12:30pm - 2:00pm	<u>Lunch</u> Location: Meadow Suite
Meadow Suite	
2:00pm - 2:30pm	AIB UK&I Membership Meeting Location: ICMA 150
ICMA 150	
2:30pm - 2:45pm	<u>Award Ceremony 3: John Dunning Lifetime Achievement Award</u> Location: ICMA 150
ICMA 150	
2:45pm - 4:15pm	<u>Alan Rugman Debate: Internalization strikes back: The limits of GVCs</u> Location: ICMA 150 Chair: Rejneesh Narula Panelists: Stephanie Wang, Luciano Ciravegna, Valentina de Marchi, Vivek Soundararajan
ICMA 150	
4:15pm - 4:30pm	<u>Award Ceremony 4: Pavlos Dimitratos Best Dissertation Award Palgrave Macmillan Prize for the best paper</u> Location: ICMA 150 - Pavlos Dimitratos Best Dissertation Award for the best dissertation, sponsored by the Adam Smith Business School, University of Glasgow - Palgrave Macmillan Prize for the best paper for the best conference paper, sponsored by Palgrave Macmillan
ICMA 150	