

Working Paper Series

**Exploring the Performance of IJVs – A Qualitative and Quantitative
Analysis of the Performance of German-Chinese Joint Ventures in the
People's Republic of China**

Alexander T Mohr

Working Paper No 02/34

December 2002

The working papers are produced by the Bradford University School of Management and are to be circulated for discussion purposes only. Their contents should be considered to be preliminary. The papers are expected to be published in due course, in a revised form and should not be quoted without the author's permission.

**EXPLORING THE PERFORMANCE OF IJVS –
A QUALITATIVE AND QUANTITATIVE
ANALYSIS OF THE PERFORMANCE OF
GERMAN-CHINESE JOINT VENTURES IN
THE PEOPLE'S REPUBLIC OF CHINA**

Alexander T Mohr

Bradford University School of Management
Emm Lane, Bradford BD9 4JL, UK
Tel. +44 (0)1274 234353
Fax.+44 (0)1274 546866
a.t.mohr@bradford.ac.uk

ABSTRACT

This paper develops a construct of International Joint Venture (IJV) performance that reflects the practice of IJV management. Based on a series of interviews with General Managers and Vice General Managers of German-Chinese Joint Ventures (GCJV) in the People's Republic of China (PRC), the criteria used in practice to evaluate the performance of IJVs are identified. These criteria are then exploratively investigated by analysing the data of a questionnaire survey of 110 managers. A factor analysis shows that performance criteria used in practice can be grouped into a short and a long-term performance construct, which can be used in future empirical research on the performance of IJVs.

1. INTRODUCTION

In an investigation carried out by consultancy A T Kearney (1999) representatives of 70 global companies were asked about the profitability of their subsidiaries in the PRC: the results of that survey indicated that the performance of wholly owned subsidiaries surpassed the performance of subsidiaries run as JVs if performance was measured profitability. The method chosen by A T Kearney, however, raises two vital questions:

Firstly, it has to be asked how far the profitability is an **adequate indicator** for the performance of IJVs. Many IJVs in the PRC have been created for strategic reasons; for example, in order to acquire the knowledge of the local market and business practices necessary for managing a wholly owned subsidiary during later stages of the internationalisation into the PRC. IJVs that allow the foreign firm to achieve that goal are considered successful by the foreign investor even without being profitable. **Secondly**, the question that has to be answered is whether employing **objective indicators**, such as the profitability calculated from the balance sheet of the JV, is a sensible method of measuring the performance of IJVs: it might be argued that different industries promise differing levels of profitability, and that an evaluation of the performance of the IJV on this basis loses much of its value.

These two aspects are reflected in existing attempts to conceptualise IJV performance, but so far there is no consensus among researchers as to **(1) what the proper criteria for measuring the performance of IJVs should be** and **(2) how these criteria ought to be measured in empirical studies** (Blanchot & Mayrhofer, 1997; Doyle, 1994; Geringer & Hebert, 1989, 1991; Glaister & Yu, 1994; Glaister & Buckley, 1998a). The **criteria hitherto used in order to measure the performance of IJVs** range from the mere existence of the IJV to financial measures such as the profitability: in their study of Western-Turkish IJVs Demirbag & Mirza (2000), could identify thirteen different performance criteria, whereas Blanchot & Mayrhofer (1997) reported 82 criteria in their analysis of existing empirical studies of the performance of IJVs. The first alternative to **measure performance criteria** is the *objective measurement*, using "hard data" such as certain financial indicators or facts (e.g. ROI, market share, length of JV history); secondly, it is feasible to have performance criteria *subjectively evaluated* by one or more managers of the IJV and/or the partner companies' headquarters.

In this paper, both issues (choice and measurement of performance criteria) are examined in more detail in order to develop a more rigorous measure of IJV performance that is closely aligned with managerial realities, and that can thus be used to improve future research on IJVs. More specifically, this paper argues for combining various performance criteria to better take into account the complexities of IJV management; in addition, the paper argues for the subjective measurement of IJV performance criteria.

The rest of the paper is structured as follows: the subsequent section 2 outlines the methodological approach chosen for this study. Section 3 reviews and discusses the criteria used for evaluating the performance of IJVs in existing research. Based on qualitative data, section 4 then identifies criteria used by German and Chinese JV managers when evaluating the performance of GCJVs. Section 5 discusses the alternatives regarding the measurement of the performance criteria identified. The final section, 6, employs the concept of JV performance to analyse the performance of GCJVs using data gathered through a questionnaire survey. Section 7 concludes the paper.

2. METHOD

The research method chosen for this study is explorative in nature and combines qualitative and quantitative techniques. First, a **qualitative research stage** was chosen to create a holistic picture of the criteria used by managers of IJVs to evaluate the performance of their ventures. Thus, in-depth interviews were carried out with 27 German and Chinese managers.

In addition to the qualitative research, a subsequent **quantitative research stage** consisted of a questionnaire survey to allow for a quantitative exploration of the performance criteria identified during the first research stage. Questionnaires were sent to 392 GCJVs in the PRC, from which 110 usable responses were received (response rate 23.3%). By comparing early and late arriving responses, the possibility of a non-response bias was dispelled (Armstrong & Overton, 1977). Sixty (54.5%) of the questionnaires were filled in by non-Chinese representatives of the German side, 16 (14.5%) by Chinese representatives of the German side and 34 (30.9%) by Chinese representatives of the Chinese side. Seventy-three (66.4%) respondents held the position of General Manager, 24 (21.8%) were Vice General Managers and 10 (9.1%)

functional managers. One respondent was chairman of the board, whereas three respondents (2.7%) did not give information as to their position in the IJV. On average, respondents had been working for the IJV for four years. From the respondents' positions and their experience it was assumed that all had an informed opinion about the performance of the GCJV.

3. PERFORMANCE CRITERIA IN EXISTING STUDIES

Among the criteria suggested in existing research to measure the performance of IJVs are the "probability of survival", the "stability of the JV", the "extent to which partners' objectives are met", the "satisfaction of the partners" or the "financial performance of the IJV" (Schrader, 1993). In order to provide a systematic approach, this paper distinguishes between **traditional** and **JV-specific** criteria of JV success: Traditional criteria are those which can also be used when measuring the performance of wholly owned subsidiaries, such as the market share or the profitability; as opposed to the traditional type, the JV-specific criteria refer to variables, which are specifically used for assessing the performance of JVs, e.g. the stability of the relationship between the IJV partners.

3.1. Traditional criteria

Early research interested in measuring the performance of IJVs used criteria such as the profitability (Lecraw, 1984; Tomlinson, 1970), growth (Artisien & Buckley, 1985) or the cost situation (Lecraw, 1984; Tomlinson, 1970). The exclusive use of such traditional criteria, however, is not always suitable when analysing the performance of IJVs, due to the specific nature of IJVs: companies opt for entry into the PRC via equity JV in particular when an engagement in China is perceived to be risky and there is a high level of perceived uncertainty regarding the profitability of the investment (Ho, 1990; Konrad, 1989). With the participation of a local partner, the foreign firm hopes to exploit his specific (market-) knowledge and capabilities to reduce its own risk. Thus, GCJVs are often chosen in situations in which the financial pay-off of the investment is expected - if at all - to occur in the future (Anderson 1990). Asked about whether or not his JV had reached the break-even point, a German general manager (GM) responded:

No! We are far away from breaking even! If we had made profits in the second operative year, I would have been called to the managing board of the German mother company, and probably would have received an award from the Chamber of Commerce. It's simply impossible!

The owner and CEO of a medium-sized enterprise in Germany, answering the question when he would expect the JV in the PRC to become profitable, stated:

It will be a long time until I will see some money - I don't know if I will still be alive by then.

An exclusive evaluation of the performance of an IJV on the basis of traditional indicators such as the profitability is therefore not always suitable. However, even when the IJV is profitable the use of traditional criteria is problematic, as there is **no adequate yardstick** that can be used to compare the performance (Anderson, 1990). This, according to Anderson (1990), is the case in particular for JVs in unknown markets. The evaluation of JV performance based on traditional criteria can thus indicate a lack of success, even if the JV has (constantly) reached or even exceeded the partners' expectations and is thus considered as successful by both partners. Additionally, by setting up a JV the partners frequently have objectives whose achievement cannot be measured by exclusively using traditional indicators: JVs might be created, for instance, in order to acquire the knowledge of a local partner and to facilitate entry into new and unknown markets (Kogut, 1988), or to block competitors (Culpan & Kumar, 1994).

Correspondingly, in the case of one GCJV an evaluation of the performance using traditional criteria would have been misleading. Asked about the performance of the JV represented by him, the German GM responded:

I usually distinguish between two issues: success can be seen as strategic or financial. Regarding the strategic success, I have to say that we have surpassed our initial expectation very quickly: market share, purchasing, sales... in those areas we have made more progress than we originally had hoped for. In financial terms, though, we have not met our objectives.

The opposite case, in which a JV is regarded as unsuccessful by one or more of the partners despite positive financial results, is possible as well, simply because the IJV might not meet the expectations of the partners (Geringer & Hebert, 1991). Traditional performance criteria can therefore provide only limited information about the performance of IJVs.

3.2. JV-specific criteria

Due to the participation of at least two companies in an IJV, whose contributions are prerequisites for the partners' achieving their objectives, various authors suggested the use of JV-specific criteria to evaluate the performance of IJVs: The *(in-) stability of the JV* (Beamish & Inkpen, 1995; Das & Teng, 1999; Franko, 1971 a, 1971 b; Gomes-Casseres, 1989; Harrigan, 1987; Inkpen & Beamish, 1997), the *longevity of the JV* (Barkema, Shenkar, Vermeulen, & Bell, 1997; Harrigan, 1988a; Kogut, 1988; Park & Ungson, 1997), *changes to the ownership structure of the JV* (Franko, 1971 a; Gomes-Casseres, 1989), the *survival of the JV* (Geringer & Hebert, 1991; Glaister & Buckley, 1998b) or the *harmony between the partner firms* (Demirbag & Mirza, 2000). Using these indicators for evaluating the performance of JVs, however, is no panacea either: for example, it is not possible to infer success from the mere fact that the IJV has not (yet) ceased to exist. The interviews showed that an IJV might continue to exist, even if one of the partner firms does not view it as successful. Barriers to exit might block or deter the termination of the JV. Asked about the existence of the JV, a former GM, who in the meantime had been transferred to the mother company in Germany, answered:

Our JV still exists [...]. But to be honest, we would have liked to close the JV and start something else on our own. However, our Chinese partner did not want to terminate the JV for two reasons: 1999 was the fiftieth anniversary of the creation of the PRC and the local partner also had trouble with a different JV with another foreign company. So, they wouldn't close it down, but we didn't want to continue: „Let's close this thing! We are losing money and you don't get anything out of it either!“ But the responsible [people] on the side of the partner firm said: „No way!“

At the same time the termination of an IJV or a change in the equity shares of the partners does not necessarily imply a failure of the IJV. Based on the research by Kogut (1989; 1991), Blanchot & Mayrhofer (1997) for instance, argue, that although the dissolution of a JV would usually indicate the failure of an IJV, the acquisition of the IJV by one of the partners would be a sign of the success of an IJV. Kogut (1991) views the IJV as an option on the entry into a risky market; through buying out the partner firm, the JV is terminated and the option is exercised. However, the termination of the JV might also indicate that

the objectives that the partners have tried to achieve with the JV have been achieved. For example, the foreign partner might have acquired local market knowledge, which eliminates the dependence on the local partner (Gulati, 1998; Harrigan, 1988b).

As the discussion of various performance criteria and the interviews excerpts have shown, it can be assumed that the performance of IJVs - similar to the performance of other ventures - is a multivariate construct embracing different variables (Awadzi, Kedia, & Chinat, 1986; Beamish, 1988). Furthermore, there is the possibility that several of these criteria are related to one another: the improvement of the performance of the IJV as measured by one criterion might coincide with the deterioration of IJV performance as measured by a different criterion. Using various criteria and taking into account their interdependencies is therefore a prerequisite for studies that analyse the performance of IJVs. The next section addresses the question of which criteria to include in constructs to measure IJV performance.

4. IDENTIFICATION OF PERFORMANCE CRITERIA

The interviews showed that managers use a multitude of traditional as well as JV-specific criteria to evaluate the performance of IJVs. Based on this insight, various authors have suggested combining various criteria. As a starting point for her "package-approach", Anderson (1990) locates a range of performance criteria along an input-output-continuum: factors such as the harmony between the partners or the responsiveness of the JV to changing environments are regarded as *input-factors*. These factors are seen to determine the *output-factors* such as the profitability. Although Anderson (1990) concedes that a JV may be profitable in the short-term even without a harmonious relationship between the partner firms, she suggests a long-term impact of input-factors on the output-factors: "[P]oor inputs will show up in poor outputs" (1990: 23). Input-factors should therefore be viewed as indicators of the long-term, output-factors as indicators of the short-term, performance. Though Anderson's (1990) conceptualisation is helpful as a means to categorise various performance criteria, the question of which criteria should be used to measure the performance of an IJV is not addressed. At the same time, however, it can be doubted that a catalogue of criteria established exclusively on the basis of theoretical considerations would adequately reflect the multitude of criteria used in practice. Hence, in

accordance with the two-stage research method outlined above, this study will identify performance criteria by analysing the content of interviews with German and Chinese JV managers.¹

By using open questions about the performance of the JV during the interviews, an attempt was made to elicit the performance criteria used by managers of GCJVs. This *firstly* made it possible to take into account the special features of GCJVs; *secondly*, this method allowed for extending the "Western" view of JV performance which so far dominates research on this subject: hitherto studies regularly analyse the objectives of the foreign partner company and the performance criteria used are usually guided by those objectives. The goals of the local - in our case Chinese - partners, and those firms' evaluation of the IJV performance, have so far been taken into account only rarely (Yan, 2000). By interviewing managers representing the Chinese JV partner, this study also identifies and integrates performance criteria that reflect the Chinese side's objectives. In the following, the criteria identified by analysing the interviews are presented.

Acquisition of technology and know-how.

The information gathered in the interviews corroborates the results of existing studies by showing that the acquisition of technology and know-how is one of the most important objectives of the Chinese JV partner. Through creating a JV with a foreign company, the Chinese side hopes to get access to advanced technology and management-know-how, in order to reduce their - in most cases still existing - backwardness vis-à-vis foreign companies. The following statements of German managers may serve as examples:

Basically, I think the Chinese side viewed [the JV] as an opportunity to skim off as much technological know-how as possible from us in order to copy the products in one way or another and produce them themselves.

The major objective of the Chinese side was to get rid of their old machinery and [get] state-of-the-art equipment. They wanted the technology.

Although the objective of acquiring technology and know-how is usually attributed to the Chinese side, among the GCJVs analysed there were also German firms that were interested in acquiring

know-how. This was mainly related to know-how about local market conditions. In one of the cases, the GCJV emerged out of a Build-Operate-Transfer-agreement, in which the German side kept a share of the capital in order to gain experience with the operation of the installation.

Profitability. The traditional performance criteria "profitability" played an important role in evaluating the GCJVs analysed in this study. Both the German and the Chinese side mentioned the profitability of the venture as an important measure to evaluate the JV:

Originally we focussed on reaching a set break-even point. We thought we'd need two or three years before the venture makes profit. The major objective was to become and stay profitable.

Interviewees mentioned the demand for profits in particular when talking about the relationship between the headquarters and the JV management. A German manager, for instance, responded to a question regarding the level of support provided by the German parent company:

There was no support whatsoever. All they wanted was money!

Growth. The German as well as the Chinese side mentioned "growth" as an important indicator of the JV's performance. Both partners want to participate in the development of the Chinese market that has grown at double-digit rates in almost every year for the last 20 years:

Back to your question as to whether or not I view the JV as a success: This year is our fourth year of operation. We are still here! We haven't lost huge amounts of money. We are growing. Our turnover, our trade volume, and our processing volume are all growing. I consider the JV as successful.

I think the JV is a success: During the short time span we have been here, our turnover has more or less doubled every year.

Market share. Achieving growth can be regarded as instrumental to increasing the market share of the JV. Anecdotal evidence, as well as some of the interviews carried out, imply that securing a large market share was one of the most important objectives for German investors in the PRC.

¹ A similar method was suggested by Newburry/Zeira (1999).

There is a large German company here in China. They run a lot of JVs, most of which are technically bankrupt! But they don't pull out because they want to get a foothold and increase their market share.

In particular against the background of China's entry into the World Trade Organisation (WTO) at the end of 2001, companies viewed a high market share as a necessary preparation for the expected intensification of competition in many industries. The Chinese side, on the other hand, mentioned the increase in market share only infrequently, for instance, in the case of a service sector GCJV:

The point of the JV is to enlarge our market share and increase our profits.

Stability of the IJV. The objective of stability refers to the partners' interest in maintaining the IJV as well as to avoid changes in the ownership or management- structure. The interviews showed that Chinese companies in particular were interested in having a stable GCJV. The reasons given by managers included, for instance, political reasons such as the continuation of a "prestigious" venture with a well-known foreign company.

[The most important objective] of the Chinese side was certainly to sign the first German-Chinese JV in Xin Jiang. Xin Jiang is about five times the size of Western Europe and they wanted to be the first for political reasons. [...] The Chinese side is mostly motivated by political reasons.

[The Chinese partner] use[s] the JV [...] to show visitors and politicians how wonderful the world in Xin Jiang would be if everybody had such a nice JV.

As opposed to that, the German side does not seem to view the stability of the JV as an objective per se. In some of the interviews the German side initiated changes to the ownership structure, the management structure, or both. This move was usually caused by a lack of resources on the Chinese side when the capital base of the JV had to be increased.

Competitiveness. Referring to China's entry into the WTO, many managers mentioned the competitiveness of the GCJV. The anticipated consequences of this entry, such as the reduction of tariff barriers or the further opening up of the Chinese economy to foreign firms are expected to increase the competitive pressure on existing firms

in China. Improving the competitiveness of the GCJV is thus seen as a necessary preparation for these changes. When asked about the objectives of the Chinese side, a representative of the German side replied:

The whole venture here has been running since October 1997. By then it was clear to us that China wanted to enter the WTO. [...] It was obvious that the country was increasingly opening up itself to the outside world and [that it was] trying to play a bigger role on a global level. [...] The Chinese firms could become competitive only by finding a strong partner with a global profile.

When asked what the Chinese side would expect to get out of the GCJV, a manager representing the German side explained:

A good brand! Our company is world-market leader in this area. That's what they wanted. On this basis they could become competitive.

Regarding the use of the performance criteria mentioned, there were significant differences between the Chinese and the German JV partners: whereas German companies evaluated the JV's performance mainly by using market criteria, the Chinese companies focused on the acquisition of technology.

General goal attainment. Limiting the catalogue of criteria to include only those mentioned above would risk that objectives followed by one or more JV partners are only inadequately reflected for (at least) two reasons: firstly, the number of interviews carried out was limited and other firms might use other criteria. Secondly, the interviewees might (deliberately) not have mentioned all the criteria that are important to them. Thus, the use of a further performance criterion "general goal attainment", similar to the suggestions by Beamish (1988) or Geringer & Hebert (1989), to capture the JV performance seems warranted. This criterion provides information regarding the degree to which companies perceive their specific objectives as achieved, and therefore somewhat rectifies the drawbacks mentioned.

5. MEASUREMENT OF PERFORMANCE CRITERIA

As has been shown above, so far no clear consensus has emerged in literature as to which criteria should be employed to measure the

performance of IJVs. The same holds true for the question as to **how** these criteria (once they have been selected) should be measured. This section discusses the alternative methods available and argues for the use of subjective evaluations of performance criteria by appropriate managers.

5.1. Objective measurement of performance criteria

The objective measurement of performance criteria can be carried out by using data from financial reports, JV contracts or similar objectively available information such as share prices. Based on this data various performance criteria can be calculated (e.g. profitability) or compiled (e.g. number of changes in ownership structure). While these indicators can be measured in an objective way, this method proves difficult when trying to evaluate the extent to which a partner firm has acquired technology and/or know-how. Due to its restriction to a small number of objectively measurable criteria such as profitability or the length of existence of the JV, the objective measurement of performance criteria has been criticised by researchers (Geringer & Hebert, 1989).

Additionally, using objectively measurable criteria is often made difficult by the problem of getting access to meaningful information: companies may *firstly* decide to hold back necessary information, e.g. if this information is considered to be "sensitive" (Ramaseshan & Loo, 1998: 445). *Secondly*, the data provided by the analysed companies may have lost its value for measuring the JV performance due to the firms exploiting accounting leeway and/or using transfer prices for tax reasons. A German manager, for instance, mentioned the extensive use of transfer pricing to report losses on the balance sheet, which in turn would allow the GCJV to continue to be eligible for special conditions granted by the Chinese authorities. Equally, a representative of the German Chamber of Commerce pointed out this issue:

The general question usually is "Do German firms in China earn money? Are they profitable?" I think that's a difficult question to answer. Some say that not one company makes profits in China, which is not possible. But on the other hand, one has to be cautious and take into account the various special conditions offered to foreign firms, in particular in Special Economic Zones. These can prevent firms from stating profits after the first year of operation in order not to lose those favourable conditions.

The objective measurement of performance criteria therefore leads to only a few, objectively measurable, criteria being used, which moreover might (i) not be accessible to researchers and/or (ii) be limited in their value for assessing the performance of the IJV. Geringer & Heber (1991) and Glaister & Buckley (1998b), for example, restrict the catalogue of objective measures to the readily available indicators survival, stability and duration of an IJV when they study the relationship between objective and subjective performance measures.

5.2. Subjective measurement of performance criteria

The subjective measurement of the JV performance refers to the evaluation of the overall JV performance or one or more performance criteria by one or more respondents. The subjective measurement may either have advantages over the objective measurement or be the only possible way of assessing the JV's performance, i.e. if the performance criteria chosen are not quantifiable, not available, or subject to manipulation.

Killing (1983) was one of the first researchers who responded to the criticism levelled at the objective measurement of JV performance: instead of using objectively measurable indicators, he asked JV-partners about their overall satisfaction with the JV performance. Thus, he used only one single, general performance criterion. Subsequently, researchers such as Anderson & Weitz (1989), Beamish (1988), or Blumenthal (1990) also employed only **one single criterion** in order to measure the performance of JVs; for example, the general satisfaction of partners with the goal achievement or the expected stability of the JV. In order to measure the success of the co-operation within networks, Beck (1998) employed the co-operating firms evaluation of the extent to which their objectives had been met, whereas Griffith, Hu, & Ryans (2000), used the involved firms' general satisfaction with the relationship in order to evaluate the performance of buyer-supplier-relationships.

Instead of limiting the subjective evaluation to one overall measure, other authors suggest letting respondents evaluate **various performance criteria**. In these cases managers assess criteria of which some - at least in principle - could have also been measured in an objective way (Demirbag & Mirza, 2000; Glaister & Buckley, 1999; Hébert & Beamish, 1997; Inkpen & Currall, 1997; Lin & Germain, 1998; Newbury & Zeira,

1999; Saxton, 1997; Sim & Ali, 1998; Yan, 2000). Glaister & Buckley (1999) measure the performance of a JV, for instance, by using the general satisfaction of the partners with the JV, but let managers also evaluate the relation between the costs incurred through and the benefits gained from the JV. This means that it is no longer the absolute value of specific variables that is employed; rather, researchers use the extent to which the values of these indicators meet or deviate from the partner firms' expectations. By using subjective evaluation it is at the same time possible to compensate for variations regarding the expectations about the development of certain criteria caused by situational differences, which impedes comparing the performance of different JVs: for instance, it can be assumed that the industry of the IJV has an influence on the level of profitability expected by the JV partners. Comparing the performance of JVs in different industries using the objective measures of profitability would thus to a certain extent compare the "performance of industries" rather than the performance of individual IJVs.

Aside from these advantages, the subjective measurement of IJV performance may also become **necessary** because of the lack of objective measureability of certain criteria. Partner firms frequently have objectives that cannot easily be quantified, for example, the goal of "gaining experience", which has frequently been mentioned by managers of German firms in China. The manager of a GCJV that has been set up because of the German side's intention to test the installation delivered by the German HQ explained:

[...] It is written in our contract that we are allowed to test the equipment. However, I don't know in how far we are actually able to evaluate the extent to which we have done this. It is difficult to measure the degree to which we have acquired such knowledge.

Despite its advantages, the subjective evaluation of JV performance has also been the target of criticism (see, for example Chen, Farh, & MacMillan, 1993). Seashore & Yuchtman (1967), for instance, warn that the measurement of organisational performance using the perceived achievement of goals would not be possible: it would be unrealistic to assume that organisations have clearly specified and identifiable objectives which could be used as yardsticks for evaluating the degree of goal achievement. However, the authors refer to organisations in general; for the

specific case of IJVs it can be assumed that they are only set up because of the explicit, and therefore identifiable, objectives of the partner firms. These objectives can thus be used as yardsticks when evaluating the level of goal achievement.

More important than the critique of Seashore & Yuchtman (1967) seems to be the danger that partner firms have adjusted their initial objectives to the actual development of the IJV, e.g. by reducing sales targets after receiving more accurate information about the market potential of the local market. This may lead to IJVs being viewed as successful without having achieved their original aims. The interviews show that this adjustment had often taken place regarding the expected sales level of the JV:

There is pressure from the holding company to become profitable, but so far we are better than expected and the pressure is therefore not very strong. We have so far exceeded our expectations. O.K. the original feasibility study was utopian. We could have never reached [the objectives set out in there]. We have thus adjusted the plan and so far have exceeded that new plan every year.

The converse situation is also possible: the original objectives were set to low and have meanwhile been adjusted to a higher level. If respondents use the "new" objectives as yardsticks when subjectively evaluating the performance of the JV, the performance measured by the overall achievement of goals will turn out to be lower.

Against the background of this discussion of the advantages and disadvantages of the objective and subjective methods of measuring the performance of IJVs, we suggest the subjective measurement to be more adequate for empirical research. However, in order to use the subjective measurement researchers first have to decide, **who** will be asked to evaluate the performance of the JV: as principal respondents there are the managers of the partner firms' headquarters as well as the managers of the JVs. Since Geringer & Hebert (1989) could show a significant positive relationship between the assessment of the HQ respondents and the assessments of the representative of the respective partner firm in the JV, this question seems not to be as crucial. Thus, researchers might use either. In this study, the JV managers are used as respondents.

Within the questionnaire survey carried out, these managers were *firstly* asked to evaluate the six criteria identified above (acquisition of technology and know-how, profitability, growth, market share, stability and competitiveness); respondents were asked to evaluate their satisfaction with the respective criteria on 5-point Likert-type scales. *Secondly*, respondents assessed the extent to which their side achieved their overall goals. In order to measure the level of goal achievement a single item was used taking up suggestions made in existing research (Beamish, 1988; Blumenthal, 1990; Geringer & Hebert, 1989; Harrigan, 1987; Inkpen & Birkenshaw, 1994).

6. RESULTS AND DISCUSSION

As outlined above, the performance criterion **acquisition of technology and know-how** was integrated in order to take into account the view of the Chinese side. Table 1 shows that Chinese JV partners evaluated the extent to which they acquired technology and know-how better than the German firms, although the latter also seemed to be satisfied. The majority of representatives of the German partner was satisfied with the **profitability** level of the JV (see Table 1). However, Table 1 shows that Chinese companies evaluate the profitability of their GCJVs significantly better than the German JV partners.

Table 1 shows that the satisfaction with the **growth of the GCJVs** was evaluated as high by the German as well as the Chinese side, although the Chinese side seems to be more - albeit not so on a significant level - satisfied than the German side. The average level of satisfaction of the respondents with the **market share** of the JV was above the theoretical mean value of 3 (see Table 1). The representatives of Chinese partner firms showed a higher level of satisfaction with the market share of the GCJV than their German counterparts, although this difference was not statistically significant.

Stability was used because interviews showed that the Chinese side in particular frequently uses this JV specific performance criterion to evaluate the performance of the venture. It can be seen from Table 1 that Chinese companies view their JVs as more stable than the German firms view theirs. Similarly, Table 1 shows that Chinese firms evaluate the **competitiveness** of their JV significantly better than German JV partners.

Table 2 shows the partners' evaluation of their overall goal achievement. The descriptive results reveal that the German as well as the Chinese sides' representatives are on average satisfied with the extent to which they achieved their goals. Table 2 also demonstrates that the Chinese sides' representatives see their goals as achieved on a significantly higher level than the German sides' representatives.

TABLE 1. EVALUATION OF JV PERFORMANCE: GERMAN-CHINESE COMPARISON

Performance criteria	Satisfaction ¹ Mean Value (MV)		
	German side (N=76)	Chinese side (N=34)	Difference (Δ)
Acquisition of technology- and know-how	3.58	3.94	0.36
Profitability	3.16	3.53	0.37*
Growth	3.29	3.71	0.42
Market share	3.14	3.44	0.30
Stability	3.29	3.85	0.56**
Competitiveness	3.54	3.85	0.31**

¹ Values: 1 = "low level of satisfaction" to 5 = "high level of satisfaction".

* p ≤ 0.05; ** p ≤ 0.01

TABLE 2: LEVEL OF GOAL ACHIEVEMENT: GERMAN-CHINESE COMPARISON

Level of overall goal achievement	General goal achievement Mean Value (MV) ¹		
	German side (N=76)	Chinese side (N=34)	Difference (Δ)
Level of overall goal achievement	3.22	3.47	0.25*

¹ Values ranging from 1 = low degree of goal achievement to 5 = high degree of goal achievement

* p ≤ 0,05; ** p ≤ 0,01; t-Test.

TABLE 3: JV PARTNERS' GOALS AND THEIR ACHIEVEMENT

Goals pursued by partner firm (multiple responses possible)	General goal achievement Mean Value (MV) ¹	
	German side (N=76)	Chinese side (N=34)
Acquisition of technology- and know-how	4.00 (N=2)	3.60 (N=20)
Profitability	3.22 (N=18)	3.29 (N=7)
Growth	3.00 (N=44)	3.36 (N=14)
Market share	3.22 (N=54)	3.08 (N=12)
Stability	3.80 (N=5)	3.67 (N=3)
Competitiveness	2.82 (N=11)	3.20 (N=5)

¹ Values from 1 = "low degree of goal achievement" to 5 = "high level of goal achievement"

A more detailed insight into the goal achievement of German and Chinese JV partners is offered by Table 3: it shows the perceived level of goal achievement in combination with the predominant goal of the respective JV partner.

On the German side, companies that hoped to achieve the acquisition of technology and know-how perceived were very satisfied with their goal achievement. However, this result is based on only two German firms (2.6%) that stated the acquisition of market knowledge as their goal. Companies that were interested in profitability saw their goals achieved on an average level. The majority of German firms were interested in gaining market share (N=54; 75%) and the growth of the GCJV (N=44; 61%); these firms also evaluated the level of their goal achievement as average (MV=3,22 and. MV=3,00). Firms that were interested in having a stable GCJV with the Chinese side viewed this aim as highly achieved (MV=3,80). The basis for this value, however, consists of only five (7%) German companies. Finally, German firms that were predominantly interested in improving their competitiveness reported a below-average level of goal achievement (N=11; 15,2%; MV=2,82).

The **Chinese firms** were in most cases interested in the transfer of technology and know-how (N=20; 58,8%) as well as in an increase in the market volume of the JV (N=14; 41,2%); companies that were interested in acquiring modern technologies and management-know-how regarded their goals as to a high degree achieved (MV=3,60). Those Chinese companies that were mainly interested in a high level of profitability reported a comparatively lower degree of goal achievement (N=7; 20,6%; MV=3,29). Furthermore, Chinese firms that tried to achieve growth (N=14; MV=3,36), a larger market share (N=12; 35,3%; MV=3,08) and/or an improvement

of competitiveness (N=5; 14,7%; MV=3,2), viewed the level of their goal achievement as only average. Chinese partner firms that mentioned stability of the GCJV as their objective saw their objectives as to a large extent achieved (MV=3,67), although this aim was pursued by only three (8,8%) of the Chinese firms included.

A correlation matrix of the performance criteria identified in the interviews, i.e. excluding the overall level of goal achievement, showed *strong correlations* between some of the items. This offered the possibility to identify major components of the JV performance by using statistical methods aimed at reducing the dimensions. This was also seen as a way to reduce the complexity of using the measures in future empirical studies. Thus a factor analysis was carried out using the principle component method with a subsequent varimax-rotation to allow for an interpretation of the data. The following prerequisites for employing factor analysis were tested (see Backhaus, Erichson, Plinke, & Weiber, 2000: 266-270): (a) the inverse of the correlation matrix was a diagonal matrix; (b) Bartlett's criterion was 564,2 ($p \leq 0,001$); (c) the anti-image covariance-matrix also was a diagonal matrix; (d) the measure of sampling adequacy (MSA) according to Kaiser-Meyer-Olkin was 0,866 and can thus be seen as "meritorious". Only factors with eigenvalue greater than 1 were extracted. The two components and their underlying dimensions are shown in Table 5.

TABLE 4: FACTOR ANALYSIS: UNDERLYING DIMENSIONS OF THE PERFORMANCE OF GCJVS

	Principal components	
	1	2
Acquisition of technology and know-how	.384	.721
Profitability	.904	.222
Growth	.879	.311
Market share	.786	.197
Stability	.527	.879
Competitiveness	.077	.693

Extraction method: principal component method
Rotation method: Varimax with Kaiser standardisation

TABLE 5. PERFORMANCE CONSTRUCT VALUES FOR GERMAN AND CHINESE PARTNER FIRMS

	Performance ¹ Mean Value (MV)		
	German side (N=76)	Chinese side (N=34)	Difference (Δ)
Short-term performance	3.22	3.56	0.34**
Long-term performance	3.44	3.95	0.51**

¹ Values from 1 = "low performance" to 5 = "high performance".
* p ≤ 0.05; ** p ≤ 0.01.

The identified components can be distinguished by the time-horizon reflected in them. **Short-term performance** combines the three criteria profitability, growth and market share (Cronbach's Alpha 0,89²). The construct "**long-term performance**" comprises the performance criteria "acquisition of technology and know-how", "stability of the JV", and "competitiveness" (Cronbach's Alpha 0,81). This classification corresponds to the suggestion of Anderson (1990: 20): She sees "marketing measures of performance", such as growth or market share, as well as "financial measures of performance", such as profitability as performance criteria reflecting a short-term orientation of JV partners; the performance criteria competitiveness, acquisition of technology and know-how, and stability of the JV on the other hand would reflect a long-term perspective.

Table 5 shows the descriptive results regarding the identified constructs of JV performance.

It is interesting to notice that the Chinese JV partners evaluate the performance of their JV significantly better than the German side. This result corroborates the evidence of a study by Yan (2000), who found that Chinese companies

evaluate the performance of their JVs on average higher than foreign companies.

Additionally, German managers evaluate the long-term performance more favourably than the short-term performance (see Table 5). This supports anecdotal evidence and the opinion of many interviewees, according to which any engagement in the PRC requires foreign companies to take a long-term view, and foreign investors should not hope for quick returns on their investment.

7. CONCLUSION

This paper has identified a set of performance criteria on the basis of interviews with German and Chinese managers of GCJVs in the PRC. The six criteria identified are profitability, market share, growth, acquisition of technology and know-how, stability of the JV, and competitiveness. To this catalogue was added the general goal achievement, to account for objectives not mentioned during the interviews and/or for potentially existing "hidden agendas" of partner firms.

A comparison of the alternative ways to measure performance criteria has led to the conclusion that the subjective evaluation of performance criteria by JV managers is preferable to the use of an objective

² According to Nunnally (1978) a Cronbach's Alpha of 0.70 provides an acceptable level of reliability. In general, however, a value of 0.60 is regarded as acceptable (Fey & Beamish, 2000).

measurement. This choice was based on the fact that an objective measurement of performance criteria might lead to a predetermined restriction to a few, objectively measurable criteria, which additionally might not be available to researchers or limited in their value for measuring IJV performance, or both. We used the criteria identified during the interviews to measure the performance of GCJVs within a large-scale questionnaire survey. This allowed for carrying out a factor analysis that resulted in the classification of the criteria according to whether they reflected a short- or long-term perspective of IJV partners. The results thus empirically support the suggestions made in extant literature by authors such as Anderson (1990).

The two identified performance constructs can be used in further empirical studies that require measuring the performance of IJVs. However, this study has focussed on GCJVs and the performance criteria identified during the interviews might thus be predominantly applicable to this constellation due to specific motivations etc. of firms from these countries. Future research should analyse the performance criteria used by managers in IJVs in other countries and/or in IJVs with partner companies from other countries.

Finally, the results of this study are similar to those of Yan (2000), in as far as they have demonstrated the sometimes significant differences in partners' assessment of IJV performance. Future research should take this a step further by analysing how these differences in partners' assessment of IJV performance affect the interaction between the partners, or other key issues such as the level of trust or control in IJVs. Such research efforts could be based on theoretical strands such as exchange theory or organisational justice theories.

8. REFERENCES

- Anderson, E. (1990). Two Firms, One Frontier: On Assessing Joint Venture Performance. *Sloan Management Review*, 31(2):19-30.
- Anderson, E., & Weitz, B. (1989). Determinants of continuity in conventional industrial channel dyads. *Marketing Science*, 8(4):310-323.
- Armstrong, J.S., & Overton, T.S. (1977). Estimating Nonresponse Bias in Mail Surveys. *Journal of Marketing Research*, 14(3):396-402.
- Artisien, P.F.R., & Buckley, P.J. (1985). Joint ventures in Yugoslavia: opportunities and constraints. *Journal of International Business Studies*, 16(1):111-136.
- ATKearney. (1999). *Global Investment in China: A White Paper on the Quest for Profitability*: A.T.Kearney Inc.
- Awadzi, W., Kedia, B.L., & Chinat, R. (1986). Performance implication of locus of control and complementary resources in international joint ventures. Paper presented at Presented at the Academy of International Business Conference, London.
- Backhaus, K., Erichson, B., Plinke, W., & Weiber, R. (2000). *Multivariate Analysemethoden*. Berlin: Springer.
- Barkema, H.G., Shenkar, O., Vermeulen, F., & Bell, J.H.J. (1997). Working Abroad, Working with Others. How Firms Learn to Operate International Joint Ventures. *Academy of Management Journal*, 40(2):426-442.
- Beamish, P.W. (1988). *Multinational Joint Ventures in Developing Countries*. London, New York: Routledge.
- Beamish, P.W., & Inkpen, A.C. (1995). Keeping International Joint Ventures Stable and Profitable. *Long Range Planning*, 28(3):26-36.
- Beck, T.C. (1998). *Kosteneffiziente Netzwerkkooperationen*. Wiesbaden: Gabler.
- Blanchot, F., & Mayrhofer, U. (1997). Empirical Literature on Joint Venture Success. A Review of Performance Measures and of Factors affecting Longevity. Paper presented at Proceedings of the 23rd EIBA Conference, Stuttgart, December 14-16, 1997.
- Blumenthal, J. (1990). *Business as Usual and Joint Venture Success*. Paper presented at Second International Conference on Managing the International Firm, Boulder, CA.
- Chen, M.-J., Farh, J.-L., & MacMillan, I.C. (1993). An exploration of the expertness of outside informants. *Academy of Management Review*, 36(6):1614-1632.
- Culpan, R., & Kumar, N. (1994). Co-operative Ventures of Western Firms in Eastern Europe: the Case of German Companies. Pp. 267-277 in Ghauri, P., (Ed.), *The economics of change in East and Central Europe*. London: Haworth Press.
- Das, T.K., & Teng, B.-S. (1999). Trust, Control, and Risk in strategic alliances, Paper presented at the 59th Annual Meeting of the Academy of Management, Chicago, IL, August 8-11, 1999.
- Demirbag, M., & Mirza, H. (2000). Factors affecting international joint venture success: an empirical analysis of foreign-local partner relationships and perform. *International Business Review*, 9(1):1-35.
- Doyle, P. (1994). Setting business objectives and measuring performance. *Journal of General Management*, 20(2):1-20.
- Fey, C.F., & Beamish, P.W. (2000). Joint venture conflict: the case of Russian international joint ventures. *International Business Review*, 9(2):139-162.
- Franko, L.G. (1971 a). *Joint Venture Divorce in the Multinational Company*. *Columbia Journal of World Business*, 6(3):13-22.
- Franko, L.G. (1971 b). *Joint Venture Survival in Multinational Corporations*. New York, Washington, London: Praeger Publishers.
- Geringer, J.M., & Hebert, L. (1989). Control and Performance of International Joint Ventures. *Journal of International Business Studies*, 20(2):235-254.
- Geringer, J.M., & Hebert, L. (1991). Measuring Performance of International Joint Ventures. *Journal of International Business Studies*, 20(2):249-263.
- Glaister, K., & Yu, W. (1994). Management and Performance of UK Joint Ventures in China. *Journal of Euro-Marketing*, 4(1):23-41.

- Glaister, K.W., & Buckley, P.J. (1998a). Management-Performance Relationships in UK Joint Ventures. *International Business Review*, 7(3):235-257.
- Glaister, K.W., & Buckley, P.J. (1998b). Measures of performance in UK international alliances. *Organization Studies*, 19(1):89.
- Glaister, K.W., & Buckley, P.J. (1999). Performance Relationships in UK International Alliances. *Management International Review*, 29(2):123-147.
- Gomes-Casseres, B. (1989). Ownership structures of foreign subsidiaries. Theory and evidence. *Journal of Economic Behavior and Organization*, 11(1):1-25.
- Griffith, D.A., Hu, M.Y., & Ryans, J.K.J. (2000). Process Standardization across Intra- and Inter-cultural Relationships. *Journal of International Business Studies*, 31(2):303-324.
- Gulati, R. (1998). Alliances and Networks. *Strategic Management Journal*, 19(4):293-317.
- Harrigan, K.R. (1988a). Joint Ventures and Competitive Strategy. *Strategic Management Journal*, 9(2):141-158.
- Harrigan, K.R. (1988b). Strategic alliances and partner asymmetries. Pp. 205-226. in Lorange, P., (Ed.), *Cooperative strategies in international business*. Toronto: Lexington.
- Harrigan, K.R. (1987). Strategic Alliances. Their new role in global competition. *Journal of World Business*, 22(2):67-69.
- Hébert, L., & Beamish, P. (1997). Characteristics of Canada-Based International Joint Ventures. Pp. 403-427 in Killing, J.P., (Ed.), *Cooperative Strategies. North American Perspectives*. San Francisco: The New Lexington Press.
- Ho, A.K. (1990). *Joint Ventures in the People's Republic of China*. New York, Westport/CT, London: Praeger.
- Inkpen, A.C., & Beamish, P.W. (1997). Knowledge, Bargaining Power, and the Instability of International Joint Ventures. *Academy of Management Review*, 22(1):177-202.
- Inkpen, A.C., & Birkenshaw, J. (1994). International Joint Ventures and Performance: an Interorganizational Perspective. *International Business Review*, 3(3):201-217.
- Inkpen, A.C., & Currall, S.C. (1997). International Joint Venture Trust. An Empirical Examination. Pp. 308-336 in Beamish, P.W.K., J.P., (Ed.), *Cooperative Strategies. North American Perspectives*. San Francisco, CA: The New Lexington Press.
- Killing, J.P. (1983). *Strategies for Joint Venture Success*. London/ Canberra: Croom Helm.
- Kogut, B. (1991). Joint Ventures and the Option to Expand and Acquire. *Management Science*, 37(1):19-33.
- Kogut, B. (1988). Joint Ventures. Theoretical and empirical perspectives. *Strategic Management Journal*, 9(4):319-332.
- Kogut, B. (1989). The Stability of Joint Ventures: Reciprocity and Competitive Rivalry. *Journal of Industrial Economics*, 38(2):591-612.
- Konrad, R. (1989). *Equity Joint Ventures in der VR China*. Bamberg: Difo Druck.
- Lecraw, D.J. (1984). Bargaining power, ownership, and profitability of transnational corporations in developing countries. *Journal of International Business Studies*, 15(2):27-43.
- Lin, X., & Germain, R. (1998). Sustaining Satisfactory Joint Venture Relationships. The Role of Conflict Resolution Strategy. *Journal of International Business Studies*, 29(1):179-196.
- Newbury, W., & Zeira, Y. (1999). Autonomy and Effectiveness of Equity International Joint Ventures (EIJV's). *Journal of Management Studies*, 36(2):263-285.
- Nunnally, J.C. (1978). *Psychometric theory*. 2 ed. New York: McGraw-Hill.
- Park, S.H., & Ungson, G.R. (1997). The Effect of National Culture, Organizational Complementarity, and Economic Motivation on Joint Venture Dissolution. *Academy of Management Journal*, 40(2):279-307.
- Ramaseshan, B., & Loo, P.C. (1998). Factors affecting a partner's perceived effectiveness of strategic business alliance. Some Singaporean evidence. *International Business Review*, 7(4):443-458.

Saxton, T. (1997). The Effects of Partner and Relationship Characteristics on Alliance Outcomes. *Academy of Management Journal*, 40(2):443-461.

Schrader, S. (1993). Kooperation. Pp. 222-254 in Grün, O., (Ed.), *Ergebnisse empirischer betriebswirtschaftlicher Forschung*. Stuttgart: Schäffer-Poeschel.

Seashore, S., & Yuchtman, E. (1967). Factorial Analysis of Organisational Performance. *Administrative Science Quarterly*, 12(3):377-395.

Sim, A.B., & Ali, Y. (1998). Performance of International Joint Ventures from Developing and Developed Countries. *Journal of World Business*, 33(4):357-377.

Tomlinson, J.W.C. (1970). *The joint venture process in international business*. Cambridge (Mass.), London: M.I.T. Press.

Yan, Y. (2000). *International Joint Ventures in China*. Basingstoke: Macmillan Press Ltd.

LIST OF WORKING PAPER TITLES
2002

- 02/34** – Alexander T Mohr
Exploring the Performance of JVs – A Qualitative and Quantitative Analysis of the Performance of German-Chinese Joint Ventures in the People's Republic of China
- 02/33** – John M T Balmer & Edmund Gray
Comprehending Corporate Brands
- 02/32** – John M T Balmer
Mixed Up Over Identities
- 02/31** – Zoë J Douglas & Zoe J Radnor
Internal Regulatory Practices: Understanding the Cyclical Effects within the Organisation
- 02/30** – Barbara Myloni, Dr Anne-Wil Harzing & Professor Hafiz Mirza
A Comparative Analysis of HRM Practices in Subsidiaries of MNCs and Local Companies in Greece
- 02/29** – Igor Filatotchev
"Going Public with Good Governance": Board Selection and Share Ownership in UK IPO Firms
- 02/28** – Axele Giroud
MNEs in Emerging Economies: What Explains Knowledge Transfer to Local Suppliers
- 02/27** – Niron Hashai
Industry Competitiveness – The Role of Regional Sharing of Distance-Sensitive Inputs (The Israeli – Arab Case)
- 02/26** – Niron Hashai
Towards a Theory of MNEs from Small Open Economies – Static and Dynamic Perspectives
- 02/25** – Christopher Pass
Corporate Governance and The Role of Non-Executive Directors in Large UK Companies: An Empirical Study
- 02/24** – Deli Yang
The Development of the Intellectual Property in China
- 02/23** – Roger Beach
Operational Factors that Influence the Successful Adoption of Internet Technology in Manufacturing
- 02/22** – Niron Hashai & Tamar Almor
Small and Medium Sized Multinationals: The Internationalization Process of Born Global Companies
- 02/21** – M Webster & D M Sugden
A Proposal for a Measurement Scale for Manufacturing Virtuality
- 02/20** – Mary S Klemm & Sarah J Kelsey
Catering for a Minority? Ethnic Groups and the British Travel Industry
- 02/19** – Craig Johnson & David Philip Spicer
The Action Learning MBA: A New Approach Management Education
- 02/18** – Lynda M Stansfield
An Innovative Stakeholder Approach to Management Education: A Case Study
- 02/17** – Igor Filatotchev, Mike Wright, Klaus Uhlenbruck, Laszlo Tihanyi & Robert Hoskisson
Privatization and Firm Restructuring in Transition Economies: The Effects of Governance and Organizational Capabilities
- 02/16** – Mike Tayles, Andrew Bramley, Neil Adshead & Janet Farr
Dealing with the Management of Intellectual Capital: The Potential Role of Strategic Management Accounting
- 02/15** – Christopher Pass
Long-Term Incentive Schemes, Executive Remuneration and Corporate Performance
- 02/14** – Nicholas J Ashill & David Jobber
An Empirical Investigation of the Factors Affecting the Scope of Information Needed in a MkIS
- 02/13** – Bill Lovell, Dr Zoe Radnor & Dr Janet Henderson
A Pragmatic Assessment of the Balanced Scorecard: An Evaluation use in a NHS Multi-Agency Setting in the UK
- 02/12** – Zahid Hussain & Donal Flynn
Validating the Four-Paradigm Theory of Information Systems Development
- 02/11** – Alexander T Mohr & Simone Klein
The Adjustment of American Expatriate Spouses in Germany – A Qualitative and Quantitative Analysis
- 02/10** – Riyad Eid & Myfanwy Trueman
The Adoption of The Internet for B-to-B International Marketing
- 02/09** – Richard Pike & Nam Cheng
Trade Credit, Late Payment and Asymmetric Information

- 02/08** – Alison J Killingbeck & Myfanwy M Trueman
Redrawing the Perceptual Map of a City
- 02/07** – John M T Balmer
Corporate Brands: Ten Years On – What's New?
- 02/06** – Dr Abdel Moniem Ahmed & Professor Mohamed Zairi
Customer Satisfaction: The Driving Force for Winning Business Excellence Award
- 02/05** – John M T Balmer & Stephen A Greysier
Managing the Multiple Identities of the Corporation
- 02/04** – David Philip Spicer
Organizational Learning & The Development of Shared Understanding: Evidence in Two Public Sector Organizations
- 02/03** – Tamar Almor & Niron Hashai
Configurations of International Knowledge-Intensive SMEs: Can the Eclectic Paradigm Provide a Sufficient Theoretical Framework?
- 02/02** – Riyad Eid, Myfanwy Trueman & Abdel Moniem Ahmed
The Influence of Critical Success Factors on International Internet Marketing
- 02/01** – Niron Hashai
The Impact of Distance Sensitivity and Economics of Scale on the Output and Exports of Israel and its Arab Neighbours

2001

- 01/18** – Christopher M Dent
Transnational Capital, the State and Foreign Economic Policy: Singapore, South Korea and Taiwan
- 01/17** – David P Spicer & Eugene Sadler-Smith
The General Decision Making Style Questionnaire: A Confirmatory Analysis
- 01/16** – David P Spicer
Expanding Experimental Learning: Linking Individual and Organisational learning, Mental Models and Cognitive Style
- 01/15** – E Grey & J Balmer
Ethical Identity; What is it? What of it?
- 01/14** – Mike Tayles & Colin Drury
Autopsy of a Stalling ABC System: A Case Study of Activity Based Cost Management and Performance Improvement
- 01/13** – N Esho, R Zurbrugg, A Kirievsky & D Ward
Law and the Determinants of International Insurance Consumption
- 01/12** – J Andrews Coutts & Kwong C Cheung
Trading Rules and Stock Returns: Some Preliminary Short Run Evidence from the Hang Seng 1985-1997
- 01/11** – D McKechnie & S Hogarth-Scott
Linking Internal Service Encounters and Internal Transactions: Unravelling Internal Marketing Contract Workers
- 01/10** – M Webster & D M Sugden
Operations Strategies for the Exploitation of Protected Technology: Virtual Manufacture as an Alternative to Outward licensing
- 01/09** – Axèle Giroud
Buyer-Supplier Transfer and Country of Origin: An Empirical Analysis of FDI in Malaysia
- 01/08** – Damian Ward
Do Independent Agents Reduce Life Insurance Companies' Free Cash Flow?
- 01/07** – Daragh O'Reilly
Corporate Images in 'Jerry Maguire': A Semiotic Analysis
- 01/06** – Tony Lindley & Daragh O'Reilly
Brand Identity on the Arts Sector
- 01/05** – M Trueman, J Balmer & D O'Reilly
Desperate Dome, Desperate Measures! Managing Innovation at London's Millennium Dome
- 01/04** – M Trueman, M Klemm, A Giroud & T Lindley
Bradford in the Premier League? A Multidisciplinary Approach to Branding and Re-positioning a City
- 01/03** – A Harzing
Self Perpetuating Myths and Chinese Whispers
- 01/02** – M Webster
Supply Systems Structure, Management and Performance: A Research Agenda
- 01/01** – A Harzing
Acquisitions Versus Greenfield Investments: Exploring the Impact of the MNC's International Strategy

2000

- 0031** – John Ritchie & Sue Richardson
Leadership and Misleadership in Smaller Business Governance
- 0030** – Mary Klemm
Tourism and Ethnic Minorities in Bradford: Concepts and Evidence
- 0029** – (not available)
- 0028** – (not available)
- 0027** – Axèle Giroud
Determinant Factors of the Degree of Supply-Related Technology Transfer: A Comparative Analysis Between Asian Affiliates
- 0026** – A Cullen, M Webster & A Muhlemann
Enterprise Resource Planning (ERP) Systems: Definitions, Functionality and the Contribution to Global Operations
- 0025** – B Chenoufi & M Klemm
Managing Cultural Differences in a Global Environment
- 0024** – (not available)
- 0023** – Simon Best & Devashish Pujari
Internet Marketing Effectiveness: An Exploratory Examination in Tourism Industry
- 0022** – Dr Myfanwy Tureman
Divided Views, Divided Loyalties: Changing Customer Perceptions by Design
- 0021** – Yasar Jarrar
Becoming World Class Through a Culture of Measurement
- 0020** – David Spicer & Eugene Sadler-Smith
Cognitive Style & Decision Making
- 0019** – Z J Radnor & R Boaden
A Test for Corporate Anorexia
- 0018** – (not available)
- 0017** – Peter Prowse
Public Service Union Recruitment Workplace Recovery or Stagnation in a Public Services Union? Evidence From a Regional Perspective
- 0016** – Yasar F Jarrar & Mohamed Zairi
Best Practice Transfer for Future Competitiveness: A Study of Best Practices
- 0015** – Mike Tayles & Colin Drury
Cost Systems and Profitability Analysis in UK Companies: Selected Survey Findings
- 0014** – B Myloni & A Harzing
Transferability of Human Resource Management Practices Across Borders: A European Reflection on Greece
- 0013** – (not available)
- 0012** – Nick J Freeman
Asean Investment Area: Progress and Challenges
- 0011** – Arvid Flagestad & Christine A Hope
A Model of Strategic Success in Winter Sports Destinations: the Strategic Performance Pyramid
- 0010** – M Poon, R Pike & D Tjosvold
Budget Participation, Goal Interdependence and Controversy: A Study of a Chinese Public Utility
- 0009** – Patricia C Fox, John M T Balmer & Alan Wilson
Applying the Acid Test of Corporate Identity Management
- 0008** – N Y Ashry & W A Taylor
Information Systems Requirements Analysis in Healthcare: Diffusion or Translation?
- 0007** – T Lindley, D O'Reilly & T Casey
An Analysis of UK Television Advertisements for Alcohol
- 0006** – Eric Lindley & Frederick Wheeler
The Learning Square: Four Domains that Impact on Strategy
- 0005** – K K Lim, P K Ahmed & M Zairi
The Role of Sharing Knowledge in Management Initiatives
- 0004** – C De Mattos & S Sanderson
Expected Importance of Partners' Contributions to Alliances in Emerging Economies: A Review
- 0003** – A Harzing
Acquisitions Versus Greenfield Investments: Both Sides of the Picture
- 0002** – Stuart Sanderson & Claudio De Mattos
Alliance Partners' Expectations Concerning Potential Conflicts and Implications Relative to Trust Building
- 0001** – A Harzing
An Empirical Test and Extension of the Bartlett & Ghoshal Typology of Multinational Companies

1999

- 9922** – Gerry Randell & Maria del Pilar Rodriguez
Managerial Ethical Behaviour
- 9921** – N Y Ashry & W A Taylor
Requirements Analysis as Innovation Diffusion: A Proposed Requirements Analysis Strategy for the Development of an Integrated Hospital Information Support System
- 9920** – C Hope
My Way's The Right Way! Or, With Particular Reference to Teaching on Tourism Courses, is 'Best Practice' in Operations Management Dependent Upon National Culture?
- 9919** – A Harzing
Of Bumble-Bees and Spiders: The Role of Expatriates in Controlling Foreign Subsidiaries
- 9918** – N Y Ashry & W A Taylor
Who will take the Garbage Out? The Potential of Information Technology for Clinical Waste Management in the NHS
- 9917** – D O'Reilly
Nice Video(?), Shame about the Scam... Paedagogical Rhetoric Meets Commercial Reality at Stew Leonard's
- 9916** – A Harzing
The European Monolith: Another Myth in International Management?
- 9915** – S MacDougall & R Pike
The Influence of Capital Budgeting Implementation on Real Options: A Multiple-Case Study of New Technology Investments
- 9914** – C Pass, A Robinson & D Ward
Performance Criteria of Corporate Option and Long-Term Incentive Plans: A Survey of 150 UK Companies 1994-1998
- 9913** – R Beach, A P Muhlemann, D H R Price, J A Sharp & A Paterson
Strategic Flexibility and Outsourcing in Global networks
- 9912** – H M Stewart, C A Hope & A P Muhlemann
The Legal Profession, Networks and Service Quality
- 9911** – J F Keane
Design and the Management Paradigms of Self-Organisation
- 9910** – D O'Reilly
On the Precipice of a Revolution with Hamel and Prahalad
- 9909** – S Cameron & D Ward
Abstinence, Excess, Success?: Alcohol, Cigarettes, Wedlock & Earnings
- 9908** – M Klemm & J Rawel
Eurocamp – Strategic Development and Internationalisation in a European Context
- 9907** – M Webster & R Beach
Operations Network Design, Manufacturing Paradigms and the Subcontractor
- 9906** – D Ward
Firm Behaviour and Investor Choice: A Stochastic Frontier Analysis of UK Insurance
- 9905** – D Ward, C Pass & A Robinson
LTIPS and the Need to Examine the Diversity of CEO Remuneration
- 9904** – C Smallman
Knowledge Management as Risk Management: The Need for Open Corporate Governance
- 9903** – R Beach, D Price, A Muhlemann & J Sharp
The Role of Qualitative Research in the Quest for Strategic Flexibility
- 9902** – N Hiley & C Smallman
Predicting Corporate Failure: A Literature Review
- 9901** – M Trueman
Designing Capital: Using Design to Enhance and Control Technological Innovation
-
- 1998**
- 9826** – A Harzing
Cross-National Industrial Mail Surveys: Why do Response Rates Differ Between Countries?
- 9825** – B Dewsnap and D Jobber
The Sales-Marketing Interface: A Synthesis of Theoretical Perspectives and Conceptual Framework
- 9824** – C De Mattos
Advantageous Executives' Characteristics in Establishing Biotechnology Alliances in an Emerging Economy: The Case of Brazil
- 9823** – C A Howorth
An Empirical Examination of the Usefulness of the Cash Conversion Cycle

- 9822** – A Harzing
Who's in Charge? An Empirical Study of Executive Staffing Practices in Foreign Subsidiaries
- 9821** – N Wakabayashi & J Gill
Perceptive Differences in Interorganizational Collaboration and Dynamics of Trust
- 9820** – C Smallman
Risk Perception: State of the Art
- 9819** – C Smallman
The Breadth of Perceived Risk: Why Integrated Risk Management of Health, Safety & Environmental Risks is only the End of the Beginning
- 9818** – P S Budhwar, A Popof & D Pujari
Evaluating Sales Management Training at Xerox in Greece: An Exploratory Study
- 9817** – W A Taylor
An Information-Based Perspective on Knowledge Capture in Business Processes
- 9816** – S Hogarth-Scott
Category Management Relationships: Is it Really Trust Where Choice is Limited?
- 9815** – W A Taylor
Sustaining Innovation in Organisations: Managing the Intangibles A Study of TQM Implementation in Northern Ireland Organisations 1991-1996
- 9814** – M Webster, A Muhlemann and C Alder
Subcontract Manufacture in Electronics Assembly: A Survey of Industry Practice
- 9813** – M J S Harry
Is Object-Orientation Subject-Oriented?: Conflicting and Unresolved Philosophies in Object-Oriented Information Systems Development Methodology
- 9812** – J Jackson
The Introduction of Japanese Continuous Improvement Practices to a Traditional British Manufacturing Site: The Case of RHP Bearings (Ferrybridge)
- 9811** – C De Mattos
A Comparative Study Between Perceptions of British and German Executives, in the Biotechnology Sector, Relative to Potential Future Contributions of Greatest Importance to and from Transnational Alliance Partners in Emerging Economies
- 9810** – J Martin-Hirsch & G Wright
The Cost of Customer Care – A Value Analysis of Service Delivery Approaches
- 9809** – J Martin-Hirsch & G Wright
A Service Provider's View of Success Factors in Alternative Service Strategies
- 9808** – J Martin-Hirsch & G Wright
A Professional's Evaluation of Alternative Service Delivery Regimes for Customer Care and Satisfaction
- 9807** – J Martin-Hirsch & G Wright
A User's Perspective of Alternative Service Delivery: A Comparative Study of the Evaluation of Service Strategies
- 9806** – J Martin-Hirsch & G Wright
The Case for Choice in Health Care: A Comparison of Traditional and Team Midwifery in Effective Service Provision
- 9805** – M Woods, M Fedorkow and M Smith
Modelling the Learning Organisation
- 9804** – W A Taylor
An Action Research Study of Knowledge Management in Process Industries
- 9803** – C Singleton
Quantitative and Qualitative – Bridging the Gap Between Two Opposing Paradigms
- 9802** – R McClements & C Smallman
Managing in the New Millennium: Reflections on Change, Management and the Need for Learning
- 9801** – P Eyre & C Smallman
Euromanagement Competencies in Small and Medium Sized Enterprises: A Development Path for the New Millennium
- 1997**
-
- 9729** – C Smallman
Managerial Perceptions of Organisational Hazards and their Associated Risks
- 9728** – C Smallman & D Weir
Managers in the Year 2000 and After: A Strategy for Development
- 9727** – R Platt
Ensuring Effective Provision of Low Cost Housing Finance in India: An In-Depth case Analysis
- 9726** – (not available)
- 9725** – (not available)
- 9724** – S Estrin, V Perotin, A Robinson & N Wilson
Profit-Sharing Revisited: British and French Experience Compared
- 9723** – (not available)
- 9722** – R Beach, A P Muhlemann, A Paterson, D H R Price and J A Sharp
Facilitating Strategic Change in Manufacturing Industry
- 9721** – R Beach, A P Muhlemann, A Paterson, D H R Price and J A Sharp
The Strategy Options in Manufacturing Industry: Propositions Based on Case Histories
- 9720** – A Giroud
Multinational Firms Backward Linkages in Malaysia: A Comparison between European and Asian Firms in the Electrical and Electronics Sector
- 9719** – L Kening
Foreign Direct Investment in China: Performance, Climate and Impact
- 9718** – H Mirza
Towards a Strategy for Enhancing ASEAN's Locational Advantages for Attracting Greater Foreign Direct Investment
- 9717** – B Summers & N Wilson
An Empirical Study of the Demand for Trade Credit in UK Manufacturing Firms
- 9716** – R Butler & J Gill
Reliable Knowledge and Trust in Partnership Formation
- 9715** – R Butler
Stories and Experiments in Organisational Research
- 9714** – M Klemm & L Parkinson
British Tour Operators: Blessing or Blight
- 9713** – C A Hope
What Does Quality Management Mean for Tourism Companies and Organisations?
- 9712** – S Hogarth-Scott & P Dapiran
Do Retailers and Suppliers Really have Collaborative Category Management Relationships?: Category Management Relationships in the UK and Australia
- 9711** – C De Mattos
The Importance of Potential Future Contributions from/to Transnational Joint Venture Partners: Perception of Brazilian Managing Directors and Specialists Linked to Biotechnology
- 9710** – N T Ibrahim & F P Wheeler
Are Malaysian Corporations Ready for Executive Information Systems?
- 9709** – F P Wheeler & A W Nixon
Monitoring Organisational Knowledge in Use
- 9708** – M Tayles & C Drury
Scoping Product Costing Research: A Strategy for Managing the Product Portfolio – Cost System Design
- 9707** – N Wilson, B Summers & C Singleton
Small Business Demand for Trade Credit, Credit Rationing and the Late Payment of Commercial Debt: An Empirical Study
- 9706** – R Beach, A P Muhlemann, A Paterson, D H R Price & J A Sharp
The Management Information Systems as a Source of Flexibility: A Case Study
- 9705** – E Marshall
Business Ethics: The Religious Dimension
- 9704** – M Wright, N Wilson & K Robbie
The Longer Term Effects of Management-Led Buy-Outs
- 9703** – G Hopkinson & S Hogarth Scott
Quality of Franchise Relationships: The Implications of Micro Economic Theories of Franchising
- 9702** – G C Hopkinson & S Hogarth-Scott
Channel Conflict: Critical Incidents or Telling Tales. Methodologies Compared
- 9701** – K Watson, S. Hogarth-Scott & N Wilson
Marketing Success Factors and Key Tasks in Small Business Development
- 1996**
-
- 9619** – B Summers & N Wilson
Trade Credit Management and the Decision to use Factoring: An Empirical Study

- 9618** – M Hiley & H Mirza
The Economic Prospects of ASEAN : The Role of AFTA in the Future Development of the Region
- 9617** – A Brown
Prospects for Japanese Foreign Direct Investment in Thailand
- 9616** – H Mirza, K H Wee & F Bartels
The Expansion Strategies of Triad Corporations in East Asia
- 9615** – M Demirbag & H Mirza
Inter-Partner Reliance, Exchange of Resources & Partners' Influence on JV's Strategy
- 9614** – R H Pike & N S Cheng
Motives for Investing in Accounts Receivable: Theory and Evidence
- 9613** - R H Pike & N S Cheng
Business Trade Credit Management: Experience of Large UK Firms
- 9612** – R Elliott, S Eccles & K Gourmay
Man Management? Women and the Use of Debt to Control Personal Relationships
- 9611** – R Elliott, S Eccles & K Gourmay
Social Support, Personal Relationships & Addictive Consumption
- 9610** – M Uncles & A Manaresi
Relationships Among Retail Franchisees and Franchisors: A Two-Country Study
- 9609** – S Procter
Quality in Maternity Services: Perceptions of Managers, Clinicians and Consumers'
- 9608** – S Hogarth-Scott & G P Dapiran
Retailer-Supplier Relationships: An Integrative Framework Based on Category Management Relationships
- 9607** – N Wilson, S Hogarth-Scott & K Watson
Factors Contributing to Entrepreneurial Success in New Start Small Businesses
- 9606** – R Beach, A P Muhlemann, A Paterson, D H R Price & J A Sharp
The Evolutionary Development of the Concept Manufacturing Flexibility
- 9605** – B Summers
Using Neural Networks for Credit Risk Management: The Nature of the Models Produced
- 9604** – P J Buckley & M Carter
The Economics of Business Process Design: Motivation, Information & Coordination Within the Firm
- 9603** – M Carter
Is the Customer Always Right? Information, Quality and Organisational Architecture
- 9602** – D T H Weir
Why Does the Pilot Sit at the Front? And Does it Matter?
- 9601** – R A Rayman
A Proposal for Reforming the Tax System

1995

- 9506** – A L Riding & B Summers
Networks that Learn and Credit Evaluation
- 9505** – R A Rayman
The Income Concept: A Flawed Ideal?
- 9504** – S Ali & H Mirza
Market Entry Strategies in Poland: A Preliminary Report
- 9503** – R Beach, A P Muhlemann, A Paterson, D H.R Price & J A Sharp
An Adaptive Literature Search Paradigm
- 9502** – A S C Ehrenberg & M Uncles
Direchlet-Type Markets: a Review, Part 2: Applications & Implications
- 9501** – M Uncles & A S C Ehrenberg
Direchlet-Type Markets: A Review, Part 1: Patterns and Theory

1994

- 9411** – R A Rayman
The Real-Balance Effect Fallacy and The Failure of Unemployment Policy
- 9410** – R A Rayman
The Myth of 'Says' Law
- 9409** not issued
- 9408** not issued
- 9407** not issued
- 9406** not issued
- 9405** – F Bartels & N Freeman
Multinational Enterprise in Emerging Markets: International Joint Ventures in Côte D'Ivoire Vietnam

- 9404** – E Marshall
The Single Transferable Vote – A Necessary Refinement Abstract
- 9403** – G R Dowling & M Uncles
Customer Loyalty programs: Should Every Firm Have One?
- 9402** – N Wilson, A Pendleton & M Wright
The impact of Employee Ownership on Employee Attitudes: Evidence from UK ESOPS
- 9401** – N Wilson & M J Peel
Working Capital & Financial Management Practices in the Small Firm Sector

1993

- 9310** – R Butler, L Davies, R Pike & J Sharp
Effective Investment Decision-Making: The Concept and its Determinants no longer available
- 9309** – A Muhlemann, D Price, M Afferson & J Sharp
Manufacturing Information Systems as a Means for Improving the Quality of Production Management Decisions in Smaller Manufacturing Enterprises
- 9308** – F P Wheeler, R J Thomas & S H Chang
Towards Effective Executive Information Systems
- 9307** – F P Wheeler, S H Chang & R J Thomas
The Transition from an Executive Information System to Everyone's Information System: Lessons from a Case Study
- 9306** – S H Chang, F P Wheeler & R J Thomas
Modelling Executive Information Needs
- 9305** – S. Braga Rodrigues & D Hickson
Success in Decision Making: Different Organisations, Differing Reasons for Success.
- 9304** – R J Butler, R S Turner, P D Coates, R H Pike & D H R Price
Ideology, Technology and Effectiveness
- 9303** – R J Butler, R S Turner, P D Coates, R H Pike & D H R Price
Strategy, Structure and Technology
- 9302** – R J Butler, R S Turner, P D Coates, R H Pike & D H R Price
Competitive Strategies and New Technology
- 9301** – R J Butler, R S Turner, P D Coates, R H Pike & D H R Price
Investing in New Technology for Competitive Advantage

Copies of the Proceedings of the Arab Management Conferences are available for purchase at a cost of £40.00 per volume.

Copies of the above papers can be obtained by contacting the Research Secretary at the address below:

Bradford University School of Management
Emm Lane
Bradford
West Yorkshire
BD9 4JL

Tel: 01274 234323 (mornings only)
Fax: 01274 546866