ABSTRACT
The Conference of National Economy and development in the year of 2001 is a key turning point to the political and economical development in Taiwan. President Chen Shui-Bien claimed the statement of “Open aggressively, manage effectively” instead of “No haste, be patient”. The statement pushes the cross-straits’ interaction forward so that Taiwan enterprises have opportunities to get the competitive advantages in the open market. The Mainland China owns the favorable investment surroundings; however, Taiwan and China have separated for over fifty years. What the Taiwanese businessmen face in China is a wholly strange environment. Especially after both Taiwan and China entered the WTO (World Trade Organization) in 2002, the increasingly business opportunities will inspire more enterprises to invest in China. Then, the risk of how Taiwanese multinational corporations manage and control the overseas subsidiaries in China effectively will be a noticeable issue. The questionnaire survey via airmail is conducted on Taiwanese enterprises to understand how the Taiwanese headquarters control their overseas subsidiaries in China, what variables affect the control mechanism, and what makes differences to it. The results could be for the Taiwanese multinational corporations a reference to manage and control their overseas subsidiaries in China.

Keywords: Taiwanese Enterprises; Control; Control mechanism; Headquarters; Subsidiary in China