

The impact of liabilities of foreignness on foreign subsidiary disadvantages

黃偉嘉、吳孟玲

E-mail: 9601305@mail.dyu.edu.tw

ABSTRACT

With ever-increasing global integration, the MNE's value chain activities are spread over many more countries and they now have to contend with multiple host country environments. Uncertainties and hazards may come from the host country industrial environment (supplier, buyer, competitor, and distributor) and institutional environment (legal, regulatory, political, sociocultural, and economic), those additional cost of subsidiary was called liability of foreignness. Past research has focused on investigating sources and types of advantages that MNEs must possess to overcome whatever disadvantages they face. Although some recent work suggests increasing attention to liabilities of foreignness, this construct remains insufficiently defined and important theoretical and methodological issues are still unaddressed. This article reviews the literature on liabilities of foreignness and provides a conceptual framework designed to improve the understanding of liabilities of foreignness. Propositions are presented that are aimed at clarifying the relationships among liabilities of foreignness, organizational buffer, and competitive disadvantages.

Keywords : liability of foreignness ; Cost of doing business abroad ; competitive disadvantage ; Organizational Ecology Theory

Table of Contents

中文摘要	iii	英文摘要	iii
iv 誌謝辭		v 內容目錄	v
vii 表目錄		ix 圖目錄	ix
xii 第一章 緒論	1	第二章 文獻回顧	1
4 第一節 LOF的定義	4	第二節 理論基礎	4
6 第三節 過去實證研究之限制	11	第三章 研究命題	11
16 第一節 海外不利性對海外子公司競爭劣勢	17	第二節 組織資源對海外不利性與海外子公司劣勢之干擾效果	20
27 第二節 組織能耐對海外不利性與海外子公司劣勢之干擾效果	27	第三節 組織策略對海外不利性與海外子公司劣勢之干擾效果	31
39 第四章 結論與建議	39	第一節 研究結論	39
41 第二節 後續研究建議	40	參考文獻	40

REFERENCES

- Aaker, D. A. (1991). Guarding the Power of a Brand Name. *New York Times Late Edition East Coast*, 1, 313. Adler, P., & Kwon, S.W. (2002). Social Capital: Prospects for a New Concept, *The Academy of Management Review*, 27(1): 17-40 Aldrich, H. E. (1979). *Organizations and Environments*, Englewood Cliffs, N.J.: Prentice-Hall. Aldrich, H. E., & Auster, E. (1986). Even Dwarfs Started Small: Liabilities of Size and Age and their Strategic Implication. *Research in Organizational Behavior*, 8, 65-198. Allee, V. (1998). Creating value in the knowledge economy. *HR Monthly (Australia)*, 12-17. Allee, V. (2000). The value evolution Addressing larger implications of an intellectual capital and intangibles perspective. *Journal of Intellectual Capital*, 1(1), 17-32. AlNajjar, F. K., & Belkaoui, A. (2001). Empirical validation of a general model of growth opportunities. *Managerial Finance*, 27(3), 72-91. Ahmed, A., d'Astous, S. A., & Champagne, C. (2005). Country Images of Technological Products in Taiwan. *Asia Pacific Journal of Marketing and Logistics*, 17(2), 44-73. Andrews, K. (1971). *The Concept of Corporate Strategy*. Irwin, Homewood, IL. Ang, S. H., Jung, K., Kau, A. K., & Leong, S. M. (2004). Animosity towards economic giants: what the little guys think. *The Journal of Consumer Marketing*, 21(2/3), 190-207. Argote, L., Beckman, S.L., & Epple, D. (1990). The persistence and transfer of learning in industrial settings. *Management Science*, 36(2), 140 – 154. Balabanis, G., & Diamantopoulos, A. (2004). Domestic Country Bias, Country-of-Origin Effects, and Consumer Ethnocentrism: A Multidimensional Unfolding Approach. *Academy of Marketing Science. Journal*, 32(1), 80-96. Barkema, H., Bell, J., & Pennings, J. (1996). Foreign Entry, Cultural Barriers and Learning. *Strategic Management Journal*, 17(2), 151-166. Barney, J. (1991). Firm Resources and Sustained Competitive Advantage. *Journal of Management*, 17(1), 99-120. Baum, J. C., & Mezas, S. (1992). Localized Competition and the Dynamics of the Manhattan Hotel Industry. *Administrative Science Quarterly*, 37(4), 580-605. Baum, J. C. (1996). Organizational Ecology, Clegg, Hardy, and Nord, eds. *Handbook of Organization Studies*, 77-114. Balabanis, G. A., Diamantopoulos, & Mueller,

T. (2001). The Impact of Nationalism, Patriotism and Internationalism on Consumer Ethnocentric Tendencies. *Journal of International Business Studies*, 32(1), 157-176.

Balabanis, G., & Diamantopoulos, A. (2004). Domestic Country Bias, Country-of-Origin Effects, and Consumer Ethnocentrism: A Multidimensional Unfolding Approach. *Academy of Marketing Science*, 32(1), 80-96.

Baldwin, C. (1986). The capital factor: Competition for capital in global environment. In Dunning, J.H. 1995. Reappraising the eclectic paradigm in an age of alliance capitalism. *Journal of International Business Studies*, 461-492.

Ballester, E. D., & Aleman, J. L. (2005). Does brand trust matter to brand equity? *The Journal of Product and Brand Management*, 14(2/3), 187-197.

Bell, D. K. & Jeffery, T. A. (1996). Database marketing and organizational learning theory: toward a research agenda. *The Journal of Consumer Marketing*, 13(5), 12-39.

Bernardi, R. A. (2006). Associations between Hofstede's Cultural Constructs and Social Desirability Response Bias. *Journal of Business Ethics*, 65(1), 43-55.

Bilkey, W., & Nes, E. (1982). Country of origin effects on product evaluations. *Journal of International Business Studies*, 13(1), 89-99.

Bilkey, W. J., & Tesar, G. (1977). The Export Behaviour of Smaller Sized Wisconsin Manufacturing Firms. *Journal of International Business Studies*, 8(1), 93-98.

Blomstermo, A., Eriksson, K., & Sharma, D. D. (2004). Domestic Activity and Knowledge Development in the Internationalization Process of Firms. *Journal of International Entrepreneurship*, 2(3), 239-258.

Bontis, N. (2001). Assessing knowledge assets: a review of the models used to measure intellectual capital, *International Journal of Technology Management*, 3(1), pp. 41-60.

Branco, M. C., & Rodrigues, L. L. (2006). Corporate Social Responsibility and Resource-Based Perspectives. *Journal of Business Ethics*, 69(2), 111-134.

Brealey, R. A., & Kaplanis, E. C. (1996). The Determination of Foreign Banking Location, *Journal of International Money and Finance*, 15(4), 577-597.

Bridges, S., Keller, L.K., & Sood, S. (2000). Communication strategies for brand extensions: enhancing perceived fit by establishing explanatory links. *Journal of Advertising*, XXIX(4), 1-11.

Brouthers, L. E., Werner, S., & Matulich, E. (2000). The influence of Triad nations' environments on price-quality product strategies and MNC performance. *Journal of International Business Studies*, 31(1), 39-63.

Buckley, P.J., & Casson, M., (1976). *The Economic Theory of the Multinational Corporation*, Selected Papers. Macmillan, London.

Calhoun, A. M. (2002). Unpacking liability of foreignness: identifying culturally driven external and internal sources of liability for the foreign subsidiary. *Journal of International Management*, 44(4), 301-321.

Cahill, M. L. (2001). *The Social Construction of Sexual Harassment Law: The Role of the National, Organizational, and Individual Context*. Calhoun, A. M. (2005). Challenging Distinctions: Illusions of Precision Assessing Risks of Doing Business in Host Countries. *Academy of Management Best Conference Paper*, 1-6.

Carroll, G. R. (1983). A stochastic model of organization mortality: Review and reanalysis. *Social Science Research*, 12(3), 303-329.

Carroll, G. R. (1993). A sociological view on why firms differ. *Strategic Management Journal*, 14(4), 237-250.

Casson, M., & Wadeson, N. (1998). Communication costs and the boundaries of the firm. *International Journal of the Economics of Business*, 5(1), 5-28.

Castillo, J. (2006). Foreign Subsidiary Managers: Local versus Expatriate Management Teams and the Assessment of Managerial Intelligence. *The Journal of Business and Economic Studies*, 12(2), 57-76.

Castro, G. M., Lopez, J. E., Saez, P. L., & Salazar, E. A. (2006). Organizational capital as competitive advantage of the firm, *Journal of Intellectual Capital*, 7(3), 324-339.

Caves, R. E. (1971). *International Corporations: The Industrial Economics of Foreign Investment*, *Economics*, 38, 1-27.

Caves, R.E. (1996). *Multinational Enterprise and Economic Analysis*, Cambridge University Press: Cambridge.

Cavusgil, S. T., (1980). On the Internationalization Process of Firms. *European Research*, 8, 273-281.

Chang, S. J. (1996). An evolutionary perspective on diversification and corporate restructuring: entry, exit, and economic performance during 1981 – 89. *Strategic Manage*, 17, 587 – 611.

Chen, H., & Hu, M.Y. (2002). Overcoming the Liability of Foreignness: The Case of Early Hong Kong Investment in China, *Allied Academies International Conference. Proceedings of the Academy of International Business Research*, 2, Number 2.

Chen, T.J. (2006). Liability of foreignness and mode choice: Taiwanese firms in Europe. *Journal of Business Research*, 59(2) 288-294.

Chen, L. Y. & Mujtaba, B. (2007). The Choice of Entry Mode Strategies and Decisions for International Market Expansion. *Journal of American Academy of Business*, Cambridge, 10(2), 322-338.

Chobanyan, A., & Leigh, L. (2006). The competitive advantages of nations; Applying the "Diamond" model to Armenia. *International Journal of Emerging Markets*, 1(2), 147-166.

Cohen, W. M. & Levinthal, D. A. (1990). Absorptive capacity: A new perspective on learning and innovation, *administration. Science Quarterly*, 35(1), 28-152.

Coleman, S. (1990). In the Classroom--Middle School Remedial Readers Serve as Cross-Grade Tutors. *The Reading Teacher*, 43(7), 524-526.

Couto, J. P., Vieira, J. C. & Tiago, M. T. (2005). Determinants of the Establishment of Marketing Activities by Subsidiaries of MNCs. *Journal of American Academy of Business*, Cambridge, 6(2), 305-314.

Cronin, J. J., & Taylor, S.A. (1992). Measuring service quality: a reexamination and extension. *Journal of Marketing*, 56(3), 55-68.

Cyert, R. M., & March, J. G. (1963). *A Behavioral Theory of the Firm*, Prentice-Hall, Englewood Cliffs, NJ.

Dawley, D. D., Hoffman J. J., & Brockman, E. N. (2003). Do Size and Diversification Type Matter? An Examination of Post-bankruptcy Outcomes. *Journal of Managerial Issues*, Pittsburg, 15(4), 413-429.

Delios, A., & Beamish, P.W. (2001). Survival and profitability: The roles of experience and intangible assets in foreign subsidiary performance. *Academy of Management Journal*, 44(5), 1028-1039.

Diefenbach, T. (2006). Intangible resources: a categorial system of knowledge and other intangible assets. *Journal of Intellectual Capital*, 7(3), 406-420.

DiMaggio P., & Powell, W. (1983). The iron cage revisited: institutional isomorphism and collective rationality in organizational fields. *American Sociological Review*, 48(2), 47-160.

Domke-Damonte, D. (2000). Interactive effects of international strategy and throughput technology on entry mode for service firms. *Management International Review*, 40(1), 41-60.

Dowling, J., & Pfeffer, J. (1975). Organizational legitimacy: Social values and organizational behavior. *Pacific Sociological Review*, 18, 122-136.

Dunlop, J. T., Harbison, H. H., Kerr, C., & Meyer, C. A. (1975). *Industrialism and Industrial Man Reconsidered*. The Inter-University Study of Labor Problems in Economic Development, Princeton.

Dunne, T., Roberts, M., & Samuelson L. (1989). The growth and failure of U.S. manufacturing plants. *Quarterly Journal of Economics*, 104, 671-698.

Dunning, J. H. (1977). Trade, location of economic activity and the MNE: A search for an eclectic approach. *The international allocation of economic activity*, 395-418.

Dunning, J. H., (1993). *Multinational Enterprises and the global economy*, Addison-Wesley

Reading, Mass. Dyer, J. H., & Singh, H. (1998). The relational view: Cooperative strategy and sources of interorganizational competitive advantage. *Academy of Management Review*, 23(4), 660-680. Edelman, L. B., & Suchman, M. C. (1997). The legal environments of organizations. *Annual Review of Sociology*, 23, 479-516. Eden, L., & Miller, S. (2001). Opening the Black Box: Multinationals and the Costs of Doing Business Abroad, Working Paper. Eden, L., & Miller, S. (2006). Local Density and Foreign Subsidiary Performance. *Academy of Management Journal*, 49(2), 341-355. Edelman, B. (1990). Legal environments and organizational governance: the expansion of due process in the American workplace. *American Journal of Sociology*, 95(6), 1401-1440. Edelman, B. (1992). Legal ambiguity and symbolic structures: organizational mediation of civil rights law. *American Journal of Sociology*, 97(6), 1531-1576. Edelman, L. B., & Cahill, M. L. (1998). How law matters in disputing and dispute resolution. Evanston, IL: Northwestern Univ. Press. In press. Edelman, L. B., Erlanger, H. S., & Lande, J. (1993). Employers' handling of discrimination complaints: the transformation of rights in the workplace. *Law Soc*, 27, 497-534. Edelman, L. B., & Suchman, M. C. (1997). The legal environments of organizations. *Annual Review of Sociology*, 23, 479-516. Edelman L. B., Uggen, C., & Erlanger, H. S. (1996). The endogeneity of law: grievance procedures as rational myth. Unpubl. ms. Edwards, P. K., Ferner, A. & Sisson, K. (1996). The conditions for international human resource management. *International Journal of Human Resource Management*, 7(1), 20-40. Erez, M., & Earley, C. (1993). *Culture, Self-identity, and Work*, Oxford University Press, New York. Eriksson, K., Majkgard, A. & Sharma, D. D. (2000). Path dependence and knowledge development in the internationalization process. *Management International Review*, 40(4), 307-329. Ettenson, R., & Klein, J. G.. (2005). The fallout from French nuclear testing in the South Pacific: A longitudinal study of consumer boycotts. *International Marketing Review*, 22(2), 199- 225. Evans, P., & Doz, Y. L. (1989). The dualistic organization. In *Human Resource Management in International Firms: Change, Globalization, and Innovation*, Evans P, Doz Y, Laurent A (eds). 219-242. Faircloth, J. B. (2005). Factors influencing nonprofit resource provider support decisions: Applying the brand equity concept to nonprofits. *Journal of Marketing Theory and Practice*, 13(3), 1-16. Firoz, M. N., & Maghrabi, A. S. (2003). Antidumping war against China and the effects of WTO membership. *Journal of American Academy of Business*, Cambridge, 3(1/2), 311-319. Freeman, J., Carroll, G. R., & Hannan, M. T. (1983). The liability of newness: Age dependence in organizational death rates. *American Sociological Review*, 48(5), 692-710. Freeman, S, J., & Gilbert, D. (1995). *Management*. (6th ed.). Prentice Hall, 267, 268. Forte, M. J., Huffman, B. L., & Brockmann, E. (2000). Organizational Form and Environment: An Analysis of Between-form and Within-form Responses to Environmental Change. *Strategic Management Journal*, 21(7), 753-773. Geringer, J.M., Beamish, P.W., & daCosta, R.C. (1989). Diversification and Internationalization: Implications for MNE Performance. *Strategic Management Journal*, 10(2), 109-119. Ghoshal, S. (1987). *Global Strategy: An Organizing Framework*. *Strategic Management Journal*, 8(5), 425-440. Ghoshal, S., & Bartlett C.A. (1991). The multinational corporation as an interorganizational network. *Academy of Management Review*, 15(4), 603-625. Goldsmith, H. R. (2002). *Economic Development - Surviving or Thriving*. *Journal Record*, Oklahoma City, Okla. Gomes, L. & Ramaswamy, K. (1999). An empirical examination of the form of the relationship between multinationality and performance. *Journal of International Business Studies*, 30(1), 173-188. Grant, R. M. (1987). Multinationality and Performance among British Manufacturing. *Journal of International Business Studies*, 18(3), 79-89. Grant, R. M. (1991). *Contemporary Strategy Analysis: Concepts, Techniques, Applications*, Cambridge, Mass, USA: Blackwell. Grant, R. (1996). *Direccion Estrategica: Conceptos, Tecnicas Aplicaciones*, Civitas, Madrid. Hall, R. (1992). The strategic analysis of intangible resources. *Strategic Management Journal*, 13(2), 135-44. Hall, R. (1993). A framework linking intangible resources and capabilities to sustainable competitive advantage. *Strategic Management Journal*, 14(8), 607-618. Hames, M. (1998). *Balance Your Innovation Strategy: Electronic Business*, May: 8. Hamin, & Elliott, G. (2006). A less-developed country perspective of consumer ethnocentrism and "country of origin" effects: Indonesian evidence. *Asia Pacific Journal of Marketing and Logistics*, 18(2), 79-93. Hannan, M. T. & Freeman, J. H. (1977). The Population Ecology of Organizations, *American Journal of Sociology*, 82, 929-964. Hannan, M. T. & Freeman, J. H. (1984). Structural Inertia and Organizational Change, *American Sociological Review*, 49, 149-164. Hannan, M. T. & Freeman, J. H. (1989). *Organizational Ecology*. Cambridge, Massachusetts, Harvard University Press. Hill, C. W., & Jones, G. R. (2004). *Strategic Management Theory: An Integrated Approach*. Houghton Mifflin Company. Boston, New York, 6 edition. Hillman, A. J., & Wan, W. P. (2005). The determinants of MNE subsidiaries' political strategies: evidence of institutional duality. *Journal of International Business Studies*, 36(3), 322-342. Hirtle, B. (1991). Factors Affecting the Competitiveness of Internationally Active Financial Institutions. *Federal Reserve Bank of New York Quarterly Review*, 16(1), 38-51. Hennart, J. F. (1982). *A Theory of Multinational Enterprise*. University of Michigan Press, Ann Arbor. Hennart, J. F., & Larimo, J. (1998). The Impact of Culture on the Strategy of Multinational Enterprises: Does National Origin Affect Ownership Decisions? *Journal of International Business Studies*, 29(3): 515-538. Hennart, J.F., Roehl, T. & Zeng, M. (2002). Do Exits Proxy a Liability of Foreignness? The Case of Japanese Exits from the US. *Journal of International Management*, 8(3), 241-264. Hofstede, G. (1980). *Culture 's Consequences: Comparing Values, Behaviors, Institutions, and Organizations across Nations*. Sage Publications, Beverly Hills, CA. Hong P. T., Plowman, D., & Hancock. P. (2007). Intellectual capital and financial returns of companies. *Journal of Intellectual Capita*, 8(1), 76-97. Hu, Y. S. (1992). Global or stateless corporations are national firms with international operations. *California Management Review* 34(2): 107-126. Hui, M. K., & Zhou, L. (2003). Country-of-manufacture effects for known brands. *European Journal of Marketing*, 37(1/2), 133-156. Hymer, S. H. (1960). *The International Operations of Domestic Firms: A Study of Foreign Direct Investment*, PhD dissertation, MIT Press. Hymer, S. H. (1976). *The International Operations of National Firms: A Study of Direct Investment*, Cambridge, MA: MIT Press. Itami, H., & Roehl, T. W. (1987). *Mobilizing invisible assets Chapter II: Invisible Asset*. Cambridge, MA: Harvard University Press. Jain, S. C. (1989). Standardization of international marketing strategy: some research hypotheses. *Journal of Marketing*, 53(1), 70-79. James, D. (2005). Guilty through association: brand association transfer to brand alliances. *The Journal of Consumer Marketing*, 22(1), 14-11. Jensen, R., &

Szulanski, G. (2004). Stickiness and the adaptation of organizational practices in cross-border knowledge transfers. *Journal of International Business Studies*, 35(6), 508-525.

Johanson, J., & Vahlne, J. E. (1977). The internationalization process of the firm. *J. Int. Bus. Stud.* 8, 23 – 32.

Johansson, J. K., Ronkainen, L. A. & Czinkota, M.R. (1994). Negative country-of-origin effects: the case of Russia". *Journal of International Business Studies*, 25(1), 157-76.

Johnson, R. L. (2006). *Strategy, Success, a Dynamic Economy and the 21st Century Manager*. The Business Review, Cambridge, 5(2), 23-30.

Julianne, B. (2002). Do social movements matter to organizations? An institutional theory perspective on corporate responses to the contemporary environmental movement. The Pennsylvania State University.

Kamath, G. B. (2007). The intellectual capital performance of the Indian banking sector. *Journal of Intellectual Capital*, 8(1), 96-125.

Keefer, P., Knack, S., (1995). Institutions and economic performance: cross-country tests using alternative institutional measures. *Econ. Polit.* 7, 207 – 227.

Keller, L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, 57(1), 1-22.

Kenneth, T. R. & Agarwal, S. (2000). The Effects of Extrinsic Product Cues on Consumers' Perceptions of Quality, Sacrifice, and Value. *Academy of Marketing Science Journal*, 28 (2), 278-290.

Kinra, N. (2006). The effect of country-of-origin on foreign brand names in the Indian market. *Marketing Intelligence and Planning*, 24(1); p. 15-31.

Kirmani, A., Sood, S. & Bridges, S. (1999). The ownership effect in consumer responses to brand line stretches. *Journal of Marketing*, 63(1), 88-101.

Klein, G. J., Ettenson, R. & Morris, M. D. (1998). The animosity model of foreign product purchase: An empirical test in the People's Republic of China. *Journal of Marketing*, 62(1), 89-111.

Klein, J. G., & Ettenson, R. (1999). Consumer animosity and consumer ethnocentrism: An analysis of unique antecedents. *Journal of International Consumer Marketing*, 11(4), 5-25.

Klein, J. G. (2002). Us versus them, or us versus everyone? Delineating consumer aversion to foreign goods. *Journal of International Business Studies*, 33(2), 345-364.

Kobrin, S. J. (1991). An empirical analysis of the determinants of global integration. *Strategic Management Journal*, 12(special issue), 17-37.

Kogut, B. (1983). Foreign direct investment as a sequential process. In C. Kindelberger and D. Andretsh, eds. *The multinational corporation in the 1980's*. Cambridge, MA: The MIT Press, 38-56.

Kogut, B., & Singh, H. (1988). The effect of national culture on choice of entry mode. *J. Int. Bus. Stud.* 19, 411-432.

Kostova, T. (1999). Transnational Transfer of Strategic Organizational Practices: A Contextual Perspective. *Academy of Management Review*, 24(2), 308-324.

Kostova, T., & Zaheer, S. (1999). Organizational legitimacy under conditions of complexity: the case of the multinational enterprise. *Acad. Manage.* 24(1), 64-81.

Kotabe, S., Srinivasan, & Aulakh, P. S. (2002). Multinationality and Firm Performance: The Moderating Role of RandD and Marketing Capabilities. *Journal of International Business Studies*, Washington, 33(1), 79-97.

Kumar, S., & Blomqvist, K. H.(2004). Mergers and acquisitions: Making brand equity a key factor in M&A decision-making. *Strategy & Leadership*, 32(2), 20-28.

Kuo, C. C. (2004). Making Appropriate Decision on Organizational Boundary and Creating Organizational Value of Foreign Investment of Multinational Enterprise (MNE). *Journal of American Academy of Business*, 5(1/2), 278-285.

Kao, C., & Lin, Y. C. (2004). Evaluation of the university libraries in Taiwan: total measure versus ratio measure. *The Journal of the Operational Research Society*, 55(12), 1256-1265.

Laroche, M., Papadopoulos, N., Heslop, L.A, & Mourali, M. (2005). The influence of country image structure on consumer evaluations of foreign. products, *International Marketing Review*, 22(1), 96-116.

Leaptrott, J. (2005). An Institutional Theory View of the Family Business. *Family Business Review*, 18(3), 215-228.

Levinthal, C. F., (1990). *Introduction to Physiological Psychology*. Prentice Hall Englewood Cliffs, NJ.

Levitt, B. & March, J.G. (1988), *Organizational learning*. *Annual Review of Sociology*, 14, 319-350.

Lindsley, S. L. (1999). A layered model of problematic inter-cultural communication in U.S.owned maquiladoras in Mexico. *Communie anon Monographs*, 66(6), 145-167.

Lippman, S. & Rumelt, R. (1982). Uncertain imitability: An analysis of interfirm differences in efficiency under competition. *Bell Journal of Economics*, 13, 418-438.

Liu, X. Y. & Shaffer, M. A. (2005). An Investigation of Expatriate Adjustment and Performance: A Social Capital Perspective¹. *International Journal of Cross Cultural Management : CCM*, 5(3), 235-154.

Lu, L.T. (2006). The Relationship between Cultural Distance and Performance in International Joint Ventures: A Critique and Ideas for Further Research, *International Journal of Management*, 23(3) 436-446.

Lu, T. E., Chen, L. J., & Lee, W. R. (2007). Subsidiary Initiatives in Subsidiary Role Changing-In the Case of the Bartlett and Ghoshal Typology. *Journal of American Academy of Business*, Cambridge. 11(1), 280-285.

Luo, Y. & Mezas, J. M. (2002). Liability of Foreignness: Concepts, Constructs, and Consequences, *Journal of International Management*, 8, 217-221.

Luo, Y., O.Shenkar & Nyaw, M. K. (2002). Mitigating Liabilities of Foreignness: Defensive versus Offensive Approaches, *Journal of International Management*, 8, 283-300.

Mansumittrchai, S., Minor, M. S. & Prasad, S. Comparing the entry mode strategies of large U.S. and Japanese firms, 1987-1993. *International Journal of Commerce & Management*. 9(3/4), 1-19.

Mata, J., & Portugal, P. (1994). Life duration of new firms. *Journal of Industrial Economics*, 42, 227-246.

Mata, J., & Portugal, P. (2002). The Survival of New Domestic and Foreign-owned Firms, *Strategic Management Journal*, 23(4), 323-343.

Mata, J. & Portugal, P. (2004). Patterns of Entry, Post-Entry Growth and Survival: A Comparison Between Domestic and Foreign Owned Firms, *Small Business Economics*, 22 (3/4), 283.

Matsuo, H. (2000). Liability of Foreignness and the Uses of Expatriates in Japanese Multinational Corporations in the United States, *Sociol. Inq*, 70(1), 88-106.

Melin, L. (1992). Internationalization as a Strategy Process. *Strategic Management Journal*, 13, 99-118.

Meyer, J., & Rowan, B. (1977). Institutionalized organizations: Formal structure as myth and ceremony. *American Journal of Sociology*, 83, 340-363.

Mezas, J. M. (2002a). Identifying liabilities of foreignness and strategies to minimize their effects: the case of labor lawsuit judgments in the United States. *Strategic Management journal*, 23(3), 229-244.

Mezas, J. M. (2002b). How to Identify Liability of Foreignness and Assess their Effects on Multinational Corporations, *Journal of International Management*, 8(3), 265-282.

Mezas, J. S., Chen, Y. R., Murphy, P., Biaggio, A., Chuawanlee, W., Hui, H., Okumra, T. & Starr, S. (2002). National cultural distance as liability of foreignness the issue of level of analysis, *Journal of International Management*, 8, 407-421.

Mia, E. & Suutari, V. (2004). HRM in foreign affiliates: A multiple case study among Estonian affiliates of Finnish companies. *Journal for East European Management Studies*, 9(4), 345-367.

Miner, A. S., Amburgey, T. & Stearns, T. M. (1988). Partial Selection in Organizational Populations. *Graduate School of Business*,

University of Wisconsin-Madison Miller, S. R. (2001). Performance of host country and foreign banks: an integration of LOF and national competitive advantage perspectives. Mimeo, University of Texas at Austin. Miller, S. R., & Parkhe, A. (2002). Is There a Liability of Foreignness in Global Banking? An Empirical Test of Banks' X-efficiency, *Strategic Management Journal*, 23, 55-75. Miner, A. S., & Mezas, S. J. (1996). Ugly ducklings no more: pasts and futures of organizational learning research. *Organ. Sci.* 7, 88 – 99. Mitchell, W. (1994). The dynamics of evolving markets: the effects of business sales and age on dissolutions and divestitures. *Administrative Science Quarterly*, 39, 575-602. Mouritsen, J. (1988). Driving growth: economic value added versus intellectual capital. *Management Accounting Research*, 8(6), 15-23. Myloni, B., Harzing, A. & Mirza, W. H. (2004). Have the Colours of Culture Faded Away? *International Journal of Cross Cultural Management : CCM*, 4(1), 59-67. Nachum, L. (1999). The Origins of the International Competitiveness of Firms: The Impact of Location and Ownership in Professional Service Industries, Edward Elgar, Aldershot and Brookfield. Nachum, L. (2000). FDI, The Location Advantages of Home Countries and The Competitiveness of TNCs: US FDI in Professional Service Industries in Y. Aharoni and L. Nachum (eds.), *The Globalisation of Services: Some Implications for Theory and Practice* Routledge, London and New York, 75-92. Nachum, L. (2003). Liability of Foreign in Globaling Competition? Financial Service Affiliates in the city of London, *Strategic Management Journal*, 1187. Namasivayam, K., & Denizci, B. (2006). Human capital in service organizations: identifying value drivers. *Journal of Intellectual Capital*, 7(3), 381-395. Nebenzahl, I.D., Jaffe, E.D., & Lampert, S.I. (1997). Towards a theory of country image effect on product evaluation. *Management International Review*, 37(1), 27-49. Nelson, R.R., & Winter, S.G. (1982). *An Evolutionary Theory of Economic Change*. Belknap Press, Cambridge. International Market Linkages and U.S. Manufacturing: Prices, Profits, and Patterns. Newbury, W. & Yakova, N. (2006). Standardization preferences: a function of national culture, work interdependence and local embeddedness. *Journal of International Business Studies*, 37(1), 44-60. Nijssen, E. J., & Douglas, S. P. (2004). Examining the animosity model in a country with a high level of foreign trade, *Journal of Research in Marketing*, 21, 23 – 38. Olie, R. (1995). The Culture Factor in Personnel and Organization Policies. A.W.K. Harzing and J. Van Ruysseveldt (eds). Oliver, R.L. (1997). *A Behavioral Perspective on the Consumer*, McGraw-Hill, New York, NY. Oviatt, B. M., & McDougall, P. P. (1997). Challenges for Internationalization Process Theory: The Case of International New Ventures, *Management International Review*, 37(2), 85-99. Palthe, J., & Kossek, E. E. (2003). Subcultures and employment modes: Translating HR strategy into practice. *Journal of Organizational Change Management*, 16(3), 287-309. Pappu, R., Quester, P. G., & Cooksey, R. W. (2005). Consumer-based brand equity: improving the measurement - empirical evidence. *The Journal of Product and Brand Management*, 14(2/3), 143-155. Pappu, R., & Quester, P. (2006). Does customer satisfaction lead to improved brand equity? An empirical examination of two categories of retail brands. *The Journal of Product and Brand Management*, 15(1), 4-15. Park, C.W., Millberg, S., & Lawson, R. (1991). Evaluation of brand extensions: the role of product level similarity and brand concept consistency. *Journal of Consumer Research*, 18(4), 185-93. Payson F., & Rosen, B. (1991). Playing by fair rules. *HR Magazine*. 36(4), 42-43. Pennings, J. M., Barkema, H. G., & Douma, S. W. (1994). Organizational learning and diversification. *Academy of Management Journal*, 37, 608-640. Persons, J. C., & Warther, V. A. (1997). Boom and Bust Patterns in the Adoption of Financial Innovations. *The Review of Financial Studies* (1986-1998), 10(4), 939-967. Petersen B., & Pedersen, T. (2002). Coping with liability of foreignness: Different Learning Engagements of entrant firms. *Journal of International Management*, 339-350. Petty, P., & Guthrie, J. (2000). Intellectual capital literature review: measurement, reporting and management. *Journal of Intellectual Capital*, 1(2), 155-175. Pfeffer, J., & Salancik, G. (1978). *The External Control of Organizations: A Resource Dependence Perspective*, Harper and Row, New York. Pfeffer, J. (1982). Size and composition of corporate boards of directors: directors: the organization and its environment. *Administrative Science Quarterly*, 23, 91-110. Phau, I., & Suntornnond, V. (2006). Dimensions of consumer knowledge and its impacts on country of origin effects among Australian consumers: a case of fast-consuming product, *The Journal of Consumer Marketing*, 21(1), 34-43. Pires, G., Stanton, J. & Ostenfeld, S. (2006). Improving expatriate adjustment and effectiveness in ethnically diverse countries: marketing insights. *Cross Cultural Management*, 13(2), 156-171. Poter, M. (1986). *Competition in global industries*. Boston: HBS Press. Porter, M.E. (1990), *The Competitive Advantage of Nations*, Free Press, New York, NY. Powell, W., & DiMaggio, G. (1991). *The new institutionalism in organizational analysis*. Chicago: University of Chicago Press. Prahalad, C.K., & Hamel, G. (1990). The Core Competence of the Corporation. *Harvard Business Review*, 68, 79-91. Prahalad, C.K., & Doz, Y. (1987). *The Multinational Mission: Balancing Local Demand and Global Vision*, Free Press: New York. Qian, G. (1998). Determinants of profit performance for the largest U.S. firms 1981-92. *Multinational Business Review*, 6(2), 44-52. Quelch, J. A. & Hoff, E. J. (1986). Customizing global marketing. *Harvard Business Review*, 64 (May/June), 59-68. Ramlall, S. J. (2006). HR Competencies and Their Relationship to Organizational Practices. *Performance Improvement*, 45(5), 32-45. Razi, N. (2006). Employing O.D. Strategies in the Globalization of HR. *Organization Development Journal*, 24(4), 62-69. Reid, S. (1983). Firm Internationalization, Transaction Costs and Strategic Choice. *International Marketing Review*, 1(2), 44-56. Riahi-Belkaoui, A. (2003). Intellectual capital and firm performance of US multinational firms. *Journal of Intellectual Capital*, 4(2), 215-227. Rosenzweig, P.M., & Singh, J.V. (1991). Organizational environments and the multinational enterprise. *Academy of Management Review*, 16, 340-361. Sadrudin, A. A., & Alain, A. (1995). Comparison of country-of-origin effects on household and org. *European Journal of Marketing*, 29(3), 35-52. Saifuddin, S. (2003). Moody's Maintains Stable Outlook on Most Local Banks. *Business Times*, 18(4). Samli, A.C. (1995). *International Consumer Behavior: Its Impact on Marketing Strategy Development*, Quorum Books, New York, NY. Schooler, R. D. (1965). Product Bias in the Central American Common Market, *Journal of Marketing Research*, 394-397. Schooler, R. D. (1971). Bias Phenomena Attendant to the Marketing of Fo