INTERNATIONAL JOINT VENTURE PERFORMANCE: THE ROLES OF RELATIONSHIP AND ORGANIZATIONAL CONTROL

By

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DEDICATION

To my wife, Nor Salizawati Bt Pisol
and daughters, Nor Shafiqah, Nur Syahirah, and Nur Syakirah

To my father, Hj. Don B. Long, father and mother in laws, brothers and sisters,
and in Loving Memory of my mother, Hajjah Aishah Bt Hj Arshad
Abstrak


x
Abstract

The objectives of the present study are to determine the influence of partner relations and control factors on the performance of international joint ventures in Malaysia. The study also examines the mediating role of conflict in the relationships between the independent and dependent variables. Data from 59 manufacturing international joint venture companies were analyzed using multiple regression analyses. Based on the results, the relationship commitment and sharing of operational control were found to positively influence international joint venture performance. Contrastingly, the results revealed that sharing of technological control between partner firms inhibited IJV performance. Partner trust was found not to have a significant influence on international joint venture performance, but was significantly and negatively related to conflict. Both the sharing of technological control and sharing of operational control and relationship commitment were not significantly related to conflict. Interestingly, this study found no significant relationship between conflict and IJV performance.
CHAPTER 1
INTRODUCTION

1.0 Background of the Study

Multinational enterprises from all over the world have been using international joint ventures (IJVs) as a mode of entry into foreign markets. Regarded as an important tool to improve firms' competitiveness, IJVs are employed to expand markets, acquire complementary resources, access new technologies, learn new skills and know how as well as share risks. IJVs allow firms to bridge the gap between the firms' present resources and their expected future requirements (Hoffman & Schlosser, 2001). IJVs are formed in many sectors, industries, and product groups and in Malaysia, foreign investors seeking joint venture partners can choose from a wide range of local partners who suit their needs.

IJV is also an important vehicle to bring in foreign direct investment (FDI) into a country. A crucial component in the economy, the FDI is regarded as an important contributor to Malaysian economic success (Athukorala & and Menon, 1995) and an important key to drive Malaysia to become a developed nation by the year 2020. In general, FDI from developed and advanced countries provide means of transferring capital, technology and managerial know how to the host countries. Since 2002, the top five countries investing in Malaysia are USA, Japan, Germany, UK, and Singapore. FDI from developed countries has provided means of transferring capital, technology and management know how to Malaysia.
The contents of the thesis is for internal user only
REFERENCES


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