



Academy of International Business - Michigan State University  
 7 Eppley Center - East Lansing, Michigan 48824-1121 - USA  
 http://aib.msu.edu - Tel: +1-517-432-1452 - Fax: +1-517-432-1009



## AIB 2008 Annual Meeting Milan, Italy June 30- July 3, 2008

### Call For Papers

**Theme:** Knowledge Development and Exchange in International Business Networks

**Submission Deadline:** January 15th, 2008

**Program Chair:** John Cantwell, Rutgers University

Until quite recently, research on international business was mainly about the multinational corporation (MNC), as a firm. An early focus in the international business field was on why previously purely national firms established subsidiaries abroad, and thus became MNCs. Subsequently, this led international business researchers to concentrate on the theoretical question 'why does the MNC exist?'. To answer this question more readily, a clear and sharp distinction was drawn between the apparently purely hierarchical coordination of economic activity within the firm (by the MNC, across national boundaries), and the apparently purely non-hierarchical coordination of activity between firms or between firms and other actors, at arm's length through market relationships. More recently, attention shifted to the role of the MNC as a continuous creator of knowledge, both at home and in its foreign operations. Partly as a result of this work on international networks for knowledge creation or innovation, it has become apparent that such international business networks frequently need to be comprised and to connect both internal MNC networks (usually, across national borders) and various kinds of inter-firm networks (often within some local or regional geographical area).

A key theme of the conference is to shed further light on both intra-firm and inter-firm networks for knowledge development and exchange, and the sometimes complex and potentially conflictual relationships between such intra-MNC and inter-firm knowledge networks. This theme relates to quite a wide variety of issues. One issue is the emergence and gradual spread of a wider range of local internal subsidiary creativity, and how this affects the relative roles of knowledge exchange within the MNC's own international network, and exchange with other actors in the subsidiary's local network. In the case of the MNC's own international network this may include managing the challenges posed by the cross-country coordination of knowledge creation and exchange, as well as those raised by an increased potential for inter-subsidiary competition for mandates. Another issue is the rise of so-called vertical specialization in some industries, with its implied shift towards inter-firm network relationships, and whether this has been associated with a decline in the unitary pyramid-like structure of organizational hierarchy in the coordination of activity in the MNC. A further related issue is the role of entrepreneurial flagship firms in initiating and crafting market-based inter-firm networks (of subcontractors, suppliers and distributors), and not just in planning and coordinating economic activity within the auspices of the firm itself considered in isolation.

A further set of issues refer to the changing nature of knowledge creation and exchange as such. These include the increasing complexity and interdisciplinarity (cross-field character) of systems for knowledge creation, and the implications for the more intensive business-to-business cross-licensing of knowledge as a necessary complement of internal knowledge creation within the MNC. With respect to the MNC's own activity there is an interest in the increasing role of knowledge-seeking and competence-creating knowledge search or exploration activities as a goal in internationalization processes. These issues are surely not confined to MNCs in manufacturing industry, but include (among others) those in knowledge-intensive services such as banking. Contributions that address these issues are especially encouraged as submissions for the conference.

### Paper And Panel Submissions:

Paper and panel submissions for AIB 2008 need to be categorized into one of eleven tracks. Each paper or panel proposal must be submitted to only one track. Please select the track closest to your proposal from the list below.

#### 1. The Context of Global Business, including issues of National Security, International Political Economy, and Business History

**Track chair:** Witold Henisz, Wharton School [henisz@wharton.upenn.edu](mailto:henisz@wharton.upenn.edu).

This track invites manuscripts that consider how institutional and political characteristics alter the costs or benefits of engaging in business activity of a given form in one nation as compared to another. Relevant institutional characteristics span the regulative, normative and cognitive domains including the impact of history on context today. Relevant political characteristics include the preferences of political actors towards a given policy (e.g. market-oriented reforms, national security or actors in another country) and the structure or nature of political competition (e.g. the formal structure and rules governing policymaking, the distribution of voice and the nature

of competition among candidates for political office). These institutional and political characteristics influence every aspect of behavior by multinational enterprises and international new ventures including their location choice; the organization of their local subsidiaries; the strength and shape of connections between those subsidiaries and regional or corporate headquarters, alliance partners and other suppliers of goods, services or knowledge; their choice of technology, capital and labor staffing; their sequence of investment; and their choice as to how to interact with social and political actors. Consistent with the track theme we particularly encourage submissions examining networks that span political, economic and social actors, thereby generating actionable knowledge on the context of global business for multinational managers.

**Keywords:** *Business history; Globalization in other eras; Globalization in the Communist era; Global market integration; History in international business; History of FDI and the MNC; History of thought; Historical roots of local conditions; Spread of firms within empires; Business policy; Country risk; Economic history; Environmental shocks; FDI policy; Immigration policy; International political economy; International relations and political science; Policy-oriented studies; Political aspects of MNC activity; Political backlash; Political behavior; Political hazards; Political risk; Political relationships; Political strategies; Public affairs; Regulatory risk; Security and competitiveness; Semiglobalization; Sovereignty; Bureaucracies; Business and society; Business in society; Business and the environment; Business/Government interaction and relations; Corporate political strategy; Civil society; Expropriation; Global institutions; Institutional context; Institutional variables; Institutional trajectories; Institutionalism; International organizations; MNC-host country relations (host country perspective); Non-governmental organizations (NGOs); Transparency within and among MNCs and national States; Extraterritoriality; Foreign investment laws; International property law; International regulations; Investment appraisal; Investment guarantees and dispute settlements; Law of contract; MNCs and imperfect contracts; Regulating MNCs.*

## 2. International Economics, Finance, Accounting and Taxation

Track chair: Susan Feinberg, Rutgers University [feinberg@business.rutgers.edu](mailto:feinberg@business.rutgers.edu).

Papers written from a discipline base of Economics, Accounting, or Finance, or papers covering issues or topics in International Finance, Accounting, or Taxation (e.g. M&As, exchange rates, capital flows, transfer pricing, etc.) should be sent to this track. Applied or theoretical economics papers and/or economics research methods papers should also be sent to this track. Papers that develop theory or test hypotheses using the theory development tools of economics and papers on areas of economics such as international trade and development are appropriate for this track.

**Keywords:** *International investment; International economics; International finance and taxation; International accounting; Exchange rates; International trade; Trade and environment; Current account adjustment; Short-term capital movements; Comparative accounting systems and practice; International financial reporting; Economic development; Exporting; International macroeconomics; MNCs and national economic development; International trade flows; International migration; Hedging; Financial risk management; Exchange rate exposure; Foreign portfolio investment; International asset pricing; International cross-listing; International financial integration; Cost of capital; Capital market development; Capital structure; Mergers and acquisitions; Transfer pricing; Quantitative research methods; Econometrics; Duration models; Panel data models; Non-linear models; Heterogeneity; Game theory; Economic theory.*

## 3. Alliances and Inter-Firm Relationships

Track chair: Hemant Merchant, Florida Atlantic University [merchant@fau.edu](mailto:merchant@fau.edu).

This track is concerned with the phenomenon of equity- as well non-equity based inter-organizational relationships among distinct for-profit, not-for-profit, governmental, and non-governmental entities. Although we interpret 'alliances and inter-firm relationships' broadly, we rely on the commonly-accepted definition of alliances: linkage between two (or more) separate entities. Thus, this track would include relationships such as public-private partnerships, and internal corporate venturing—in addition to traditional alliance forms such as joint ventures. Manuscripts submitted to this track would strive to better expose conventional as well as the (evolving) contemporary roles of resource-linkage strategies between or among entities. The latter roles may have to do with re-configuring industry boundaries—or even creating new industries through a process of entrepreneurial experimentation! Submissions that deal with newer blends of inter-firm networks, such as vertically-related alliances or alliances in non-manufacturing industries, are especially welcome because the role of such alliances in the creation of product/process knowledge is, generally, less well-known.

**Keywords:** *Alliances; Inter-organizational relationships; Joint ventures; Internal corporate ventures; Resource-linkages; Inter-firm linkages or organizations; Inter-firm networks; Commitment to agreements; Conflict and coordination; Formation and dissolution of collaboration; International new ventures; Power and dependence; Relational embeddedness; Relational management; Relational models; Relational norms; Transactional characteristics; Trust.*

## 4. Subsidiary Evolution and Strategy

Track chair: Simon Collinson, Warwick University [simon.collinson@wbs.ac.uk](mailto:simon.collinson@wbs.ac.uk).

This Track welcomes papers focusing on the subsidiary as a distinctive sub-unit of the MNC. In keeping with the conference theme, we encourage authors that examine knowledge exchange and learning both via intra-firm subsidiary networks and between subsidiaries and their host environment. Approaches might highlight how subsidiaries selectively integrate external and internal endowments, assets, knowledge and capabilities, to optimize complementarities between the MNC and its local environment. Longitudinal studies and dynamic approaches, which consider how subsidiary participation in strategic decision-making and the relevant organizational processes evolve over time, are also key topic areas.

**Keywords:** *Global and local knowledge; Headquarters-subsidiary roles and relations; Integration-responsiveness; Intra-MNC and inter-subsidiary structures; Intra-firm transfer; Managing foreign operations; MNC-host country relations (subsidiary perspective); Parent-subsidiary links; Regional headquarters (HQs) or business units; Regional strategy or strategies; Subsidiary development, expansion and growth; Subsidiary-specific advantages; Subsidiary networks; Subsidiary autonomy; Subsidiary performance; Subsidiary rent-seeking; Subsidiary strategies; Subsidiary control and*

coordination mechanisms.

## 5. Organizational Structure, Capabilities, and Strategic Planning in the MNC

Track chair: Rob Grant, Bocconi University [grantr@georgetown.edu](mailto:grantr@georgetown.edu).

Some of the most important contributions of international business research to management theory and practice have come from the insights that international companies have provided into the relationships between organizational structure, management systems, strategy, and firm performance. This track seeks to extend the work of Stopford and Wells, Bartlett and Ghoshal, Hedlund, Doz, Kogut, and others by sharing new thinking and new evidence concerning the ways in which international companies configure themselves internally to develop organizational capabilities and create competitive advantage. Themes pertinent to this track include: organizational design within MNCs, the challenges of reconciling global integration with local differentiation, managing complexity, self-organization, exploiting geographical and cultural diversity to build global capability, capability development within emerging-market MNCs, strategy making in international companies, and new models of international companies.

**Keywords:** *Organizational structure; Organizational design; Organizational architecture; Matrix organization; Transnational organizations; Team-based structures; Organizational capabilities; Capability development; Competences; Dynamic capabilities; Competitive advantage; Global integration; Distributed innovation; Product development; Intra-firm coordination; Rules of behavior; Routines; Complexity; Self-organization; Organizational evolution; Adaptation; Ambidexterity; Strategy making; Strategic planning; Strategic investment decisions.*

## 6. Learning, Knowledge and Innovation

Track chair: Lucia Piscitello, Politecnico di Milano [lucia.piscitello@polimi.it](mailto:lucia.piscitello@polimi.it).

Consistent with this year's theme, this track deals with the recent attention to the role of the MNC as a continuous creator of knowledge and innovation. Accordingly, we call for theoretical and empirical contributions treating issues such as the formation of integrated international networks for knowledge creation and exchange; the nature, the structure and the governance mechanisms of both cross-border intra-MNC networks and inter-firm local networks for knowledge development; the interactions between global and local networks for innovation; the strategies adopted to source and develop knowledge locally (through the interactions with other local actors such as competitors, suppliers, buyers, research centres, universities and other institutions), and the organizational mechanisms adopted to transfer knowledge back to the parent company and across the whole subsidiary network; the impact of knowledge creation and exchange on the MNC's performance as well as on the development and growth of innovation capabilities in the home and host countries involved.

**Keywords:** *Internationalization of R&D; Intra-firm and inter-firm networks for innovation; Global and local knowledge; Knowledge acquisition and sharing; Knowledge creation; Knowledge diffusion; Knowledge sourcing; Knowledge transfer; Reverse knowledge transfer; Knowledge strategies; Knowledge-seeking behavior; Competence-creating knowledge search; Exploration vs. exploitation; Internal and external knowledge creation; Absorptive capacity.*

## 7. FDI, Location, and Firm-Location Interaction

Track chair: Elizabeth L. Rose, Victoria University of Wellington [elizabeth.rose@vuw.ac.nz](mailto:elizabeth.rose@vuw.ac.nz).

Despite the importance of foreign direct investment (FDI) in practice and its prominence in the international business literature, there remains a great deal that we do not understand about it, in terms of both process and impact. This track invites papers that explore various aspects of FDI, including motivations for undertaking investment, drivers and determinants of location choices and entry mode decisions, and issues pertaining to how MNC headquarters and affiliates interact with – and affect, for better or worse – host-country firms and environments. FDI spillovers and other local linkages and impacts, along with locational pulls and pushes on MNCs, are of particular interest, in the context of both manufacturing and services, and a broad range of host and home markets. Consistent with the conference theme, papers that explore the nature of knowledge exchange between MNCs and host-country organizations and institutions, the development of local networks, and the diffusion of knowledge and capabilities among host-country firms are particularly encouraged.

**Keywords:** *Capability diffusion; Entry mode; Location of FDI; Foreign market entry; Institutional environment of locations; Internationalization and locational choice; Knowledge and productivity spillovers; Liabilities of foreignness; Local knowledge spillovers between foreign-owned and indigenous firms (in both directions); Local linkages; Location strategy; MNCs and local economic development, MNC-host country relations; Political aspects of MNC locational decisions; Role of local cultures; Theory of FDI and the MNC (Ownership-Location-Internalization); Vertical linkages between MNCs and local suppliers.*

## 8. International Human Resource Management, Cross-cultural Management, and Qualitative Research Methods

Track chair: Rebecca Piekkari, Helsinki School of Economics [rebecca.piekkari@hse.fi](mailto:rebecca.piekkari@hse.fi).

This track addresses the challenges associated with managing people in different national, cultural, organizational, institutional and language environments. It invites submissions from the fields of international human resource management (HRM, that is, managing people in the context of the MNC) and cross-cultural management (including comparative HR and subsidiary HR issues). Papers that assist in moving the field forward by challenging prevailing theoretical perspectives are particularly welcome. Key topic areas include, for example non-standard international assignments and HR issues relating to different forms of foreign operations. The track welcomes conceptual and empirical papers that draw on international or cross-national data as well as methodological papers that deal with innovative use of qualitative research methods in international fieldwork.

**Keywords:** *Careers; Cross-cultural management; Cross-cultural teams; Expatriates; Foreign assignments; HRM strategies and practices; Diversity; Gender; Global leadership; Inter-personal networks; Language and translation; Qualitative research methods.*

## 9. Internationalization Processes and International Marketing

**Track chair:** Mats Forsgren, Uppsala University [mats.forsgren@fek.uu.se](mailto:mats.forsgren@fek.uu.se).

Classical theories tend to view internationalization and international marketing as processes shaped mainly by intra-firm resources and capabilities. In contrast – but in line with the overall theme of the conference - this track especially welcomes papers that focus internationalization and international marketing as processes reflecting the development of international business networks in which the firm is embedded. Consequently important issues are for instance intra-firm resources versus inter-firm relationships as drivers for internationalization, the relevance of entry modes versus relationship development as elements of the internationalization process, the importance of country borders versus “network borders” as barriers for foreign market entry, the change in the classical theories’ predicted internationalization behaviour of firms if business network theory is applied (e.g in terms of incremental behaviour and geographical scope), relationships as substitutes for experiential learning in the internationalization process, the importance of subsidiaries’ external business network for the multinational firm’s investment in foreign operations, the importance of business network positioning versus legitimacy building, especially in emergent markets, the interaction between relationship marketing and internationalization and the importance of global alliances in international marketing.

**Keywords:** *Born Globals; Business networks; Cross-cultural investments; Cultural differences; Emergent markets; Entry modes and internationalization processes; Following-the-herd behaviour; Following-the-leader behaviour; Foreign market entry; Foreign market knowledge; Global marketing; Institutionalization knowledge; Inter-firm relationships; International branding; International entrepreneurship; International experience; International relationship marketing; International service marketing; Internationalization knowledge; Internationalization strategy; National culture; Network embeddedness; Organizational distance; Psychic distance.*

## 10. Outsourcing, Fragmentation of Production, Offshoring of Services, and Globalization of the Supply Chain

**Track chair:** Torben Pedersen, Copenhagen Business School and Bocconi University [tp.smg@cbs.dk](mailto:tp.smg@cbs.dk).

This track focuses on the issues related to firms' global sourcing of products, services, and knowledge. Most companies have traditionally performed the bulk of their high-value activities within the home country, however, when some of these activities are further fragmented, outsourced and/or conducted offshore it raises new questions of both a theoretical and empirical nature. Questions such as what are the drivers of offshoring and outsourcing? What are the costs and benefits of offshoring/outsourcing to firms, home country and the host country? What are the linkages between the different activities in the firm and what are the managerial challenges of creating a globally dispersed configuration of the firm's value chain? Theoretically, this new phenomenon raises issues of what are the core activities of the firm and to what extent can the activities of the firm be further fragmented, modularized and offshored/outsourced in order to take advantage of global sourcing.

**Keywords:** *Offshoring; Outsourcing; R&D outsourcing/offshoring; Fragmentation of production; Modularization; Digitalization of service activities; Business process offshoring (BPO); Disaggregation of the value chain; Global supply chain strategies; Operations management; Supply chain integration; Offshoring of high-end jobs; Emerging global labor market; Entrepreneurial globalization; Corporate entrepreneurship; Costs and benefits of outsourcing to developing countries; Costs and benefits of outsourcing to firms.*

## 11. FDI in and from Emerging Market Economies

**Track chair:** Sumit Kundu, Florida International University [kundus@fiu.edu](mailto:kundus@fiu.edu).

The advent of globalization has witnessed an increased importance of emerging market economies, and multinational enterprises seeking to do business in Brazil, Russia, India, China, Indonesia, Mexico, South Africa, and Turkey. In the past few years emerging market MNCs are venturing abroad in a systematic manner as observed from the rapid expansion of Tata Motors, Lenovo, and Natura in developed and developing nations. This track covers trends, directions and internationalization patterns of inward and outward foreign direct investment to and from emerging market economies. As the theme for the conference is on “knowledge development and exchange in International Business network”, preference will be given to papers that focus on the trends mentioned above in the context of emerging markets. Emerging market economies play a critical role in today's world economy, and manuscripts dealing with macro (country level), micro (firm level) issues and its interaction in Latin America, Asia-Pacific, Africa, Middle East, and Central/Eastern Europe are encouraged to submit to this track.

**Keywords:** *Emerging market MNCs; Inward and outward FDI to and from emerging market economies; Competitive and comparative advantages of different emerging markets; Economic development and competitiveness in emerging market economies; Competitive strategies of local emerging market firms; Competitive strategies of non-emerging market firms for emerging markets; Entry strategies in emerging markets; Theory of MNCs as it relates to emerging market economies; Comparison of institutional environments across emerging markets; SMEs in emerging market economies; Knowledge creation and diffusion in emerging market economies; Uniqueness of emerging market MNCs; Regional integration of emerging markets; Multinationality and performance in emerging market economies; Role of formal and informal networks in emerging market economies; Foreignness and emerging Markets; Corporate governance in emerging markets; Marketing in emerging markets; Cross-cultural issues in HRM in emerging markets; Sustainable development in emerging market economies; Human rights and business in emerging market economies.*

Submissions for the conference will take place through AIB's online submission system. All manuscripts and proposals must be submitted by **January 15, 2008**. Please refer to the detailed [submission instructions](#) page for additional information on how to prepare and submit your submission.

For up-to-date information about the conference and related events, please check the conference website at <http://aib.msu.edu/events/2008/>. Any questions regarding this call for papers should be submitted to the track chairs or the Program Chair, John Cantwell, at [aib2008@business.rutgers.edu](mailto:aib2008@business.rutgers.edu).

Dr. John Cantwell  
Program Chair, AIB 2008 Annual Meeting  
Rutgers University  
[aib2008@business.rutgers.edu](mailto:aib2008@business.rutgers.edu)