



La recherche sur le choix d'un mode d'entrée Quand statistique et théorie se rencontrent

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La stratégie d'internationalisation

- Trois questions
 - Où?
 - Quand?
 - Comment?
- Pour Dunning: un champ dominé par le «Comment?» (le choix du mode d'entrée) au dépens du «Où» (la question de la localisation)
- Au point de vue théorique, un champ dominé par les coûts de transaction, et dans une moindre mesure, par l'approche «RBV»
 - Les conditions du pays ciblé (incertitude – opportunisme)
 - Les ressources de l'entreprise



La recherche en SI et sur les modes d'entrée

- La maturité croissante de plusieurs courants de recherche, dont celui sur les modes d'entrée
 - Les progrès sont incrémentaux, sinon marginaux
 - Les équations sont de plus en plus longues...
 - Les problématiques de plus en plus étroites, pourrait-on parler de tarissement théorique?
- Cette maturité remet en question la viabilité de ce courant au sein de la stratégie
- Une perspective plus optimiste: est-ce possible que nous soyons plutôt devant une opportunité de renouveler le champ?



Les méthodes multi-niveaux (MMN) et HLM

- Nouvelles méthodes développées dans les années 80 et en usage dans différentes disciplines autres que la stratégie et le management
- Numéro spécial de AMR (1999)
- Opportunité pour la recherche en SI?
- Les arguments pour les MMN et HLM
 - Conceptuels
 - Empiriques
 - Théoriques



Internationalization research

Opportunities and emerging trends

- Variables explaining entry mode decisions seems to belong to different levels of analysis
- Firms (and in particular MNEs) have many FDIs:
- Entry decisions are «embedded»
- Emergence of neo-institutional perspective



Internationalization research

Limitations but opportunities

- Yet, the multilevel character of the entry mode decision is seldom fully recognized
 - And most often, data analysis methods are not multilevel
 - Solutions
 - Constrain empirical research to a specific context: country (e.g., China) or type of firm (e.g., firms with a low FDIs activity), therefore by sample selection.
 - Adapt existing single-level methods
- ➔ Or use multilevel methods...



Arrègle, Hébert and Beamish (2006)

- Testing a model integrating previously used variables to explain the choice of an IJV versus a WOS to enter a foreign market (for *illustrative purpose*).
- Japanese Overseas Investments/Toyo Keizai data
 - 22,214 subsidiaries representing more than 5,000 public and private Japanese firms established in over 100 countries from 1985 to 1997.
 - Sample: restricted to firms with at least 4 FDIs (IJV or WOS) between 1985 and 1997. The final sample included 1812 FDIs (level-1) formed between 1993 and 1997 by 274 Japanese firms (level-2) among which 1207 FDIs were IJV and 605 WOS.
- Methods: Multilevel Bernoulli Method & Logistic regression.
 - Software: HLM 6 (Raudenbush et alii, 2002).

Results: Comparison

	Logistic regr. (stepwise)	Multilevel Bernoulli
<i>Level-1 variables</i>	Coefficient (<i>p</i> -value)	Coefficient (<i>p</i> -value)
Other firms' WOS experience in FDI's industry	2.889 (0.00)	2.775 (0.00)
Other firms' WOS experience in FDI's country	2.472 (0.00)	2.456 (0.00)
JV experience in the FDI's industry	-0.014 (0.00)	-0.016 (0.00)
International experience in the FDI's industry	0.003 (0.00)	0.004 (0.00)
WOS experience in the FDI's industry	0.417 (0.02)	NS
Resource intensive industry	NS	-0.612 (0.04)
<i>Level-2 variables</i>		
Dominant logic	0.647 (0.01)	0.659 (0.02)
Selling intensity	NS	-5.882 (0.04)
Advertising intensity	NS	22.542 (0.00)
Size	-0.248 (0.00)	-0.227 (0.00)

Nagelkerke $R^2 = 0.379$.

Percentage of cases correctly classified: 77.6%



Conclusions

- The potential contribution of multilevel methods
 - Our results suggest that traditional non-multilevel methods may be underestimating the effects of parent-level variables while overestimating the effects of some FDI-level ones.
 - An *extrapolation* of our results would suggest that there are risks that prior results showing non-significant results for parent-level characteristics may involve Type 2 errors.
 - Some variables may have been tossed away too quickly?
 - Are there errors due to statistical methods?
 - Furthermore, results may be overly representative of larger multinational firms with extensive JV and WOS networks, at the expenses of those with a smaller number of foreign subsidiaries.



Arrègle, Beamish and Hébert (2008)

What explain FDI location decisions?

- Do FDI location decisions have a regional dimension?
Are they regionally interdependent?
 - Criticism over a research stream more or less dominated by global HQ and country-level subsidiary issues
 - The «semi-globalization» debate: «neither extreme fragmentation nor complete integration»
- Agglomeration vs arbitrage in locating FDI's
 - Examining the impact of a firm's prior entry and exit decision at the country and region-level on FDI location decision
 - Opportunity to apply multi-level methods to investigate the relative importance of global (3), regional (2) and local (1) dimensions while maintaining the levels orthogonal



Methods and analyses

- Japanese Overseas Investments/Toyo Keizai data
 - 30,014 subsidiaries representing more than 5,000 public and private Japanese firms established in over 100 countries from 1985 to 2001.
 - Sample: restricted to firms with at least 4 FDIs (IJV or WOS) between 1986 and 2001.
 - The final sample included 3489 FDIs made between 1996-2001 by 1076 Japanese firms in 49 countries and 6 regions
 - FDIs: 1629 IJV (10-90% equity) and 1837 WOS (+> 90% equity).
- Identified 6 regions
 - NAFTA, Europe, Asia-China, Asia-India, Southeast Asia
- Multi-level methods
 - Negative Binomial model with the software SuperMix



Model and design

Prior FDI activity
1990-95

FDI in a country
1996-2001

- # FDI in a country
- # FDI in a region
- Ratio of prior FDI exited / existing FDI in a country
- Ratio of prior FDI exited / existing FDI in a region

Control variables

- Country-level
 - Firm's country experience
 - Other J. firms' experience / country
 - Other J. firms exits/nb of FDI in a country
 - Log GDP per capita
 - GDP per capita growth rate
 - Political hazards
- Region-level
 - Other J. firms' experience in a region
 - Other J. firms exits/nb of FDI in a region
- Firm-level
 - International experience
 - R&D intensity
 - Advertising intensity
 - Firm size



Figure 1: Effects of prior foreign subsidiaries on the propensity of subsequent subsidiaries in a country

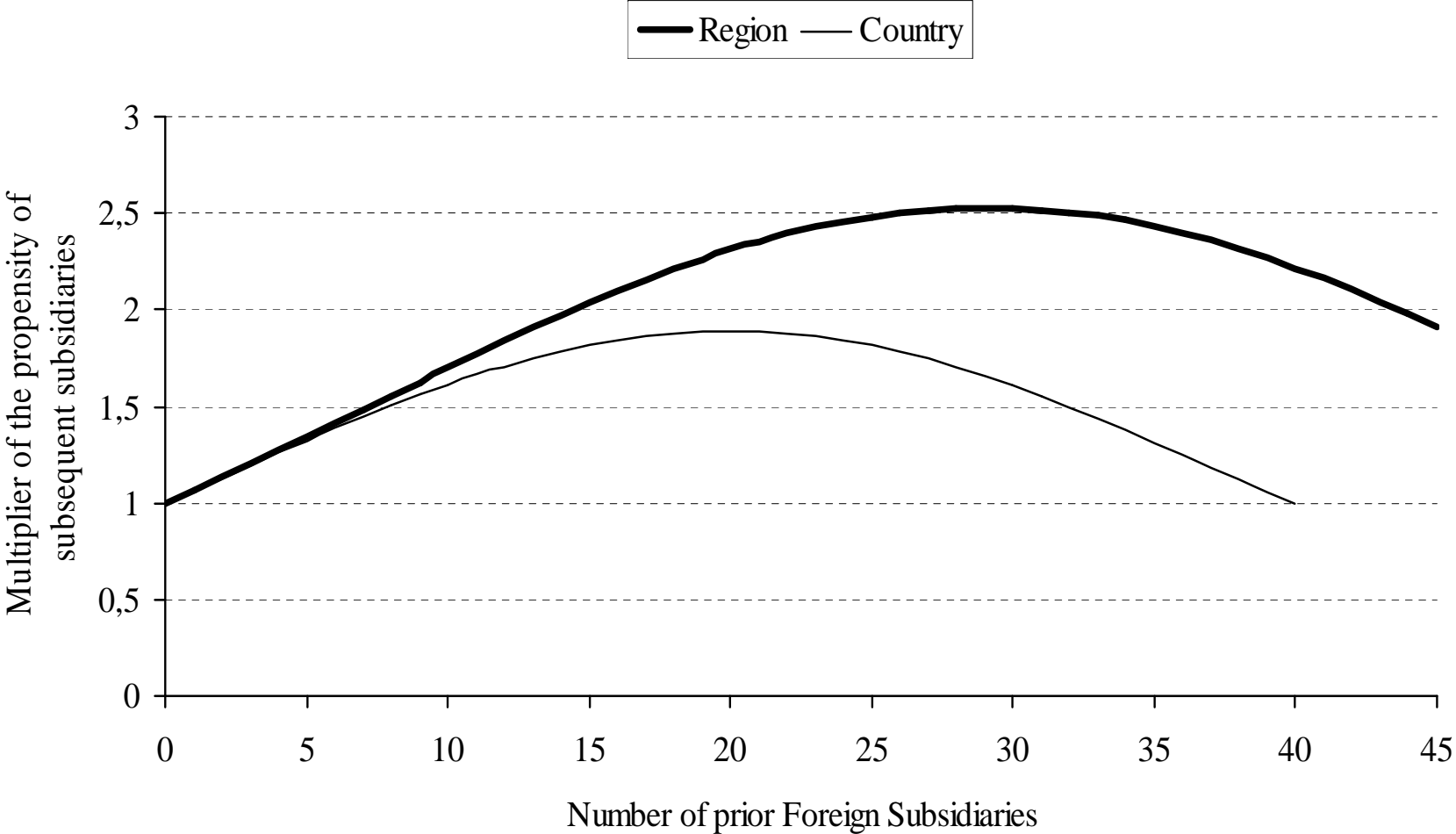
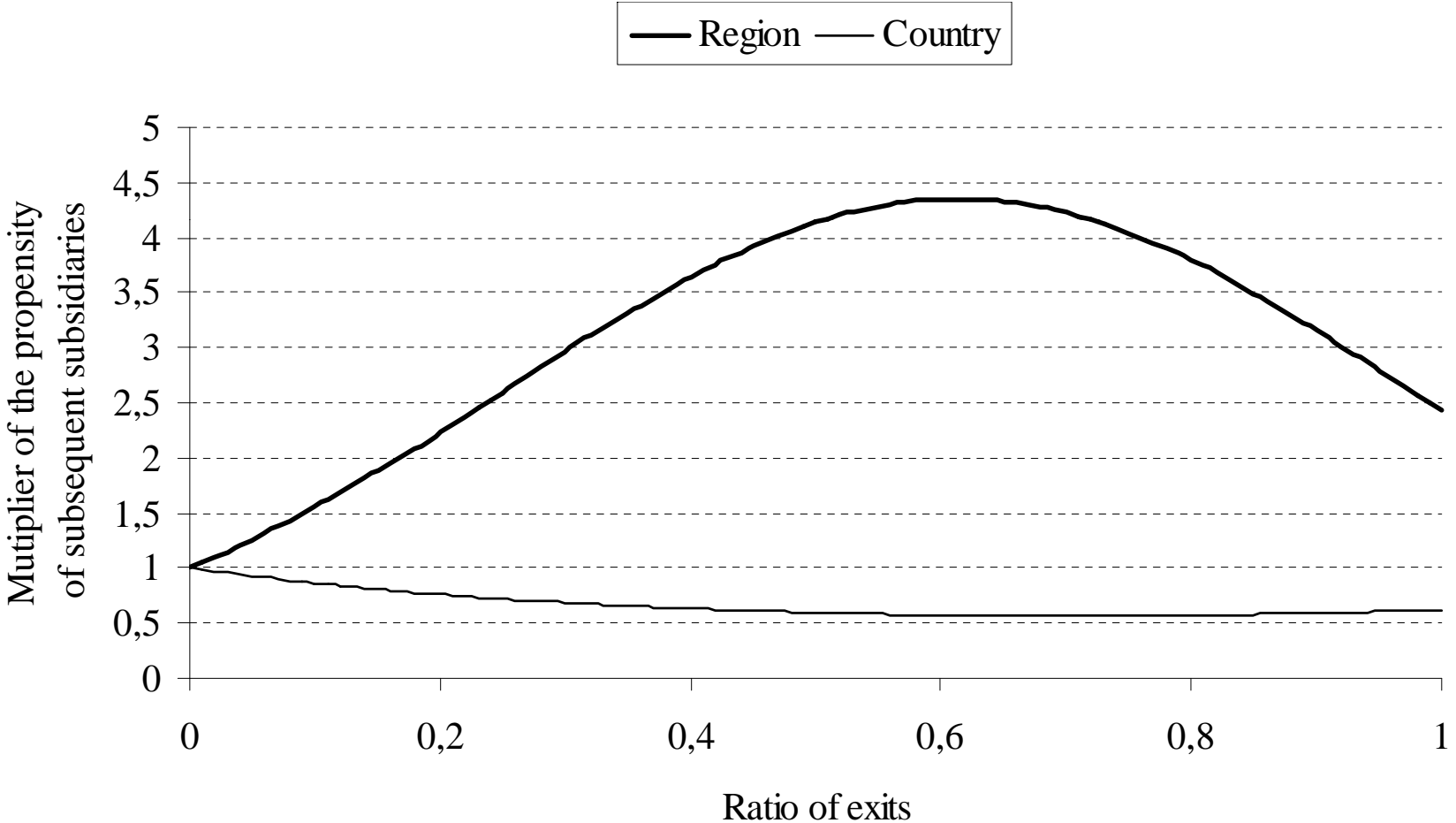




Figure 4: Effects of exited foreign subsidiaries on the propensity of subsequent subsidiaries in a country





Implications

- Evidence supporting the regional interdependence of FDI decisions
 - Effect of a firm's prior entry and exit at the country and region-level on FDI location decisions
 - Evidence also of distinct isomorphic forces at the region-level
- MNCs do have a regional strategy
 - Attempt to reduce the complexity of location decisions
 - Evidence of both an agglomeration and arbitrage logic in FDI location decisions
- The relative importance of internal and external isomorphism
 - Support for a more balanced perspective between the two sides in explaining FDI decisions



Conclusions

- Les régions comptent pour les FDIs
 - Validation de la perspective de «semi-globalisation» et de régionalisation
 - Les régions peuvent avoir un effet distinct des pays
 - Opportunités pour recherche future

- Le potentiel des MMN

- Prochaine étape?
 - De design «cross-sectional» à longitudinal
 - Le «Quand»?