

Entry Mode Strategies and Performance of Japanese MNCs in Australia and New Zealand: the Role of Japanese Employees

Sriya Kumarasinghe

University of Otago, New Zealand

Yasuo Hoshino

Aichi University & University of Tsukuba, Japan

Abstract

This study investigates different entry modes and staffing practices, and their influence on performance in Japanese subsidiaries in Australia and New Zealand. Company data were derived from the *Toyo Keizai* data bank of Japanese overseas investments (*Kaigai Shinshutsu Kigyō Souran*) for the period from 2004 to 2008. The major assumption of this paper is that Japanese MNCs use their staffing policies as a means of exerting more influence over the entry mode strategy by having more control over the business operations in the host country. The study reveals significant differences in Japanese subsidiaries between the two countries. A relationship between performance and the variables of industry and employing Japanese expatriates was found for Australia.

Keywords: Japanese multinational corporations, Asia-Pacific, entry mode choices; performance; staffing policies

1. Introduction

With the globalization of trade activities the traffic of multinational corporations (MNCs) has become very fast and complex. During the last few decades Japanese foreign direct investment (JFDI) and MNC activities have spread all over the world attracting much attention from business researchers and academic scholars. Ownership structures (Kasuga, 2008; Cieslik & Ryan, 2008), entry mode and performance outcomes (Konopaske et.al, 2002; Anand & Delios, 1997; Nitsch et.al, 1996; Ito & Rose, 1994), establishment and survival (Delios & Ensign, 2000), subsidiary size and autonomy (Beamish & Jae, 2005; Johnston & Menguc, 2007) and performance between wholly owned subsidiaries and joint ventures (Makino & Kent, 2000) have been the commonly discussed issues. Geographical locations such as United States (Alba et.al, 2008), Europe (Mansour & Hoshino, 2002), Canada (Delios & Ensign, 2000), China (Beamish & Ruihua, 2002), Thailand (Siripaisaipipat & Hoshino, 2000), Taiwan (Yeh & Hoshino, 2000), and Australia (Ben_Youssef & Hoshino, 2007) have been the focus in the previous studies.

Japan has been a leading trading partner of both Australia and New Zealand for many years. Today virtually all major Japanese MNCs have a significant share in the Australian market. Improvement of infrastructure, rapid development in Australia, government policies, trade friction between Japan and US in 80s, the high value of Japanese yen, high domestic labour

cost, stagnation of the Japanese economy, and rapid globalization have contributed to this trend (De Silva, 2006). The inter-relationship between New Zealand, Australia and Japan is a crucial one. Australia is New Zealand's largest trading partner (20%) and Japan is the third (10%) after USA (13%). Australian FDI (Foreign Direct Investment) in New Zealand in 2006 was 39.4 billion New Zealand Dollars. It covers 50% of the total FDI of that year (Statistics New Zealand, 2007). From Australia's viewpoint, Japan is the third largest investor. Australia is Japan's biggest destination for FDI in the Asia Pacific. This inter-connectedness makes a significant impact on the three economies.

Nevertheless, research on the activities of Japanese MNCS in the Pacific region is very limited. Despite New Zealand's heavy reliance on FDI, there is a lack of empirical research on FDI, subsidiary performance, and industry growth (Scott-Kennel, 2004). Therefore, the primary objective of this paper is to provide additional insights on JFDI performance in Australia and New Zealand. This paper is the first to examine the impact of ownership structure, entry mode and firm-specific characteristics on the performance of Japanese subsidiaries in New Zealand with a comparison of Japanese subsidiaries in Australia. It focuses on how firm-specific factors and entry mode choice of Japanese multinational enterprises will lead to better financial performance as perceived by the managers in those subsidiaries between the years of 2004 and 2008.

This paper offers several contributions to the existing literature. (1) It provides the most current analysis on JFDI in Australia and New Zealand and updates the existing literature. (2) The analysis on JFDI in New Zealand will add new knowledge to the existing literature. (3) It makes an attempt to analyze Japanese subsidiaries in Australia and New Zealand as a one set of data to represent the Pacific region. We assume that mutual inter-dependence of Australia and New Zealand in their economic efforts and the cultural closeness will allow combined research.

The flow of the paper is as follows. Section 2 briefly reviews relevant theoretical and empirical literature on JFDI. Section 3 presents the model to be tested. Section 4 discusses the data sources, sample composition, and the methodology. Section 5 interprets the results and Section 6 summarizes the findings of the study with comments, limitations and future research possibilities.

2. Literature on Entry mode strategies and firm performance

2.1 The choice of entry mode

The choice of entry mode into foreign markets is one of the most important decisions made by the MNCs. After making decisions on whether to orient towards the global market, local and overseas, or local market, and whether they go for an equity-based entry mode, they take the second step of deciding on the percentage of ownership. In closed markets with high tariffs on imported goods, MNCs have no other choice than starting local production. There they form joint ventures with local partners. Japanese firms clearly intend to adopt 100% ownership if the host country permits to do so (Okamoto, 1998). Whichever approach is to be adopted, the primary objective is to enhance performance.

In an early research on entry mode and performance of 173 Japanese FDI in 1994 in Western Europe, it was predicted that the greenfield¹, wholly-owned subsidiaries would perform as the best, followed by joint ventures and acquisitions. The results provided strong evidence of poor performance by acquisitions versus greenfield and joint ventures (Nitsch et al., 1996). Research by Harzing (2002) on management of entry modes reported that Greenfield companies are strongly controlled by the headquarters than in acquisitions and have a higher level of expatriate presence.

Research by Ogasavara and Hoshino (2007) examined entry mode strategies based on non-conventional forms of joint ventures and found out that Japanese-Japanese joint ventures with a partner that has previous experience in the local market performed better than wholly-owned subsidiaries and traditional international joint ventures. Their results showed mixed impacts of ownership and internationalization strategies on performance.

Having noted the previous research findings, we hypothesize;

H1 a. Subsidiaries which used Greenfield as initial entry mode perform better than mergers and acquisitions in Australia and New Zealand.

H1 b. Wholly-owned subsidiaries perform better than joint-ventures in Australia and New Zealand.

2.2 Industry

Previous research has confirmed that promotion of exports and securing imports were to be the primary rationale for JFDI. There are other motivations for JFDI such as labour cost and resource access. Like Canada, Sweden and Norway, Australia has been attracted by both the natural resource industries and technologically sophisticated industries. Delios and Ensign (2000) found that region and industry drew JFDI to Canada and influenced the subsidiary survival.

A recent work by Rasouli and Hoshino (2007) on 263 Japanese subsidiaries in India examined the effects of equity ownership, size, entry strategy and subsidiary age on the sales growth ratio and the subsidiary's survival. They concluded that MNCs prefer to acquire high level of ownership in the manufacturing sector. The results of their research further indicated that capital, age of the venture, the number of employees, and full ownership affect survival of the subsidiary. Mansour and Hoshino (2002) also examined the impact of firm and industrial factors on entry mode choice of the Japanese MNCs in Europe. Their research was based on 324 Japanese firms in Europe over the period of 1994 to 1998. The study found that international experience and resource-based industries had a positive influence on the choice of shared ownership structure. Also they found that firm size and intangible assets measured by the R&D and advertising were not significantly related to entry mode. Ben_Youssef and Hoshino (2007) also confirmed industry influence on subsidiary performance in Australia.

Therefore, based on above literature we build the following hypothesis.

¹ Greenfield firm is a firm enters a foreign market via FDI setting up an entirely new plant (Gorg, 2000).

H2. Industry type has significant influence on the performance of a Japanese subsidiary in Australia and New Zealand.

2.3 Staffing policies of Japanese subsidiaries

Japanese management practices have been seen as a significant factor in Japan's economic success, thus many enthusiasts attempt to transfer specific approaches to other countries. In the case of Japanese subsidiaries in Australia, some Japanese management practices have been effective while some have been failed, but appeared as trying to keep Japanese identity (Bamber et.al, 1992).

Expatriate managers play an important role in representing and implementing the corporate objectives of an MNC. They often serve as a control mechanism to ensure achieving corporate goals and objectives (Beamish & Inkpen, 1998). Beamish and Inkpen (1998) found the number of Japanese expatriates have been declining for some time. They assumed that the Japanese MNCs will shed their ethnocentric bias and hire the best managers they can find, Japanese or non-Japanese.

Konopaske et al. (2002) carried out research on the role of staffing as a moderator between entry mode strategy and performance of Japanese FDI in the worldwide. They hypothesized FDI performance based on the firm resources, organization structure, technology transfer, and ethnocentric and polycentric staffing. The results were significantly different between the wholly owned subsidiaries and the joint ventures. The ethnocentric staffing was negatively related to joint ventures, but in the case of wholly owned subsidiaries, ethnocentric staffing was positively and significantly related.

Assuming Japanese parent companies wish to continue Japanese management systems in their subsidiaries by sending Japanese expatriates to the host countries, we hypothesize,

H3 a. Subsidiaries in which there are Japanese employees included into the staff perform better than subsidiaries without Japanese employees in Australia and New Zealand.

H3 b. Subsidiaries with Japanese Chief Executive Officer (CEO) perform better than subsidiaries without a Japanese CEO in Australia and New Zealand.

3. Methodology

3.1 Scope of the study

The main objective of this study is to examine the influence of different entry mode strategies, ownership structures and staffing policies on the subsidiary performance in Australia and New Zealand. It also intends to explore the characteristics of JFDI movements in the two countries.

3.2 Sample

Sample data for this study were derived from the *Toyo Keizai* data bank of Japanese overseas Investments (*Kaigai Shinshutsu Kigyō Souran*) (*KSKS*) between 2004 and 2008. *KSKS*

publishes annually since 1970 and has been used widely (Cieslik & Ryan, 2008; Kasuga, 2008; Ogasavara & Hoshino, 2007; Ben_Youssef & Hoshino, 2007; Rasouli & Hoshino 2007; Konopaske et.al, 2002; Delios & Ensign, 2000). It provides a list of overseas investment activities of Japanese corporations. From the total observations of 2454 listed in the data bank for Australia and New Zealand, 202 observations were used for the analysis (see Table 1). The sample selection was based on the availability of performance data. As previous research by Woodcock et.al.(1994), Nitsch et.al.(1996), and Ben_Youssef & Hoshino(2007), for the analysis we used only the subsidiaries with at least two years experience.

In the sample, there were 21 observations from New Zealand and 181 from Australia. In the New Zealand sample, 11 subsidiaries were wholly-owned by Japanese companies registered in Japan, 6 were wholly-owned by domestic Japanese companies, 3 were Japanese-Japanese, and 1 was a joint venture of a company in Japan and a domestic Japanese company. Among the Australian sample we found 7 different ownership types. 111 Japanese wholly-owned, 20 domestic Japanese wholly-owned, 23 Japanese-Japanese joint ventures, 12 Japanese and domestic Japanese joint ventures, 7 traditional (Japanese and local) joint ventures, 6 domestic Japanese and local joint ventures, and 2 Japanese, domestic Japanese, and local joint ventures.

The 21 subsidiaries in the New Zealand sample included 10 whole sale/retail trade, 6 travel, 3 wood and paper, and 2 real estate companies. In the Australian sample, there were 54 trade, 23 manufacturing, 22 food, 15 travel, 15 real estate, 11 wood and paper, 10 finance, 9 mining, 4 transport, 3 education, 3 agriculture and 12 others.

Description	New Zealand	Australia	Total
No. of subsidiaries	21	181	202
Ownership 2 ^a			
WOS (J)	11	111	122
WOS (DJ)	6	20	26
JV (JJ)	3	23	26
JV (JDJ)	1	12	13
JV (JL)	0	7	7
JV (DJL)	0	6	6
JV (JDJL)	0	2	2

^a WOS(J) = Japanese wholly-owned, WOS (DJ)= domestic Japanese wholly-owned, JV (JJ) = Japanese-Japanese joint ventures, JV (JDJ) = Japanese and domestic Japanese joint ventures, JV (JL) = traditional (Japanese and local) joint ventures, JV (DJL) = domestic Japanese and local joint ventures, JV (JDJL) = Japanese, domestic Japanese, and local joint ventures.

Table 1. Description of the sample

3.3. Measures

The dependent variable, independent variables and control variable were all created from the KSKS database.

3.3.1. Dependent variable

A subjective measure of subsidiary performance was used as the dependent variable. The senior managers of the subsidiaries assessed the performance of their company selecting from three scaled items, loss, break-even, and gain. This was the only performance indicator the firms disclosed to the databank and has been used for previous research on Japanese subsidiaries. Based on this information we created a dichotomous variable for performance where loss=1 and 0 otherwise.

3.3.2. Independent variables

The variables of initial entry, ownership1, ownership 2, number of Japanese employees, existence of Japanese employees, existence of Japanese CEO, industry 1 and industry 2 were considered as independent variables.

For ownership1, more than 95% of ownership was categorised as wholly-owned (WOS) =1, and 0 otherwise.

We also made a further distinction between wholly-owned and joint ventures based on the information of the affiliated firms, labelling a variable as ownership 2. For ownership 2, we identified 7 ownership structures². The following dummy values were given to those categories. Japanese wholly-owned WOS(J) = 1, domestic Japanese wholly-owned WOS (DJ)= 2, Japanese-Japanese joint ventures JV (JJ) = 3, Japanese and domestic Japanese joint ventures JV (JDJ) =4, traditional (Japanese and local) joint ventures JV (JL) = 5, domestic Japanese and local joint ventures JV (DJL) = 6, and Japanese, domestic Japanese, and local joint ventures JV (JDJL) = 7.

Industry 1 was defined as manufacturing = 1 and service = 2.

Industry 2 was defined as travel = 1, retail/wholesale = 2, real estate = 3, wood & paper = 4, agriculture = 5, manufacturing = 6, food = 7, education = 8, finance = 9, transportation = 10, mining = 11, other = 12.

3.3.4. Control variables

Number of years in operation since establishment was used as a proxy for age and it has been identified as a moderating factor of subsidiary performance (Konopaske et al, 2002; Johnston & Menguc, 2007). Therefore we included company age as a control variable.

² Following Makino & Beamish (1998), Ben_Youssef & Hoshino (2007) identified five different categories of ownership which does not include WOS (DJ) and JV (JDJL).

3.3.5. Statistical methods

SPSS statistics package 15.0 was used to run the correlation analysis, cross-tabulation, t-test and logistic regression to test the hypothesized models.

4. Results

Table 2 shows the means, standard deviations, and correlation coefficients for all the variables. Low coefficients suggest that the variables have little or no co-linearity. Higher correlation was observed between Japanese employees 1 and 2, and ownership 1 and two. Therefore we omitted using Japanese employees 1 and ownership 2 for the regression analysis.

4.1 Cross-tabulation results

We processed the rest of the analysis in two stages. Based on prior several empirical studies on Japanese subsidiaries in Australia, our analysis of Australian data constitutes a confirmatory study. However, for New Zealand there was no previous empirical research available. Therefore a part of this study is exploratory. Cross tabulation and t-tests were carried out to confirm the two data sets have no differences. It was essential to consider whether the pooling is justifiable. We ran the regression at the stage two.

According to cross tabulation results between the two countries as shown in Table 3, existence of Japanese employees, existence of Japanese CEO and the type of industry revealed significant differences. Only 30% of Japanese subsidiaries in New Zealand recorded the existence of Japanese employees. Subsidiaries in Australia recorded 78.5%. The percentage of Japanese CEOs is 57.1% in New Zealand, while Australian sample had 84%. There were no significant differences between performances, initial entry or ownership variables between the two countries.

4.2 t-test results

For the t-test we included variables of initial entry, number of Japanese employees, existence of Japanese employees, existence of Japanese CEO, performance, industry 1 and industry 2, ownership 1 and ownership 2.

The t-test results also confirmed the significant mean differences in Japanese employees, Japanese CEO, and industry variables between the two countries (Table 4).

	Mean	SD	1	2	3	4	5	6	7	8	9
1. Initial entry	.5941	.4922	1								
2. Company age	20.0941	10.5026	-.234(**)	1							
3. Japanese emp 1	1.6120	1.6565	-.017	-.040	1						
4. Japanese emp 2	.7322	.4440	.116	.002	.590(**)	1					
5. Performance	.1089	.3123	-.002	-.206(**)	-.061	-.118	1				
6. Industry 1	1.7129	.4535	.010	.201(**)	-.159(*)	-.094	-.164(*)	1			
7. Industry 2	4.7525	3.3765	.104	-.170(*)	-.036	.046	.115	-.307(**)	1		
8. Ownership 1	.7327	.4436	.025	.216(**)	-.155(*)	-.052	.032	.111	.138(*)	1	
9. Ownership 2	1.9257	1.4245	.006	-.215(**)	-.028	-.066	-.049	-.133	-.120	-.811(**)	1
10. Japanese CEO	.8119	.3917	.066	-.149(*)	.152(*)	.278(**)	-.035	.086	.111	.081	-.096

** Significant at the 0.01 level (2-tailed).

* Significant at the 0.05 level (2-tailed).

Japanese emp 1 (No. of Japanese employees)

Japanese emp 2 (existence of Japanese employees)

Industry 1 (Manufacturing=1, Service =2)

Industry 2 (Travel=1, Retail/wholesale=2, Real estate=3, Wood & paper=4, Agriculture=5, Manufacturing=6, Food=7, Education=8, Finance=9, Transportation=10, Mining=11, Other=12)

Ownership 1 (Wholly-owned subsidiaries which own more than 95% =1, Otherwise=0)

Ownership 2 (WOS(J) = 1, WOS (DJ)= 2, JV (JJ) = 3, JV (JDJ) = 4, JV (JL) = 5, JV (DJL) = 6, JV (JDJL) = 7)

Table 2: Means, standard deviations and correlations among all variables

Variables	NZ (N=21)	AUS (N=181)
Performance		
Loss	1 (4.8%)	21 (11.6%)
Break-even or Gain	20 (95.2%)	160 (88.4%)
Chi-Square .907		
Initial entry		
Greenfield	11 (52.4%)	109 (60.2%)
Otherwise	10 (47.6%)	72 (39.8%)
Chi-Square .480		
Japanese emp2		
Exist	6 (30%)	128 (78.5%)
Non-exist	14 (70%)	35 (21.5%)
Chi-Square 21.397***		
Industry 1		
Manufacturing	2 (9.5%)	125 (69.1%)
Service	19 (90.5%)	56 (30.9%)
Chi-Square 4.216**		
Ownership 1		
Wholly-owned(95% or more)	17 (81%)	131 (72.4%)
Otherwise	4 (19%)	50 (27.6%)
Chi-Square .707		
Japanese CEO		
Exist	12 (57.1%)	152 (84.0%)
Non-exist	9 (42.9%)	29 (16%)
Chi-Square 8.872 **		

*** Significant at 0.01 level

** Significant at 0.05 level

Table 3: Cross-tabulation results

Variables	New Zealand (N=21)		Australia (N=181)		t
	Mean	SD	Mean	SD	
Initial entry	.5238	.5117	.6022	.4908	-.690
Japanese emp1	.6500	1.2680	1.7301	1.6632	-2.803**
Japanese emp2	.3000	.4702	.7853	.4120	-4.895***
Performance	.0476	.2182	.1160	.3211	-1.284
Industry 1	1.9048	.3008	1.6906	.4635	2.065*
Industry 2	2.0952	.9952	5.0608	3.4208	-3.945***
Ownership 1	.8095	.4024	.7238	.4484	.838
Ownership 2	1.7143	.9024	1.9503	1.4730	-.718
Japanese CEO	.5714	.5071	.8398	.3678	-2.354*

*** Significant at 0.001 level, ** Significant at 0.01 level, * Significant at 0.05 level

Table 4: t-test results

4.3 Logistic Regression results

The results for the logistic regressions are presented in Table 5. Since we found significant differences between the samples from the two countries, we decided not to pool the data together for the regression analysis. Due to the very nature of the performance data of the New Zealand sample we could not run the regression for New Zealand³. Therefore our hypotheses were partially tested for Australia only. The model was tested twice with the control variable and without it. Both models were significant with a moderating effect of company age. The model was slightly weak (Chi-Square = 12.144, $R^2 = .140$) with a little explanatory power. However, the Wald statistic was significant and strong with 68.856. When company age was not included in the model, existence of Japanese employees and the type of industry made significant influence for better performance. With company age, wholly-owned or joint venture became an influencing factor. Our hypothesis 1 on Greenfield entry and full ownership was not supported. Hypothesis 2 on industry was supported and moderated with company age. Hypothesis 3 was partially supported. Having a Japanese CEO was not an influencing factor for better performance, but existence of Japanese employees showed an influence. All the variables displayed positive relations with performance.

³ 20 companies had break-even or gain and only one company had a loss, therefore the observations for the dummy variable 1 were less than two. That violates one condition in logistic regression.

Variables in the model	Logistic Regression			
	Dependent: loss=1; otherwise =0			
	Model 1 (with age)		Model 2 (without age)	
	Coefficient	Wald statistic	Coefficient	Wald statistic
Initial entry	.639	.645	.814	.155
Japanese emp2	.377	2.738	.309	4.392*
Ownership 1	4.194	3.829*	2.356	1.617
Industry 1	.391	2.955	.309	5.059*
Japanese CEO	.618	.452	.891	.027
Company Age	.896	7.053**	N.A	N.A
Constant	4.937	1.543	1.276	.048
Model Coefficient	.132	68.856***	.132	68.856***
Chi-Square		21.07***		12.144*
<i>df</i>		6		5
Nagelkerke R ²		.236		.140
N= 163				

*** Significant at 0.001 level, ** Significant at 0.01 level, * Significant at 0.05 level

Table 5: Logistic Regression results

5. Discussion

Even though the close proximity of Australia and New Zealand share some similar demographic characteristics, the results made it clear that the two countries are quite different and therefore Japanese MNCs approached the two countries differently. The majority of JFDI in New Zealand has focused on trade and travel sectors. Also in Australia trade was the leading sector followed by the manufacturing sector. Food, travel and real estate came next. With the economic deregulation of the mid 1980s New Zealand became a more open economy with regards to the international capital markets, but due to strict environmental policies, New Zealand is still a restricted economy. That led Japan, as a foreign manufacturer, to select the investing industry very carefully.

The other interesting revelation was to find that all the Japanese subsidiaries in our New Zealand sample were owned only by Japanese companies. 17 subsidiaries were WOS and JVs were only 4 subsidiaries which also Japanese-Japanese. Among those 21 subsidiaries only one subsidiary had a poor performance. Due to insufficient performance data for New Zealand, we could not continue the regression analysis. Therefore it is difficult to say whether the existence of Japanese employees or a Japanese CEO had been an influential factor for

better performance or not. We need to extend our research in that aspect by increasing our sample size.

This study extends our understandings of the influence of entry mode and staffing policies on Japanese subsidiary performance in Australia. Greenfield initial entry and Japanese CEO had not been proven as influencing factors for better performance in the recent years. Industry, ownership, Japanese employees, and subsidiary age were seen as predictors of better performance in Australia.

6. Conclusion

The purpose of our study was to investigate the influence of entry mode, ownership structure, industry, Japanese employees and Japanese CEO on subsidiary performance in Australia and New Zealand. To test our model we used logistic regression. The regression results were limited to Australian sample due to the different nature of the sample of the two countries. Our hypotheses were partially supported indicating positive influence of related industry, Japanese employees, and ownership for Australian subsidiaries. The moderating factor, age became significant with ownership positively relating to the performance.

6.1. Limitations

The results were drawn on a sample of subsidiaries in Australia and New Zealand so the findings are country or region specific. Also the analysis was limited to the companies with subjective performance measure. To derive more balanced conclusions the sample from New Zealand need to be expanded and also more quantifiable measures need to be added to the performance variables. The barriers in the host country were also not addressed in this research.

6.2. Future research

Research on MNCs is necessary when considering the rapid spread of MNCs around the globe and their impact on those economies. The role of general trading companies in Australia and New Zealand, Australian FDI in New Zealand, parent-subsidiary interdependence of JFDI are some of the areas for future research.

Sogo susha or general trading companies play a critical role in Japanese subsidiaries. Toyota, Kubota, Hino, Matsushita, and many other Japanese corporations established well with the support of those general trading companies. The companies received financial and marketing assistance through the trading companies. Those companies need a careful attention; however we did not investigate the *sogo susha* effect in this study.

Also, in this paper we did not address the issue of the direct investments in New Zealand by Australian companies which affiliate with Japanese investors. Subsidiaries rely on multiple sources for competitive advantage and parent companies play an important role in providing resources associated with these competitive advantages. The empirical evidence shows that the majority of the subsidiaries are the dominant or the only firm of that industry in New Zealand. They have collaborative linkages with the parent companies, involving two-way

transfer of resources including unique product or service related technologies. Local firms too improve their capabilities through the links with the subsidiaries. Therefore, local industry movements and strategic location need to be addressed in a separate paper.

Reference List

- Alba, J. D., Park, D., & Wang, P. 2008. Corporate Governance and Merger & Acquisition (M&A) FDI: Firm-level Evidence from Japanese FDI into the US, Journal of Multinational Financial Management, (Article in Press).
- Anand, J. & Delios, A. 1997. Location Specificity and the Transferability of Downstream Assets to Foreign Subsidiaries, Journal of International Business Studies, 28 (3), 579-603.
- Bamber, G. J., Shadur, M. A., & Howell, F. 1992. The International Transferability of Japanese Management Strategies: an Australian Perspective, Employee Relations, 14(3), 3-20.
- Beamish, P. W. & Inkpen, A. 1998. Japanese firms and the decline of the Japanese Expatriate. Journal of World Business, 33 (1), 35-50.
- Beamish, P. W. & Ruihua, J. 2002. Investing Profitably in China: Is it Getting Harder?, Long Range Planning, 35 (2). 135-151.
- Beamish P. W. & Jae, J. 2005. The Performance and Survival of Joint Ventures with Parents of Asymmetric Size, International Management, 10 (1), 19-30.
- Ben_Youssef, K. & Hoshino, Y. 2007. The Influence of Firm-specific Advantages and Entry Mode Choice on Performance: the Case of Japanese Foreign Direct Investment in Australia, Int. J. Service Technology & Management, 8 (4/5), 329-343.
- Cieslik, A. & Ryan, M. 2008. Firm Heterogeneity, Foreign market Entry Mode and Ownership Choice, Japan and the World Economy, (Article in Press).
- Delios, A. & Ensign, P. C. 2000. A Subnational Analysis of Japanese Direct Investment in Canada, Canadian Journal of Administrative Sciences, 17(1), 38-51.
- De Silva, L. S. 2006. Direct Investment and Japanese Subsidiaries in Australia, The Otemon Journal of Australian Studies, 32, 93-110.
- Gorg, H. 2000. Analysing Foreign Market Entry: The Choice between Greenfield Investment and Acquisitions, Journal of Economic Studies, 27 (3), 165-181.
- Harzing, A. W. 2002. Acquisitions Versus Greenfield Investments: International Strategy and Management of Entry Modes, Strategic Management Journal, 23, 211-227.
- Ito, K. & Rose, E. L. 1994. Subsidiary Ownership Policies of Japanese Manufacturing Firms, Academy of Management Meetings, Dallas, August 15.
- Johnston, S. & Menguc, B. 2007. Subsidiary Size and the Level of Subsidiary Autonomy in Multinational Corporations: A Quadratic Model Investigation of Australian Subsidiaries, Journal of International Business Studies, 38, 787-801.
- Kasuga, H. 2008. Exchange rates and Ownership Structure of Japanese Multinational Firms, Japan and the World Economy, 20, 661-678.

- Konopaske, R. Werner, S. & Neupert, K. E. 2002. Entry Mode Strategy and Performance; The Role of FDI Staffing, Journal of Business Research, 55, 759-770.
- Makino, S. & Kent, E. N., 2000. National Culture, Transaction Costs, and the Choice Between Joint Venture and Wholly-Owned Subsidiary, Journal of International Business Studies, 31 (4). 705-713.
- Mansour, M. & Hoshino, Y. 2002. Entry Mode Choice of the Japanese MNEs in Europe: Impact of Firm and Industrial Factors, Japanese Journal of Administrative Science, 15(3), 231-247.
- Nitsch, D., Beamish, P. & Makino, S. 1996. Entry Mode and Performance of Japanese FDI in Western Europe, Management International Review, 36, 27-43.
- Ogasavara, M. H. & Hoshino, Y. 2007. The Impact of Ownership, Internationalization, and Entry Mode on Japanese Subsidiaries' Performance in Brazil, Japan and the World Economy, 19, 1-25.
- Okamoto, Y. 1998. Direction and Problems of Basic Strategies of Japanese Multinationals in East Asia, In (Takahashi, Y., Murata, M. & Rahman, K. (Ed.)), Management Strategies of Multinational Corporations in Asian Markets, P. 21, Chuo University Press, Tokyo.
- Rasouli G., M. & Hoshino, Y. 2007. Establishment, Survival, Sales Growth and Entry Strategies of Japanese MNCS Subsidiaries in India, Journal of Developmental Entrepreneurship, 12(4), 433-447.
- Scott-Kennel, J. 2004. Foreign Direct Investment to New Zealand, University of Auckland Business Review, spring, 41-49.
- Siripaisalpipat, P. & Hoshino, Y. 2000. Firm-specific Advantages, Entry Modes, and Performance of Japanese FDI in Thailand, Japan and the World Economy, 12, 33-48.
- Statistics New Zealand, New Zealand Economic & Financial Overview, 2007.
- Woodcock, C. P., Beamish, P.W. & Makino, S., 1994. Ownership-based entry mode strategies and international performance, Journal of International Business Studies, 25, 253-273.
- Yeh, T. & Hoshino, Y. 2000. The Effects of Mergers and Acquisitions on Taiwanese Corporations, Review of Pacific Basin Financial Markets and Policies, 3(2), 183-199.