行政院國家科學委員會專題研究計畫　成果報告

國際擴張型態與成長關係之探討

計畫類別：個別型計畫
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執行期間：92 年 08 月 01 日至 93 年 07 月 31 日
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計畫主持人：譚丹琪

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國立政治大學國際貿易系助理教授
Email: dctan@nccu.edu.tw

一、中文摘要

本研究檢視國際擴張的區位型態對企業整體獲利和成長的影響。過去相關研究多探討國際擴張的地理分散程度與企業績效的關係，本研究進一步考慮地理區位的屬性。 結果發現，同時擴張已開發及開發中國家的企業，較只擴張到其中一種國家的企業，享有更高的利潤和成長。而國際活動集中在已開發國家的企業的利潤又較國際活動集中在開發中國家的企業來得高，但後者比前者成長快。此外結果指出，國際擴張所至的文化區塊太多，以及先行擴張至已開發國家，皆會負向調節國際擴張對企業獲利的影響。

關鍵詞：海外擴張，區位，企業績效.

Abstract

This study investigates the impact of the locational pattern of international expansion on firm profitability and growth. Previous studies have examined the direct and indirect impact of international diversification on firm performance. This study advances this stream of research by taking a more fine-grained view of locations by examining how the locational pattern of international expansion influences firm performance. The results indicate that firms that expand into both advanced and emerging economies achieve greater profitability and growth than firms whose international presence is limited to one of the economies. The results also indicate that the number of cultural blocks of a firm’s international expansion as well as establishing initial operation in an advanced economy negatively moderate the impact of foreign subsidiaries on firm profitability.

Keywords: International expansion, locations, firm performance.

二、緣由與目的

For the past decades, firms have been increasingly expanding into international markets. The international business literature has identified many reasons why firms expanding abroad can have advantages. For example, expanding abroad allows firms to increase their monopolistic power (Hymer, 1967) and to obtain low-cost production resources (Vernon, 1966). Firms expanding internationally can also spread out R&D and marketing costs across a larger market, thus achieving greater economies of scale and scope (Porter, 1986). In addition, international expansion exposes firms to diverse ideas and stimuli and hence facilitates learning and innovation within firms (e.g., Ghoshal and Bartlett, 2000; Hedlund, 1986; Hitt, Koskisson, and Kim, 1997; Zahra, Ireland, and Hitt, 2000).

Accordingly, an impressive number of empirical studies have been examining whether firms with extensive international presence outperform those with no or limited international presence. While much evidence has been shown to support that the positive relationship between an extensive international presence and firm performance (e.g., Kim, Hwang, and Burgers, 1993; Qian, 2002; Rugman, 1979; Zahra, Ireland, and Hitt, 2000), there has also been compelling empirical research that found contradictory results. Among these studies, some indicate no significant linear relationship between international presence and performance (e.g., Geringer, Beamish, and daCosta, 1989; Morck and Yeung, 1991; Tallman and Li, 1996) and others demonstrate that such a relationship is curvilinear (e.g., Hitt, Hoskisson, and Kim, 1997; 喬友慶, 于卓民, 林月雲, 2002) or sigmoid (Contractor, Kindu and Hsu, 2003).

Researchers have suggested that heterogeneity among firms (or samples) may be one explanation for the inconclusive findings regarding the relationship between international presence and performance. For example, Hitt, Hoskisson, and Kim (1997) suggest that firms incur management costs in the process of international expansion. Because firms are endowed with heterogeneous managerial capabilities, firms are likely to experience differing costs of international expansion. As a result the effect of international presence on performance can vary across firms. Vermeulen and Barkema (2003) propose that firms differ in their product and geographic scopes. Firms with greater product and geographical scopes are likely to be less able to absorb the lessons learnt from international expansion, and hence will benefit less from their foreign subsidiaries. Contractor, Kindu and Hsu (2003) suggest that firms incur different benefits and costs at different stages of internationalization. Hence the shape of the relationship between international presence and performance depends on the stages of internationalization that the sample firms are at.

This study advances this stream of research by considering how the locational pattern of international expansion, as a particular type of firm heterogeneity, influences the performance of firms. We argue that the advantages and disadvantages that a firm obtains from its international involvement are influenced by the locations that the firm expands into. In particular, different locations provide distinct opportunities and challenges for firms. Hence, the locational pattern of international operations of a firm may impinge upon the types of organizational capabilities that the firm develops from its international involvement and the costs that it may incur in managing international activities. As a result, the locational pattern of international activities may influence the performance of multinational firms.

三、結果與討論

In this paper, I propose that the locational pattern of international expansion influences the benefits and costs that a firm may obtain from its international involvement. In particular, I first hypothesize that firms whose international presence covers both advanced and emerging economies achieve greater growth and profitability than those whose international presence limits to only one of the economies. I argue that advanced and emerging economies present different opportunities and challenges for firms (Hoskisson, Lorraine, Lau, Wright, 2000). Hence, firms operating on both economies are likely to have greater opportunities for capability exploitation and exploration, and hence have greater growth and profitability, than firms whose international presence is limited to one of the economy.

I further hypothesize that for firms that expand into only one of the two economies, firms whose international presence is limited to advanced economies have greater growth and profitability than those who expand only into emerging economies. The reason is that firms operating in emerging economies learn to develop social relationships with local actors. However, such social relationships and skills are likely to be location-specific and may not be useful in other markets. In contrast, the skills and capabilities that firms accumulate from operating in advanced economies, such as quality upgrading and technological knowledge, can become a part of the firms' proprietary assets that can be exploited at home or in other national markets, and hence can contribute more to the overall performance of the firms.

I also hypothesize that the number of cultural blocks of international activities moderates negatively the impact of foreign subsidiaries on firm performance. Since local knowledge varies substantially across cultures and is often tacit and is more effectively learnt through learning by doing (Peng and Luo, 1999), firms expanding into a great number of cultural blocks are likely to have limited time and resources to develop the knowledge required to exploit their capabilities effectively (Penrose, 1959). In addition, management costs are likely to increase when a firm spreads its international activities in a large number of cultural blocks. Hence, firms that expand into a great number of cultural blocks are likely to benefit less from their international expansion.

My final hypothesis suggests that firms whose first international operation is located in an emerging economy achieve greater profitability than those whose first international operation is located in an advanced economy. I argue that the costs that a firm incurs during the process of international expansion are likely to be influenced by the sequence of its locational choices. Firms that start out their international expansion by entering into an emerging economy are likely to be more effective in capability exploitation, and hence may have more resources to learn from their international experience, than firms that begin their internationalization by expanding into an advanced economy. Hence the former are likely to achieve greater performance than the latter.

The empirical results indicate that firms that expand into both advanced and emerging economies achieve greater profitability and growth than firms whose international presence is limited to one of the economies. Firms that expand only into advanced economies enjoy greater profitability but experience lower growth rates, than firms that have operations only in emerging economies. I also find that the number of cultural blocks of a firm's international expansion negatively moderates the impact of foreign subsidiaries on profitability. Expanding first into an advanced economy is also found to moderate negatively the impact of foreign subsidiaries on profitability.

四、計畫成果自評

Potentially, this study makes the following contributions to the literature. First, international expansion has become an important way for firms to achieve growth. By 2000, the global stock of foreign direct investment exceeded $6 trillion. The ratio of foreign affiliates' sales to global GDP was close to 50 percent (United Nations publication, 2001). Despite the dominance of multinational firms in world economy, we know relatively few about the growth of a firm in an international market (Blonigen and Tomlin, 2001; Tan, 2003). The current study may add new evidences by exploring the relationship between the pattern of international expansion and post-entry growth.

Second, an extensive line of research has empirically examined the relationship between a firm's extent of internationalization and its performance. This literature has generally measured a firm's degree of internationalization by an aggregate proxy such as international sales ratio and the number of foreign operations, and thus failed to consider the qualitative differences of multinational activities of firms (Vermeulen and Barkema, 2003). It is not surprising that the empirical findings for this issue have been inconclusive. By exploring the pattern of internationalization and firm performance, the current study takes into account the heterogeneity in international activities of firms, and may potentially improve the understanding of whether and under what conditions international expansion can benefit firms.

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