COMPETITIVE LEARNING AND JOINT LEARNING
IN INTERNATIONAL JOINT VENTURE

A Dissertation

presented to

the Faculty of the Graduate School

University of Missouri

In Partial Fulfillment

of the Requirements for the Degree

Doctor of Philosophy

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by

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July 2013

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This dissertation is dedicated to my parents Zhijun Liu and Yinghou Dong…

Thank you for your love and support…

ACKNOWLEDGEMENT

I would like to express my deepest appreciation to all those who provided me the possibility to complete this dissertation. A special gratitude I give to my advisor, Dr. Shaoming Zou. I had a very difficult time in the program. Without your support I could not go this far and achieve all these accomplishments. As an academic advisor, you have greatly boosted my confidence in doing research, and as a friend, you have encouraged me to find a good attitude in life. It is my honor to be your student! Furthermore, I would like to acknowledge with much appreciation the crucial role of the dissertation committee, Dr. S. Ratneshwar, Dr. Murali Mantrala, Dr. Peter Bloch, Dr. Guohui Sun and Dr. Karen Schnatterly. I am very grateful for your time and advice on my dissertation! Also, great thanks goes to the Department of Marketing at the University of Missouri for their tremendous support and training in the program, which made my dreams come true!

I would also like to thank a few friends, who are really important to me. A special thanks goes to Chris Hinsch, who was the guy I saw most in the office. You are a wonderful person, a nice officemate, a funny friend and a generous human being with a broad heart! I would also appreciate Tao, Yuhua and Wan, my lifetime friends. You are always there. Additionally, Jerry, I owed you a promise that your name would be in my dissertation acknowledgement for your being so supportive at my difficult times. Now I made it. Thank you for everything!

Last but not the least, I would like to thank my parents. I could not finish this dissertation without their unconditional love and support. This dissertation is dedicated to them. Also, I truly thank my beloved husband and daughter. They are the most precious gifts in my life!

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COMPETITIVE LEARNING AND JOINT LEARNING
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ABSTRACT

As is the case in most normal independent organizations, international joint

ventures (IJVs) are expected to be influenced by both stabilizing and destabilizing forces.

Because of their inter-organizational hybrid nature, the tension between IJV partners may

be considerably more complex than independent entities. This research emphasizes that

inter-partner learning does not just play a role in IJV instability, but also helps sustain a

stable IJV. More importantly, this study empirically tested the interpartner learning

mechanism, through which instability/stability occurs. Specifically, it focused on how

resource structure, knowledge characteristics, relational mechanism, and partner fit

influence different types of learning, which provided a model explicating a mix of driving

forces and restraining forces of IJV instability. From this position, the present research

enriched both the organizational learning and IJV instability literature. A survey study

was conducted in China, which is currently the largest emerging economy in the world. A

great number of foreign firms have been forming IJVs with local Chinese firms. During

this process, both foreign firms and local firms may need some guidance as they develop

collaboration, particularly in how to learn from and how to learn together with each other.

There were 124 usable questionnaires collected from one party of the IJVs for the study.

The results showed that competitive learning destabilized IJVs, while joint learning

stabilized IJVs. Furthermore, numerous antecedents to interpartner learning were

elucidated and supported by statistical evaluations, which provided important prescriptive information for interpartner learning. Also, the study provided managerial implications from different perspectives. The IJV partner firm that would like to exert either or both learning behaviors can work on fostering the antecedents. This dissertation ended with a discussion of limitations and the future research.

CHAPTER 1: INTRODUCTION

Firms in developed countries are facing increasing global competition and must aggressively pursue foreign opportunities to remain viable in today's world market. Many firms are using international joint ventures (IJVs) to enter emerging markets, obtain new skills, and share risks and resources. Despite these potential benefits, however, IJVs are often described as inherently unstable organizational forms, and often suffer from unplanned or premature termination (Das and Teng 2000; Inkpen and Beamish 1997). For example, Carrefour, the French retailing giant, formed joint ventures with Chinese companies to make use of their local knowledge about marketing, customer characteristics, relationship with the government, etc. However, when Carrefour had acquired adequate knowledge from the Chinese partners, and become familiar with the local markets, it attempted to renegotiate its control over the IJVs, or even forced partners to leave the IJVs (Inkpen and Beamish 1997). The cost of unplanned or premature dissolution of IJVs is high, and can cause great loss for the local partner that is not prepared for the early dissolution (Das and Teng 2000). Nonetheless, successful joint ventures do exist, and many of them survive and prosper for long periods of time (e.g., Mazda and Ford). Even among terminated ventures, many represent an accomplishment of the partners' initial expectations, and thus signify a success (Gomes-Casseres 1987; Yan 1998).

The inconsistent outcomes of IJVs bring up important questions. Given the apparent instability within IJVs, why do some IJVs survive and prosper for a long time,

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while others dissolve prematurely? What are the factors and/or conditions that stabilize or destabilize IJVs? Various factors that cause instability have been reported (e.g., Yan and Zeng 1999), but how do the mechanism that stabilizes IJVs work? Answering these questions can increase IJV partners' awareness of the early signals of instability, or provide prescriptive recommendations for them to stabilize the organization.

IJVs are subject to the influence of both destabilizing and stabilizing forces. Among these forces, interpartner learning is regarded as the primary cause of instability. As the acquisition of knowledge and skills allows a firm to eliminate the partner dependency, shift the bargaining power, and then destabilize the IJV (Inkpen and Beamish 1997). Typically, interpartner learning research assumes that the firm's goal is to absorb or acquire its partner's knowledge, so as to develop its own competence (Hamel 1991; Larsson et al. 1998). Such knowledge transfer seems complementary and mutually beneficial. Nevertheless, when one partner has absorbed knowledge faster than the other, it may become less dependent on the collaboration, and may request to renegotiate a change of contract, or even to dissolve the IJV. If the other partner is not ready for the changes, such an unstable situation may cause a big cost (e.g., divest expense) for the dissenting partner. Therefore, this form of asymmetric knowledge absorption behavior can be regarded as *competitive learning*.

Some evidence shows that there are forces that help to stabilize IJVs. Recent research (Fang and Zou 2010) has identified another type of interpartner learning in IJVs, *joint learning*. Joint learning requires that each partner acts as a "co-creator" or "co-researcher" of new knowledge. The partners should figure out how to learn together, how to integrate one another's knowledge, and how to explore IJV-specific knowledge to

become interdependent. For example, when GM and Shanghai Automotive Industry Corporation (SAIC) formed an IJV, they set up specific business procedures in vehicle development involving members from both parties. They also invested heavily in information technology systems to store organizational knowledge, and to facilitate retrieval and sharing of organizational knowledge, so that their respective resources and skills could be blended into a new IJV competency. Fang and Zou (2010) empirically demonstrate that joint learning can reduce partners' dependence asymmetry and thereby reduce instability. Their suggestion to decompose interpartner learning into absorptive learning and joint learning provides a new and broader framework to scrutinize the influence of interpartner learning on IJV instability. Nevertheless, their work (2010) does not illuminate the factors conducive to interpartner learning. Few studies have empirically addressed the antecedents of interpartner learning.

Before further discussing the issue of interpartner learning in IJVs, it is worth taking a step back to think about why an IJV is formed, and what are the benefits and costs of forming the IJV. Harrigan (1985) defines the motives for forming an IJV. The motives can be divided into three parts: internal benefits, competitive benefits, and strategic benefits. First, IJVs are often formed to generate internal benefits (Harrigan 1985), which include cost and risk sharing, obtaining scarce resources, financing, acquiring managerial know-how, and retaining innovative employees. Second, IJVs are a powerful tool for creation of competitive strengths via vertical integration or consolidation of firms. Competitive benefits include influence over industry structure, preempting competitors, response to globalization, and creation of more effective competitors. Third, IJVs assist companies in implementing change in their strategic

position. Strategic benefits include creation and exploitation of synergies, technology transfer, and diversification. Similarly, Powell (1990) argues that firms pursue cooperative agreements in order to gain fast access to new technologies or new markets, to benefit from scale economy in joint research and/or production, to tap into sources of know-how located outside the boundaries of the firm, and to share the risks for activities that are beyond the scope of the capabilities of a single organization.

In contrast to the benefits of IJVs, Koh and Venkatraman (1991) point out the potential costs of IJVs. First, coordination between partners may be difficult to achieve when they have divergent interests, incongruent goals, or cultural conflicts. Thus, the coordination costs might be very high (e.g., Moxon and Geringer 1985). Second, the IJV competitive position may erode when the partner becomes a formidable competitor through the transfer of proprietary expertise and market access (e.g., Bresser 1988). Specifically, in an IJV, a "learning race" may cause power structure change and thereby lead to renegotiation of further cooperation. Third, the creation of an adverse bargaining position may occur, if one partner is able to capture a disproportionate share of the value that the joint venture creates, especially if the share is from specialized and irreversible investments (Balakrishnan and Koza 1988).

The tradeoff between benefits and costs of an IJV can be elucidated using three different theoretical perspectives (Kogut 1988). First, from the perspective of transaction cost theory, when the transaction costs of internalization exceed the cost of external sourcing, formation of an IJV is a viable option. The second is the strategic behavior perspective. It argues that IJVs are formed as a response to external environmental pressures. Kogut (1988) contends that firms that choose to maximize their profits by

improving their competitive position may choose the form of an IJV to reduce risk against strategic uncertainties. The third approach is organizational learning. IJVs allow firms to acquire knowledge or know-how from another firm.

These theoretical perspectives help clarify the reasons for forming IJVs, but have not addressed the stabilization of IJVs. From the perspective of traditional TCE, complete internalization is a more efficient mode than shared ownership, especially when the frequency and the degree of uncertainty and asset specificity are high: administrative fiat of full ownership resolves the hazards of opportunism more efficiently than shared ownership. If internalization is the best solution to avoiding market failure, the question is why some partners in an IJV choose to keep stable and shared ownership rather than full acquisition of the other partner. The transaction cost model of JVs appears to predict that JVs are formed when transactional hazards suggest that internalization is efficient, but constraints of various kinds prohibit full internalization. TCE does not systematically describe these constraining conditions, nor does it address the factors that stabilize IJVs (Ramanathan et al. 1997).

The strategic behavior approach stresses the role of risk and strategic uncertainties in the formation of IJVs. However, partner firms' perceptions of risks and their ability to handle risks may change or improve over time. If the purpose of forming an IJV is just to reduce risks, does it mean there is no need to keep the IJV, when risks are minimized? Why do some IJVs still carry on and keep stable relationships, even if the strategic uncertainties are not a threat anymore?

The organizational learning approach focuses on knowledge acquisition in the IJV. Knowledge absorption may influence the balance of bargaining power, and thereby

IJV stability can be threatened by interpartner learning. Anecdotal evidence shows that interpartner learning is not just transferring existing knowledge. IJV partners synergize their resources and create new knowledge as well. Exploiting existing knowledge is not enough to explain the maintenance of an IJV after knowledge acquisition is accomplished.

These theoretical approaches provide the reasons for IJV formation, with only a few exceptions on the instability in the IJV (e.g., Inkpen and Beamish 1997), which concerns the long-term relationship after the venture is formed. In order to fill this literature gap, this research investigates cooperation and competition issues in interpartner learning, which is the primary factor in IJV instability. More specifically, this research investigates *why* IJVs compete and cooperate in organizational learning, and thereby how different types of interpartner learning lead to instability and/or stability in IJVs. In doing so, our understanding about both interpartner learning and IJV instability can be broadened significantly.

In the current interpartner learning theory (Inkpen and Beamish 1997), scholars have argued how competitive learning leads to IJV instability, but ignored another type of interpartner learning – joint learning. This type of learning works differently from competitive learning by facilitating IJV stability. Fang and Zou (2010) found that joint learning capacity is an important factor to stabilize IJV. Even though, learning capacity is different from learning behavior, we can get the idea that the whole picture of interpartner learning in IJV is truncated without joint learning. For the completeness of the theory, it is compelling to investigate competitive learning and joint learning simultaneously. Nevertheless, their study does not further investigate the cause of the

learning capacity. In order to proactively apply interpartner learning, we need to understand what factors cultivate the ground for competitive learning and joint learning. The theoretical gap that needs to be bridged is that the research about the antecedents of interpartner learning is still absent. Research about the antecedents of interpartner learning can provide prescriptive suggestions for managers to avoid unplanned instability. I will investigate four groups of variables: resource structure, knowledge characteristics, relational mechanism, and partner fit.

From a resource dependence view, all firms have resource constraints and have to depend on external resources. How resources are structured at the founding of an IJV may have a long-lasting effect on the IJV's activities (Makadok 2001; Yan 1998). IJV interpartner learning is based on the resource contributions of partner firms. Therefore, I will study the asymmetry in resource commitment, total resource commitment, and resource complementarity in the resource structure group.

The content and/or outcome of learning – knowledge is an relevant element of this research. When we discuss interpartner learning in IJVs, the cost of learning and the nature of knowledge have to be taken into consideration. In many cases, the cost of knowledge acquisition will largely depend on the characteristics of knowledge (Szulanski 1996). For example, tacit knowledge requires more personnel effort to learn, which leads to higher cost in knowledge acquisition. Will IJV partners avoid absorbing the knowledge, but approach more cooperation in learning, while such cost is high?

Relational mechanism and partner fit are important basis for IJV partnership. They facilitate the atmosphere of competition and/or cooperation. In other words, the

competition and cooperation embedded in the partnership can be leveraged by these two forces, which will be investigated as well.

The purpose of this study is to empirically investigate how the resource contribution structure, knowledge characteristics, relational mechanism, and partner fit are related to competitive learning and joint learning, and thereby affect IJV instability (see Figures 1 and 2). In other words, I will investigate the antecedents and consequences of competitive learning and joint learning. This will complete the theory of interpartner learning and enrich the understanding on IJV instability. The important roles of instability and interpartner learning in IJVs provide the compelling reasons to study the antecedents.

The contribution of this study will be threefold. First, I will provide a conceptual framework to identify the antecedents that facilitate competitive learning and joint learning. Given the importance of IJV instability and the influence of interpartner learning on IJV instability, it is imperative to determine what factors cultivate the grounds for competitive learning and joint learning in IJVs, and thereby influence IJV instability. Previous studies (Inkpen and Beamish 1997; Fang and Zou 2010) have focused on how learning can cause change in bargaining power between alliance partners, and thereby stabilize/destabilize IJVs, but failed to provide theoretical explanation for how such interpartner learning is incubated. This dissertation will broaden our understanding of both interpartner learning and IJV instability, with the knowledge of the antecedents of the two types of learning. When forming and maintaining an IJV, in order to foster a certain type of interpartner learning (competitive learning or joint learning), knowing the incubation factors, firms can purposefully deploy

their resources and invest for a trustworthy relationship, and especially select a right partner from the beginning. Thus, on the one hand, firms can reduce the cost caused by instability, on the other hand, cooperation and strategic dynamics in IJVs can be promoted to enhance the long-term partnership. This research will contribute to the literature streams of IJV instability as well as interpartner learning, in which researchers have previously limited themselves to purely conceptual models. This study will empirically enrich our understanding about interpartner learning and IJV instability.

Second, this study will verify the relationship between competitive/joint learning and IJV instability. It will investigate the degree of emphasis on each type of learning behavior and how such emphasis influences IJV instability. Here the degree of emphasis in either learning reflects the strategic direction of a firm. Fang and Zou (2010) found that joint learning capacity and absorptive learning capacity interactively influence partner interdependency, and thereby impact IJV instability. In the present study, I use a similar but different construct label competitive learning instead of absorptive learning, to emphasize the nature of competition in this type of learning. Additionally, I use a different approach to conceptualize, characterize, and measure competitive learning and joint learning, for which there are two reasons. Theoretically, using the emphasis of the behavior for conceptualization is easier to capture the construct scope, while learning capacity or actual behaviors are a little vague and broad to define. In their survey study, it might be difficult for managers to completely consider all aspects of capacity, as they may not be aware of the capacity happening among lower-level employees or in all departments. Emphasis of the behavior focuses on the tendency that has been applied in the organization. Technically, emphasis of behavior is easier to measure than capacity or

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actual behavior. This study will use perceptual measurement in interpartner learning. As the emphasis on learning can be perceived subjectively, managers can describe the degree of emphasis of either learning behavior specifically. In contrast, the degree of actual behavior or capacity of learning requires more objective estimation. Therefore, the measurement of learning emphasis would be more appropriate in the survey study.

Third, the setting of this research will be in China – the second largest economy in the world. Foreign direct investment in China rose to a record $105.7 billion last year, underscoring confidence that rising incomes will boost demand in the world's fastest-growing major economy. About 65% of foreign direct investment has been made through the form of IJVs in China (WTO 2010). Studying key issues about IJVs in China will provide critical managerial implications for global managers. Particularly, investigation of the mechanism of interpartner learning can direct researchers and managers to find pathways to stabilize IJVs. In addition, as an emerging market, China provides foreign investors with a variety of opportunities, challenges, and uncertainties. This context itself is important to study.

In the remainder of this manuscript, I will first review the literature of organizational learning and IJV instability as well as its relationship with interpartner learning. Next, I will develop research hypotheses to explicate the theoretical model, and finally describe the research design, sampling, study procedure, measurement, and the analysis plan.

CHAPTER 2: LITERATURE REVIEW

In this chapter, the literature review on organizational learning focuses on interpartner learning, the discussion about organizational learning will mostly concentrate on learning at the inter-organizational level. I will also review the background literature about IJV instability and its association with interpartner learning.

2.1. Organizational Learning

All organizations learn, whether they consciously choose to or not – it is a fundamental requirement for their sustained existence. As such, organizational learning (OL) is a very broad construct and can be applied to a variety of organizational situations. For example, Huber (1991) takes an information-processing perspective on OL; Nonaka and Takeuchi (1995a) emphasize OL in product innovation; March and Olsen (1975) are concerned with managers' influence on OL at the cognitive level. Generally OL literature has focused on the issues of unit of analysis, learning process, and learning content.

Learning can take place at the level of an individual (e.g., Holmqvist 2004), a group (e.g., Brown and Duguid 2001), and an organization/interorganization (Dyer and Nobeoka 2000; Jerez-Gómez et al. 2005). All organizations are composed of individuals, and they can learn independent of any specific individual, but not independent of all individuals. Psychologists, linguists, educators and other researchers have heavily researched the topic of learning at the individual level. Some researchers focus on behaviorism (e.g., Larsson et al. 1998), while others emphasize cognitive capabilities (e.g., Cohen and Levinthal 1990). Although learning begins at the individual level

(Argyris 2004; Cohen and Levinthal 1990), elements of that individual learning are incorporated into group learning. Researchers who studied OL at the social levels, i.e. group and organization (March 1991), have focused on dynamic capabilities and learning capacities (e.g., Fang and Zou 2010). Group/organizational learning is considered to be a social process (Nonaka and Takeuchi 1995a), and provides a forum for dialogue to take place (Crossan et al. 1999). What is learned within groups must be transferred to the organization and result in a change in the organizational schema (Crossan et al. 1999). The change in the organizational schema happens through the institutionalization of new structures, systems, processes and routines, which have been referred to as the organizational memory (e.g., Walsh 1995; Walsh and Ungson 1991).

OL is a multi-level and dynamic process, incorporating cognitive, behavioral and social elements. Some researchers (e.g., Crossan and Berdrow 2003) identify conceptually distinct stages of the learning processes. For example, Argote and Miron-Spektor (2010) review OL literature and summarize three subprocesses: creating, retaining, and transferring. Knowledge has to be created and retained before it can be transferred. But others argue for an interactive and continuous and recursive process (Nonaka 1994). Additionally, some scholars consider the learning process together with learning content, referring learning process as the changes in the state of knowledge (Lyles and Schwenk 1992), involving knowledge acquisition, dissemination, refinement, creation, and implementation: the ability to acquire diverse information and to share common understanding so that this knowledge can be exploited (Fiol 1994, p. 404) and the ability to develop insights, knowledge, and to associate among past and future activities (Fiol and Lyles 1985, p. 811).

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Argote and Miron-Spektor (2010) conceptualize a framework parsing OL to make it more tractable. They contend that OL is a process that occurs over time in a context. They identify three learning subprocesses: knowledge creation, knowledge transfer, and knowledge retention.

Knowledge creation occurs when a unit generates knowledge that is new to it. Argot et al. (2010) summarized that experience, organizational routines, practices, team member characteristics, alliance network, information system, and motivation all can affect knowledge creation. As the present research is about interpartner learning in IJVs, it is worth noting that Argote et al.'s argument about learning in alliances emphasizes that strong network ties can constrain new knowledge creation, when the ties are formed with similar others, because they limit the exposure to new information. It indicates that alliance partners with complementary resources are more likely to create new knowledge.

Knowledge retention focuses on both the stock and flow of knowledge in the organization's memory. Research examines the effect of organizational memory on organizational performance (Moorman and Miner 1997) and how organizations "reuse" the knowledge in their memory (Majchrzak et al. 2004). Research has examined whether knowledge acquired through organizational learning persists through time or whether it decays or depreciates (Argote and Miron-Spektor 2010).

With regard to knowledge transfer, current works have identified factors that facilitate or inhibit knowledge transfer and thereby explain the variation in the extent of transfer. These factors include characteristics of the knowledge (e.g., knowledge tacitness) (Szulanski 1996); characteristics of the units involved in the transfer such as their absorptive capacity (Cohen and Levinthal 1990), expertise (Cross and Sproull

2004), similarity between knowledge senders and knowledge recipients (Darr and Kurtzberg 2000), or location (Gittelman 2007); and characteristics of the relationships among the units, such as the quality of their relationship (Szulanski 1996; Zollo and Reuer 2010).

Because knowledge is recognized as the "content" of learning (Chiva and Alegre 2005; Nonaka 1994), many scholars also emphasize this aspect. Crossan et al. (1999) have integrated the levels of learning, learning process and learning content into a "4I model", which is a synthesis of organizational learning by looking at the transfer of learning from the individual to the group to the organizational levels, and provides insight into some of the internal elements that facilitate this learning transfer. The "4I model" includes intuition, interpretation, integration, and institutionalization and considers the socio-psychological processes of learning at each level of learning, especially when learning is transferred across these levels.

Intuition is the start of learning. It happens at the individual level in the subconsciousness and involves some form of pattern recognition (Weick 1995). This process can affect the intuitive individual's actions, but it affects others only when they attempt to interact with that individual. Interpretation focuses on the development of shared understandings and perspectives at a group level through communication and interaction. Interpretation is the explaining through words and actions, of an insight or idea to one's self and to others. This process goes from the preverbal to the verbal, resulting in the development of language. Integration is the bridge that translates the shared understanding from the group to the organizational level. Dialogue and joint action are crucial to the proliferation of shared understanding. This process will initially

be ad hoc and informal, but if the coordinated action taking is recurring and significant, it will be institutionalized. Finally, institutionalization is the process of ensuring that routinized actions occur. Tasks are defined, actions specified, and organizational mechanisms put in place to ensure that certain actions occur. Institutionalizing is the process of embedding learning into the organization, and it includes systems, structures, procedures, and strategy.

The 4I model presents a valuable synthesis of OL by looking at the transfer of learning from the individual to the group to the organizational level, and it provides insight into some of the internal drivers that facilitate this learning transfer. Because this process flows from one into another, it is difficult to define where and when one ends and the next begins. But clearly, intuiting occurs at the individual level and institutionalizing at the organizational level. Interpreting, however, bridges the individual and group levels, while integrating links the group and organizational levels. This theoretical model illustrates how learning behaviors occur at different levels, and also provides a theoretical foundation for inter-organizational learning in strategic alliances.

Based on the discussion above, we understand that knowledge management occurs across boundaries. The boundary could be between occupational groups (Bechky 2003), between organizational units (Darr et al. 1995), or between geographic areas (Tallman and Phene 2007). Understanding the translations that happen at the boundary is an important area of current research (Carlile 2004; Tallman and Phene 2007). An important research question in the area of knowledge transfer is how to manage the tension between facilitating the internal transfer of knowledge within organizations (e.g., IJVs) while preventing external leakage or spillover outside the organization (Kogut and

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Zander 1992). Firms need to balance transferring knowledge internally with keeping the knowledge in a form that is hard for other firms to imitate (Rivkin 2001). Such imitation can be detrimental to the partnership, because the dependency is attenuated after the knowledge is transferred or absorbed. Empirical research is needed to test hypotheses about how to reduce the tension between partners caused by competitive learning in IJVs. Another exciting research question pertains to the balance between new knowledge creation and knowledge transfer in IJVs.

Carlie (2004) developed a framework examining knowledge management across boundaries. He integrated three communication complexity levels and three different boundaries into a single framework. At the syntactic level and information-processing boundary, the primary focus is on the movement of knowledge in organizations – "knowledge transfer" (Argote 1999; Szulanski 1996; Winter 1987). The relations between senders and receivers of knowledge characterize a boundary. At this level, the primary concern is "processing" or transferring knowledge across this boundary.

At the semantic level and interpretive boundary, when new requirements and new learning actors are present, interpretive differences in wording, measurement, or outcome limit the effective management of knowledge between actors. Researchers who adopt an interpretive approach recognize how different domains naturally generate interpretive differences and so emphasize processes that help create "shared meanings" (Dougherty 1992) or mechanisms "to reconcile discrepancies in meaning" (Nonaka and Takeuchi 1995b, p. 67). Generally, as individuals participate in similar activities, they develop shared meanings (Carlile 2004).

The transition from a semantic to a pragmatic boundary arises, when actors have different interests (James 1907). Under this circumstance, domain-specific knowledge and the common knowledge may need to be transformed to effectively manage knowledge at this boundary. A focus on pragmatic boundaries recognizes that knowledge is invested in practice and so is "at stake" for actors who have developed it (Carlile 2004). At this level, common interests are developed to transform knowledge and interests and provide an adequate means of sharing and assessing knowledge at a boundary.

Interpartner learning, namely the OL at the inter-organizational level, involves knowledge management, goes through the process from intuition to institution, and particularly in IJVs, it happens across a boundary. Therefore, the focus is narrowed down to a discussion of the OL between IJV partners.

2.2. Interpartner Learning

As interfirm alliances have become increasingly common due to globalization, deregulation, and the accelerating pace of technological change, these cooperative arrangements have taken many forms, such as joint marketing, R & D partnership, and equity-based joint ventures. Alliances have become important vehicles for organizational learning. Das and Kumar (2007) summarize three kinds of learning that occur in strategic alliances: 1) partner-specific learning, 2) content learning, and 3) alliance management learning (see table 1).

Table 1. Competitive versus Cooperative Dimensions in Interpartner Learning

	Partner-specific Learning	Content Learning	Alliance Management Learning
Definition	Partner-specific learning entails the use of the alliance as a mechanism for learning about the motivation and capability of another partner to maximize value creation (Das and Kumar 2007).	Content learning refers to the ability of an alliance firm to acquire and internalize knowledge from its partner (Das and Kumar 2007).	Alliance management learning focused on the alliance experience gained and the organizational processes that may allow the alliance to profit from such experience (De Man 2005)
Competitive Dimension		Absorptive capacity Absorptive learning Competitive learning Knowledge absorption Knowledge acquisition	Absorptive capacity Absorptive learning Competitive learning Knowledge absorption Knowledge acquisition
Cooperative Dimension		Reciprocal learning Joint learning Collective learning Common learning	Reciprocal learning Joint learning Collective learning Common learning
Others	Vicarious learning Grafting learning	Grafting learning Vicarious learning	Grafting learning

Partner-specific learning entails the use of the alliance as a mechanism for learning about the motivation and capability of another partner to maximize value creation (Das and Kumar 2007). Partner-specific learning is crucial in determining whether or not an alliance gets formed, because the motivation and ability of a member firm to act in ways that will maximize joint value creation are clearly very important in sustaining and deepening commitment in the alliance. This type of learning entails the

use of the alliance formation as a mechanism for learning about the motivation and capability of the partner (Das and Kumar 2007).

Content learning refers to the ability of an alliance firm to acquire and internalize knowledge from its partner. This type of learning can alter the bargaining power among the member firms, if one of the partners outlearns the other (e.g., Hamel 1991; Inkpen and Beamish 1997). The firm that outlearns its partner may apply the knowledge it has gained to its own product domains, leading to superior economic performance, which will afford the opportunity to either abandon its alliance partner or renegotiate for more favorable terms of collaboration.

Finally, alliance management learning relates to a firm's ability to manage alliance effectively. It is focused on the alliance experience gained and the organizational processes that may allow the alliance to profit from such experience (De Man 2005). Following Zollo and Winter (2002), one can conceive of alliance management learning as "a dynamic capability…through which the organization systematically generates and modifies its operating routines in pursuit of improved effectiveness" (p. 340). They indicate that the development of dynamic capability is dependent on the amount of learning investment that the member firms are willing to make.

This typology articulates the three dimensions of interpartner learning in strategic alliances across the stages of formation, operation, and outcome in strategic alliances. For the formed IJVs, the partner-specific learning, which usually happens at the stage of partner selection, may not be quite applicable in this study, which concerns learning after the IJV is formed. In the present paper, the two types of interpartner learning that I will discuss only concern the content learning and alliance management learning.

Lubatkin et al. (2001) draw a distinction between interpartner collaborations that involve vicarious learning, knowledge grafting learning, knowledge absorption learning, and reciprocal learning. In vicarious learning, the knowledge to be transferred between firms can be acquired through a learning-by-watching process. Firms usually attempt to borrow the strategies, administrative practices, and especially technologies (Czepiel 1975; Sahal 1982) from other firms. For example, manufacturers such as computer companies have for years routinely examined in detail their competitors' products as they appear in the marketplace (Eells and Nehemiks 1984).

Knowledge grafting learning is applicable in mergers and acquisitions (Huber 1991; Lubatkin et al. 2001), in which organizations can increase their knowledge by grafting on new members who possess the knowledge not previously available to the organization, where the focal company takes over the grafted knowledge and exercises a full control over the acquired resources.

Knowledge absorption provides opportunities for a firm to access an alliance partner's resources or knowledge. In absorptive learning, when partners attempt to absorb knowledge from each other, a learning race can develop. The first to accomplish their learning goals can disadvantage the other (Hamel 1991). Cohen and Leventhal (1990) offer the most widely cited definition of absorptive learning capacity, viewing it as the firm's ability to value, assimilate, and apply new knowledge. A similar concept of competitive learning (e.g., Larsson et al. 1998) has been used frequently in absorptive capacity literature. It also carries the meaning of absorbing knowledge from the partner, and more importantly, it stresses the competition in interpartner learning. Thereby, competitive learning is a better construct to characterize the learning race between IJV

partners, while absorptive learning may also include knowledge transferring which is necessary for the IJV management. Thus, competitive learning can be defined as the emphasis that one partner places on absorbing knowledge from the other partner in a learning race to reduce dependency on the partner.

Other than the above three types learning in alliance, Lubatkin et al. (2001) conceptualize a new form of collaborative relationship, "reciprocal learning," in which both firms tend to co-experiment and leverage each other's unique, but complementary, knowledge structures to create new knowledge. A similar construct that Fang and Zou (2010) empirically investigated is "joint learning" in IJVs. They conceptualize joint learning capacity as the ability of the IJV partners to develop IJV-specific organizational infrastructure (i.e., systems, rules, routines, and processes) and communication channels to integrate partners' knowledge, create a new knowledge base for the IJV, and institutionalize new knowledge in the context of the IJV. It is an IJV-level construct that captures the degree of partners' cooperation and involvement in developing IJV-specific organizational infrastructure and communication channels aimed at creating, integrating, and institutionalizing knowledge for the IJV. Based on their definition, joint learning can be defined as the emphasis in integrating partners' knowledge, creating a knowledge base for the IJV, and institutionalizing new knowledge in the context of the IJV. Here the new knowledge is about the IJV-specific knowledge of systems, rules, routines, and processes. Behaviors can be represented by the effort made on joint learning, time and resources allocated for joint learning, and partners willingness in participate in joint learning. These specific behavioral dimensions capture the latent meaning of joint learning, from the perspective of both conceptualization and operalization. Competitive learning and joint

learning are the focal constructs in this study. Both constructs characterizes competition and cooperation in interpartner learning, which plays an important role in influencing IJV instability.

In learning alliances, the tension between cooperation and competition greatly influence the choice of learning activities. In IJVs, a partner may adopt a competitive approach to exploit existing knowledge of the other party, or it may choose a cooperative approach to co-create and explore new knowledge with the partner. The competition and cooperation dimensions in interpartner learning is the focus of this literature discussion.

2.2.1. Competitive versus Cooperative Dimensions in IJV interparnter learning

Larsson et al. (1998) describe a conceptual work about cooperative learning and competitive learning. They admitted that competition is a productive form of coordination of independent economic activities as it energizes and rewards the actors to spend maximum efforts in trying to outperform their partners. If the economic activities are interdependent, in the interpartner learning situation, competitive efforts to win at the expense of others can detract and disturb efforts to produce a better joint outcome (Larsson et al. 1998). Combining the two different types of learning (i.e., cooperative vs. competitive learning) they arrive at the traditional dichotomy between collaboration and competition. This results in the trade-off between the common interest in efforts spent on producing a greater joint outcome and individual interests in efforts spent on securing a greater individual advantage from this interpartner learning (Larsson et al. 1998).

Khanna, Gulati, and Nohria (1998) used the terminology of "common benefits" and "private benefits" to describe gains that IJV partners get from the alliance. Common benefits refer to those that accrue to individual partners in an alliance from the collective

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application of the learning that occurs as a consequence of being part of the alliance, while private benefits are those that a firm can earn unilaterally by picking up skills from its partner and applying them to its own operations, which may be unrelated to the alliance activities. When two-partner alliances composed purely of private benefits wherein each partner expects to get something from the other, partners' racing behavior may lead to cut-throat competition. However, when all partners share the common benefit stream, they are more likely to cooperate to realize common benefits and reduce the racing behavior.

Inkpen (2000) suggests that the "collective learning" underpins common benefits, and primarily involves learning about the partner in an environment that enables more efficient cooperation. Khanna et al. (1998) indicated that "learning with" a partner is to earn common benefits and "learning from" a partner is to earn private benefits. They believe that conditions with the mix of private and common benefits may vary and result in greater or lesser racing behavior, because the temptation to race – motivated by the prospect of earning private benefits and by the threat of being excluded to get any benefits if another partner earns private benefits first and terminate the alliance – is increasingly balanced by the incentive to cooperate in the earning of common benefits.

There is an interpartner learning dilemma. Partners may be motivated to pursue the maximum organizational share in the learning by taking more knowledge than it gives. This competitive learning will result in gaining more knowledge and power relative to the other partner, but this exploitation may thrust the other partner into a competitive learning race too. However, learning also requires the partners to know how to cooperate effectively in order to realize common benefits. Existing literature about

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interpartner learning theory stresses absorptive capacity or competitive learning. The interpartner learning theory has only embodied the competitive dimension of learning in strategic alliances. Its primary focus is still locked in a "race to learn" with partners. More recently, we have seen concepts like joint learning, collective learning, or cooperative learning in the literature. These different labels convey the nature of cooperation and denote "learn with the partner." Yet not enough conceptual work and empirical studies have investigated this kind of learning and what kind of role joint learning plays in IJVs? Many conceptual papers (e.g., Inkpen and Beamish 1997) argue that interpartner learning will result in IJV instability. But their conceptualization about interpartner learning is confined to competitive learning or absorptive learning. As the scope of interpartner learning should be broadened to embody joint learning, we cannot help wondering how it can influence the IJV instability.

2.2.2. Why Competitive Learning and Joint Learning?

As discussed previously, there are many different types of learning (e.g., Lubatkin et al. 2001). However, I plan to focus on competitive learning and joint learning in the context of IJVs for the following reasons. First, grafting learning and vicarious learning are not discussed in the present paper. That is because grafting learning is related to mergers or acquisitions, and more importantly, it implies a static learning relationship. When knowledge is grafted to a new entity, the company that sells the resource or knowledge will have little control over the resource/knowledge. As this paper emphasizes the learning dynamics in IJVs, grafting learning will not be in the scope of the discussion. In vicarious learning, the knowledge can be acquired through a learning-by-watching process, such as how to make an accounting statement. As this type of learning is based

on the observation of other firms' experience, and can be relatively shallow and does not involve interactions between partners, it may have limited impact on IJV instability. Besides, it is typically not the type of knowledge, in which IJV partners are interested. Therefore, this dissertation will present a model that is only about competitive learning and joint learning.

Second, Doz and Hamel (1998) contend that attempts by organizations to relate their environments in cooperative ways have been characterized as joint learning. Common benefits are important incentives to drive firms to jointly learn with partners. Joint learning captures the cooperative and explorative attributes in interpartner learning, while competitive learning emphasizes "learning race." Previous research (e.g., Inkpen and Beamish 1997) suggests that competitive learning is an important driver of IJV instability, highlighting the competitive incentives in the alliance. However, past research has ignored that the cooperative learning approaches can actually facilitate stability. Competitive learning or joint learning alone in learning alliances provides an incomplete picture. Against this background, this study will extend our understanding about interpartner learning and its influence on IJV instability by simultaneously incorporating competitive learning and joint learning.

2.3. IJV Instability

Prior research demonstrates significant differences in the conceptualization and operationalization of IJV performance. Several measures of joint venture performance have been used in prior research. Scholars consider the IJV as an independent entity and use IJV instability or financial output as the performance indicator. Other researchers use

the parents' perspectives to measure IJV performance, focusing on parent firms' satisfaction or the extent to which the IJV achieves parent firms' goals. Among these measurements, instability measurement has the benefit of indicating the strategic direction of the IJV (Anderson 1990). However, as the definition of instability has varied across researchers, the understanding of the relationship between instability and performance remains ambiguous.

Harrigan (1988) regards duration and sponsor-perceived success as well as stability as indicators of IJV performance. According to her results, 66.7% of "unstable" joint ventures were judged as unsuccessful by one or more sponsors, which indicates a high correlation between instability and partners' assessment of performance. Some studies (e.g., Dhanaraj and Beamish 2004; Killing 1983) have used IJV longevity as a sign of IJV success and termination as a sign of IJV failure. However, other researchers have questioned this linkage between instability and performance. Berg and Friedman (1978a) documented several cases in which an IJV was terminated, not because of failure but as an outcome of success. They argue that a successful IJV can become critical to one of its parents' overall businesses, therefore prompting this parent to turn the venture into a wholly owned subsidiary. Gomes-Casseres (1989) also argues that IJVs may be terminated because they have successfully accomplished their initial objectives. In fact, many successful IJVs were found to undergo structural changes, but they did so as adaptive actions to changed external environments or internal strategies of their parents (Gomes-Casseres 1989; Yan and Gray 1994).

Inkpen and Beamish (1997) contend that instability should be linked with unplanned equity changes or major reorganizations. This kind of instability will result in

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premature termination of an IJV, either when one partner acquires the JV business or the venture is dissolved. Here a complicating factor is that termination of an IJV will not always be a mutual decision (Hamel 1991; Parkhe 1991). The premature termination of an IJV may be precipitated by the actions of one partner. In other words, if one of the partners anticipates a long-term relationship, but the other does not, premature termination of the venture would constitute instability. Therefore, instability can be defined as a major change in strategic direction, contracts/agreement, ownership and/or management structure, or partner relationship status between partners in the IJV, which is unplanned and premature from one or both partners' perspectives (Inkpen and Beamish 1997; Yan and Zeng 1999; Fang and Zou 2010). This definition broadens the scope where instability can apply, and simultaneously emphasizes the unpredictability of changes in IJVs.

Inkpen and Beamish (1997) suggest that instability can result in premature termination of an IJV: on that either one partner acquires the IJV business or the venture is dissolved. The termination of an IJV may not be a mutual decision (Hamel 1991; Parkhe 1991), but may be precipitated by the actions of one partner. The instability of IJVs is often associated with shifts in partner bargaining power. Shifts in the balance of bargaining power occur when partners of an IJV acquire sufficient knowledge and skills to eliminate a partner dependency and make the IJV bargain obsolete (Inkpen and Beamish 1997). For example when one firm tries to learn from its partner in order to reduce its dependency, it may have very different longevity objectives than the partner that is providing the knowledge. Thus, a terminated relationship would be regarded as unstable, because termination was premature from the perspective of the partner that is

not ready for the termination. If at least one of the IJV partners expects a long-term relationship, premature termination of the venture would constitute instability.

Hamel (1991) proposes that the most important determinant of partner bargaining power in alliances was the ability to learn. A firm that can learn quickly is able to acquire another partner's skills, thus reducing its dependence and increasing bargaining power. Here the learning that can acquire partner skills is competitive learning. Most studies about interpartner learning in IJVs are focused on competitive learning and how it can change the power structure and cause instability within IJVs.

There are a few empirical studies and anecdotal evidence showing that competitive learning can destabilize an IJV. Gomes-Casseres (1987) has investigated ownership instability in IJVs. This argument is that partners' acquisition of new capabilities is a critical reason to lead to the dissolution of joint ventures. Usually a multi-national enterprise (MNE) will enter a joint venture to benefit from the experience with another firm. After the MNE has acquired the needed capabilities, perhaps from the local partner of the IJV, it will no longer need the local firm and may convert the IJV into whole ownership. MNEs often keep local partners involved in the business while they are learning to operate in the foreign environment, and they buy out the partners after acquiring sufficient experience. In his data, 27% of acquisition joint ventures eventually became wholly-owned, compared to 10% of greenfield joint ventures. However, in this paper, he just showed descriptive statistics about the ownership change rates in IJVs; there were no measures of competitive learning per se.

Nakamura (2005) show that IJV partners' learning from their own IJV partners is an important source of the observed dynamic instability of IJVs. Its empirical findings

show that Japanese partners usually learned faster than their foreign partners in IJVs, especially in technology-based IJVs. Their foreign partners also predicted that their power position and ownership would be undermined based on the learning situation. Nakamura concluded that the findings were consistent with the observation in the literature that IJVs are typically unstable over time, and competitive learning plays a major role in such instability.

Collective learning, collaborative learning, or joint learning has been mentioned in several works (Larsson et al. 1998), but few has associated it with IJV stability yet. Joint learning does not just facilitate new knowledge creation, but also enhances partner interdependency and reduces IJV instability (Das and Teng 2000; Fang and Zou 2010). Fang and Zou (2010) emphasize that IJV partners can engage in cooperative and synergistic learning to develop IJV-specific knowledge, routines, rules, and processes that benefit both partners. The IJV-specific knowledge facilitates organizational integration and thereby can stabilize the IJV. They also advocated that to better understand IJV instability, one needs to expand the existing interpartner learning theory by incorporating IJV joint learning in a broader framework.

Existing interpartner theory only projects a partial picture of the mechanism of interpartner learning in IJV instability. Two different types of interpartner learning facilitate IJV stability differently. Since IJV partners' competitive learning and joint learning tend to have different effects on IJV instability, in order to better understand IJV instability, I propose to scrutinize the *antecedents* of both types of learning. The investigation of antecedents of interpartner learning would help us understand how to lay the seeds for certain type of interpartner learning. More specifically, this study will

investigate how resource structure, relational mechanism, and partner fit influence specific interpartner learning, so firms can be proactive in their strategic direction choice. For example, if IJV stability is strategically important, firms aiming to have a long-term IJV relationship should attempt to engage in more joint learning rather than competitive learning. But in order to cultivate joint learning in the IJV, firms need to be proactive in negotiating the resource contribution structure, developing partner relationships, and selecting partners that fit the joint learning environment. In the next chapter, I will elaborate on how resource structure, relational context, and partner fit can facilitate competitive learning versus joint learning.

Summary

In order to better understand competitive learning, joint learning, and their relationship with IJV instability, I reviewed the literature in the field of organizational learning, in terms of learning processes, unit of analysis, content, and boundary. Particularly, I discussed different types of interpartner learning and rationalized the necessity to study competitive learning and joint learning.

In addition, I reviewed the literature on IJV instability. This construct has been regarded as a performance detector in IJVs. Based on previous studies, I extended the scope of instability and emphasize the unpredictable change in this construct. Particularly, the literature about its association with interpartner learning has been discussed to solidify the theoretical background for the conceptual development.

CHAPTER 3: CONCEPTUAL FRAMEWORK DEVELOPMENT

Theoretical Model Overview

The proposed theoretical model examines the antecedents and consequence of interpartner learning in IJVs, and the model can be disected into two parts: 1) the relationship between interpartner learning and its antecedents, 2) the relationship between interpartner learning and IJV instability.

With regard to the antecedents of the model, I will investigate resource structure (e.g., Sarkar et al. 2001), knowledge characteristics (e.g., Minbaeva 2007), relational mechanism (e.g., Li et al.), and partner fit (e.g., Luo 2007). A firm's resources are the basis for learning (Grant 1991), and it is important to investigate the relationship between resource structure and interpartner learning. Yan (1998) argues that resource mix has two important features: *amount* of resource and *domain* of resource. Based on these two features, resource commitment asymmetry, total resource commitment, and resource complementarity are used to characterize resource structure in the present research.

If resource asymmetry is great it will cause a big power imbalance, and thereby the more powerful partner will have incentives to dominate the relationship through competitive learning. However, the well balanced resource commitment will attenuate this situation and encourages IJV partners to engage in more joint learning, especially when both partners commit a large amount of resource. In addition, resource complementarity can facilitate both competitive learning and joint learning. On the one

hand, complementary resource incubates new knowledge; on the other hand, its value attracts partners to learn from each other.

Valuable knowledge embedded in complementary resources can be beneficial to learn, but IJV partners still have to seek the feasibility of knowledge acquisition. For example, if the knowledge is too tacit to acquire, firms may forgo the opportunity of competitive learning, or engage in more joint learning instead. The characteristics of knowledge can determine the choice of learning.

IJV partners' relational mechanism is an environmental factor for interpartner learning (Inkpen and Currall 2004). The relationship quality within the IJV will determine which learning emphasis the partner will adopt. When the outcome distribution and operation procedures are perceived unfair, we may anticipate more competitive learning and opportunistic activities in IJVs, while joint learning will be less likely to happen. The same rationalization can be applied in the relationship between trust and interpartner learning.

In the basket of partner fit, I examine the effects of goal congruency, interfirm rivalry, and cultural compatibility. Previous researchers have frequently examined this group of variables in IJV studies (Luo 2002; Madhok and Tallman 1998; Park and Ungson 2001), so as to better understand IJV partner compatibility. As a partner interaction process, interpartner learning requires attention to the respect of partner fit as well. I propose this group of variables should have main effects on both competitive learning and joint learning. The more congruent IJV partners' goals, the more joint learning will be adopted. When goals are in conflict, IJV partners may have more competitive learning. For the same token, interfirm rivalry is positively related to

competitive learning, but negatively related to joint learning. Lastly, as to the communication between IJV partners, cultural compatibility is proposed to be positively related to joint learning, as it facilitates cooperation, understanding, and integration, but it is negatively related to competitive learning.

With regard to the consequence of the model, I propose competitive learning will be positively related to IJV instability, as it urges firms to acquire partners' knowledge and capabilities, and very likely a "learning race" will be fired under this condition (Inkpen and Beamish 1997). As one firm learns faster than its partner, it gains bargaining power and may demand changes, resulting in the IJV instability. In contrast, joint learning acts as a force to stabilize IJVs, because it advocates cooperation, common benefits, and integration (Larsson et al. 1998). Since IJV-specific knowledge developed in joint learning cannot be applied outside of the IJV, partners become interdependent and would be motivated to keep a more stable relationship in the IJV. To a large extent, instability is avoided in such a circumstance.

In the rest of this chapter, I will discuss each specific relationship one by one.

3.1 Resource Structure

Organizations are not internally self-sufficient, and need to procure resources from the external environment. The constraints in resources induce the interpartner linkages, which are also recognized as "a logic of strategic resource needs" (Eisenhardt and Schoonhoven 1996, p. 173). According to the resource dependence theory (Salancik and Pfeffer 1978), interpartner relations are developed to better manage a firm's dependence on the other firms' resources. IJVs have been one of the strategic alliances

used to fill resource gaps (Dowling and McGee 1994). Because interpartner learning in IJVs is based on the resources contributed by partner firms, it is important to understand how the resources are structured. Yan (1998) concluded that the resource mix has two critical features that may leave a lasting effect on IJV's power structure. First, the specific types of resource contributed by a partner may significantly affect the particular *domains* in the venture's operation (Blodgett 1991). Second, the relative *amount* of critical resources contributed by the sponsors constitutes the key source of partner relative bargaining power (Killing 1983; Yan and Gray 1994). Both resource domains and resource amount are important issues in IJV resource structure. The present study deals with how the resources of different domains from different partners are complementing each other and how much resource is committed in the IJV.

From the resource-based view, the resource-picking mechanism (Makadok 2001) reflects how firms identify new resources to acquire (e.g., seek for resources for a joint venture), and how they will use the resources to combine with their preexisting stocks of resources (e.g., newly acquired resources need to complement existing resources). Interpartner learning is one of the most important approaches to synergize and integrate the resources (Makri et al.). Particularly, the resource commitment and resource complementarity, as basic structural attributes of IJV's resources, may have a different influence on different types of interpartner learning. For resource commitment, because partners have different resource commitment levels, this study will look into the asymmetry of partners' resource commitment and total amount of their resource commitment, and discuss how they work with each other to influence learning behaviors.

I will also hypothesize how the resource complementarity works with knowledge characteristics to influence learning behaviors.

3.1.1. Resource Commitment

Commitment at the organizational level plays an important role in various forms of strategic alliances. If partners view an alliance as a long-term commitment, both are more likely to benefit from the long-term prospects of the alliance, but less likely to take advantage of the other partner or withhold cooperation (Gulati et al. 1994; Muthusamy and White 2005). Commitment can be both behavioral and psychological. Psychologically, in many alliance studies, commitment is defined as the willingness of partner firm to maintain a stable relationship and the degree to which an alliance partner expects the alliance to continue into the future (Anderson and Barton 1992; Shamdasani and Sheth 1995). However, the present study is focused on the behavioral commitment - the commitment of resources to the IJV (Cullen et al. 1995).

According to Amit and Schoemaker (1993), resources are defined as stocks of available factors that are owned or controlled by firms. Resources are converted into final products or services by using a wide range of other firm assets and bonding mechanism (i.e., technology, management information systems, incentive systems, trust between management and labor, etc.). These resources consist of knowhow that can be traded (e.g., patents and licenses), financial or physical assets (e.g., property, plant and equipment), human capital, etc. (Amit and Schoemaker 1993). Here, the resource commitment reflects how much resource contribution has been made to the IJV. Therefore, resource commitment can be defined as dedicated assets of knowhow that can be traded, financial or physical assets, human capital, etc. This definition is broader than

that of Hill, Hwang, and Kim's definition (1990) of resource commitment as dedicated assets that cannot be redeployed to alternative uses without cost, and these assets may be tangible (e.g., physical facilities) or intangible (e.g., management know-how). The latter definition is more like the relationship-specific investment. As resources determine the capabilities and behaviors that can be developed in strategic alliances, I will focus on the resources in a broader sense. The committed resources constitute an assurance that the IJV partners are committed to each other.

Asymmetry in resource commitment exists in relationships where one partner shows more resource commitment than the other. For example, when an IJV is founded, and the foreign firm may provide its proprietary technology, management know-how, and capital investment, while the local firm only provides the marketing consulting services and physical facilities. This foreign partner may have committed more resources than the local one. The different levels of resource commitment can create an asymmetry. The disproportionate resource commitment can lead to contrary incentives and motives (Gundlach et al. 1995), and thereby both high contributors and low contributors may adopt different learning behaviors.

Partner firms may contribute different amount of knowledge and skills to their IJVs. The discrepancy in the extent of resource commitment between partners may cause a competitive learning race in the IJV. For instance, because of the strategic importance of the IJV or the increased importance of the local market, if the foreign partner has committed more resources than the local partner to the IJV (Harrigan and Newman 1990), it will have strong incentives to actively acquire the local knowledge and dominate the relationship (Inkpen and Beamish 1997). Thus, the firm with more resources

committed tends to be motivated to acquire its partner's knowledge, and finally turn the IJV into a subsidiary.

To a great extent, the power structure is also determined by the magnitude of resource commitment. The more resources are committed by the partner, the more power the partner is supposed to have in the IJV. From the perspective of power structure, the partner with more resources committed in the IJV has more power of control over the other partner. This power asymmetry grants the more powerful partner a situation, in which it can gain more access to the less powerful partner's knowledge base. Because of the power pressure, in order to maintain a good relationship or achieve the parent firm's strategic purpose in the IJV, the less powerful partner may have to compromise by providing proprietary information or know-how upon its partner's request. Therefore, the IJV partner with greater resource commitment is likely to approach competitive learning activities in IJVs.

The competitive learning is not just one direction in this asymmetry situation. As it commits less in the alliance, it cares less and may tempt to exploit the advantage of the alliance (Gundlach et al. 1995). According to Jap (1999), The firm with less resource committed was found to have more opportunistic behaviors, which means it will be more likely to engage in competitive learning to pursue its private benefits but forgo the common benefits. Therefore, asymmetric resource commitment will cause both partners to undertake more absorptive learning.

H1a. Asymmetry in resource commitment between the IJV partners is positively related to competitive learning.

Williamson (1985) argues that reciprocal commitment inputs can lead to stable long-term relationships through aligning participants' incentive structures and enhancing their confidence in each other. Under these conditions, engaging in *just* private benefit pursuit is contrary to the interests of each partner who commits comparable resources to the IJV. Resource commitments by both parties act as powerful signals of the quality of collaboration and set the stage for trust building in the alliance. Comparable amount of resource commitment heightens the common-interest stake and partner interdependency in collaboration (Gundlach et al. 1995). It can help reduce the competitive learning race, and prolong alliance stability (Wu and Cavusgil 2006). Well balanced resource commitment can help build a stronger relationship with partners in this complex process of combining joint resources to create higher rents for the IJV.

As the power is well balanced between the two partners, they both can jointly participate in decision making. Not either of them can dominate the relationship and dictatorially determine the rules, systems, and processes. Thus, the well balanced resource commitment can lead to egalitarian participation from both partners, while constraining despotism. Thus, joint learning activities are anticipated to be more likely to happen in the IJV.

H1b. Asymmetry in resource commitment between the IJV partners is negatively related to joint learning.

While asymmetry in resource commitment is an important aspect of IJV resource structure, the magnitude of the total resource commitment in the IJV also matters in determining partners' learning emphasis. When a firm dedicates a great deal of resource into the IJV, it shows major behavioral commitment to the alliance. The magnitude of

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behavioral commitment explicitly reflects the long-term value and potential development in the market. In other words, the significant amount of the resource commitment signals the worth of the knowledge/skill dedicated by the partner(s). For example, intellectual property or proprietary technology can be the most expensive resource in the IJV.

In an IJV, where knowledge is valuable, resources are expensive, and the total value of the company assets is substantial, partners can be motivated to commit competitive/absorptive learning to acquire the valuable knowledge/skills for their private interests. Specifically, an IJV partner's competencies embedded in resources of large amount and high value must be attractive, and attractive enough to induce the intent of competitive learning from its partner. It happens this way, because weak partners or partners without valuable knowledge/skills would not be selected at the first place, when the IJV that requires substantial resource commitment was forming.

More competitive learning may occur in IJVs with considerable resource investment. On the contrary, less total resource commitment cannot provide the breeding ground for competitive learning, because basically not much valuable resources available for knowledge acquisition. Competitive learning is expected to be less in IJVs, whose total resource commitment is low, as no adequate amount of useful knowledge or enough incentives for competitive learning.

H2a. Total resource commitment by both IJV partners is positively related to competitive learning.

Both IJV partners are supposed to shoot for a long-term goal by investing considerable amount of resource in the IJV. When a firm's resource commitment is high, the learning behaviors will tend to emphasize cooperation and common benefits, instead

of competition and private benefits. The pursuit of common benefits and long-term goals will urge IJV partners to jointly create value, expand knowledge base, and emphasize collective growing opportunities.

H2b. Total resource commitment by both IJV partners is positively related to joint learning.

3.1.2. Resource Complementarity

It is difficult for a single firm to possess all resources needed to develop and sustain current competitive advantages while trying simultaneously to build new ones (Child and Faulkner 1998; Dyer and Singh 1998). Resource complementarity and its associated learning opportunities are critical reasons for firms to be involved in IJVs (Beamish and Banks 1987). Lambe et al. (2002) define alliance resource complementarity as the degree to which partner firms are able to eliminate deficiencies in each other's portfolio of resources and thereby bolster each party's ability to achieve business goals. Siecor, an alliance between Siemens and Corning, provides an example. In this JV, the partners brought together their complementary capabilities in telecommunications and glass technology to build an independent organization with its own headquarters, CEO, board of directors, and staff. Here the joint venture can be regarded as a vehicle for bringing together mutually reinforcing resources covering different aspects of knowledge. The combined value of the complementary resources is greater than their cumulative value in isolation.

Generally, complementary resources allow parent firms to combine resources with their own resource sets, thereby creating a resource bundle for the joint venture that provides unique and difficult-to-imitate value (Harrison et al. 2001). Two firms with

highly similar resources may be able to achieve economies of scale and greater market power from the collaboration, but they may not be able to develop other valuable potential synergies as a result of their integration. In contrast, integrating different, yet complementary resources presents opportunities for synergy derived from economies of scope (Harrison et al. 2001). Synergy through resource complementarity provides value added and the consequent inducement to contribute toward the relationship.

Song et al. (2005) investigate the complementarity (interaction) of marketing capabilities and technological capabilities. They find that the interaction effect does impact JV's performance in the high-turbulence environment. Park, Chen, and Gallagher (2002) suggest that different types of resources and their interactions have critically different effects on alliance formation. For example, the results show that financial resources have a direct effect, but no interaction effect, on alliance formation, while manufacturing resources and technology resources have interaction effects, but no direct effect. These studies reveal that partners' resources may or may not complement each other, but when they do, the complementarity shall be an important factor to determine the JV performance. In this study, I believe that resource complementarity provides a foundation for organizational learning, as partner's resource base provides both new knowledge and access opportunity to learn.

Firms with complementary resource endowments potentially have significant opportunities to learn from one another. The IJV actually provides partners a learning access to complementary competencies. Partners may have incentives to reduce their dependence by acquiring the skills and other intangible capabilities that underlie the other partner's contributions. Hamel (1991) articulated a "learning race" between partners,

each engaged in competitive learning from the other. In emerging economies, the IJV is a particularly important vehicle for a local partner to absorb its foreign partner's expertise in R&D and technology management, and for a foreign partner to learn about local business practices from its local partner (Fang and Zou 2010). Generally, as the knowledge absorbed from complementary resources of the partner can lead to private gains, I anticipate that the higher the degree of resource complementarity, the more competitive learning there will be in parent firms.

H3a. Resource complementarity is positively related to competitive learning.

Madhok and Tallman (1998) contend that the partners with complementary resources had the highest probability of creating value, suggesting that differences in skills are a catalyst for joint learning by partners. It resembles a researcher-researcher relationship, where the objective of co-authorship is not to learn the partner's know-how, but to converge both complementary capabilities and create new knowledge. For IJVs, the co-exploration process of joint learning involves creating the new IJV-specific operational processes, which can emerge from integrating partners' complementary capabilities. A higher degree of resource complementarity provide incentives for the IJV parents to invest more in the development of IJV-specific resources, because greater resource complementarity increases the likelihood that IJV-specific capabilities and resources will result in competitive advantages. In addition, when each partner brings a potentially important and unique resource to the joint venture, which in turn facilitates the joint learning, it also promotes egalitarianism among the partners when each learns to appreciate the value of the other's knowledge (Lubatkin et al. 2001).

H3b. Resource complementarity is positively related to joint learning.

Figure 1. Resource Structure and Interpartner Learning
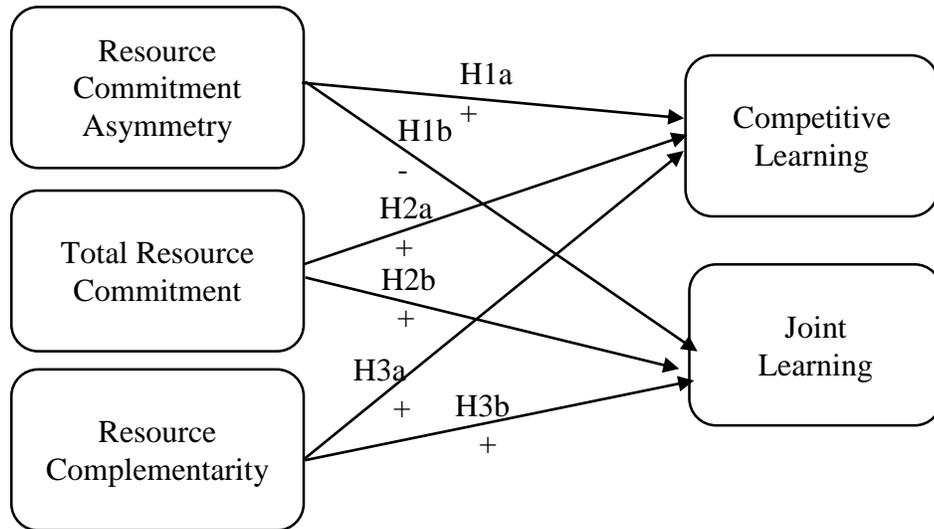
3.2. Knowledge Characteristics

In some IJVs, foreign partners aggressively adopt competitive learning to acquire local knowledge, but in other, they engage in more joint learning. A partner's decision whether to acquire knowledge or not may reflect the nature of the knowledge. For example, when Kentucky Fried Chicken entered China, it wanted to become less dependent on its local partner. Achieving that required it to maintain good relationship with the government, learn many investment regulations, local operating laws, etc. The nature of the knowledge determined a high cost to acquire it. Acquiring this knowledge was possible, but it could be very expensive, and there was no guarantee of success (Inkpen and Beamish 1997). All knowledge is possible to be acquired or transferred, but cost is an important issue (Nelson and Winter 2002). In contrast, if the foreign partner recognizes that the local partner is holding knowledge that can be grasped easily, such as

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local customer characteristics, whose acquisition cost is relatively low, the foreign

partner may engage more competitive learning. Besides, the open knowledge base can

encourage IJV partners to make use of existing knowledge and engage more new

knowledge co-creation as well.

Minbaeva (2007) summarizes four characteristics of knowledge – tacitness,

complexity, specificity, and availability. These characteristics of knowledge define the

nature of knowledge. They play important roles in facilitating or preventing certain type

of interpartner learning. What is more, these four dimensions help us decide the

acquirability of specific knowledge, or the potential to co-create new knowledge with the

partner.

3.2.1. Knowledge Tacitness

The concept of tacit knowledge has been central to the empirical literature on

knowledge stickiness. It derives from the work of Polanyi (1962), who asserts that we

know more than we can tell. Winter (1987) and Bresman et al. (1999) describe tacitness

in terms of the relative *articulability* of knowledge, while others (e.g., Zander and Kogut

1995) use it to denote the relative *codifiability* of knowledge. Thus, tacitness is defined in

terms of how difficult it is to articulate and codify a given domain of knowledge

(Minbaeva 2007). Tacit knowledge can be held by individuals or by organizations, in

shared collaborative experiences and interpretations of events (Cavusgil et al. 2003). In

this dissertation, I only focus the discussion of tacitness on collective tacit knowledge,

which resides in organizational consensus on past collaborative experiences, firm

routines, firm cultures, and professional culture (Lyles and Schwenk 1992; Nelson and

Winter 2002; Nonaka and Takeuchi 1995a).

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Tacitness has been regarded as a main source of ambiguity (Reed and Defillippi 1990; Simonin 1999; Szulanski 1996) and researchers have consented in that sharing tacit knowledge is difficult (Bennett and Gabriel 1999). Zander and Kogut (1995) argue that the degree of knowledge articulation and the difficulty of teaching capabilities influence the knowledge transfer. They find that a higher degree of tacitness decreases the speed of transfer since tacit knowledge is hard to articulate with formal language or express directly. Thus, the degree of knowledge tacitness is anticipated to be negatively associated with competitive learning.

Tacit knowledge is hard to be acquired, but as a crucial firm resource to strengthen competitive advantage it can be gradually integrated into the IJV. The tacit knowledge sharing involves new knowledge creation, whose process includes socialization, externalization, combination, and internalization in an ongoing circular movement (Nonaka and Konno 1998). This process should encourage individuals or teams to go beyond their restricted knowledge to promote the dynamics of knowledge creation with the organization, and the organization can transcend their boundaries by engaging in this process with their partners (Nonaka and Konno 1998). This conversion process creates new knowledge, integrates values, and even rebuilds new firm culture, which are fundamental elements for joint learning. Therefore, it is anticipated that knowledge tacitness positively associates with joint learning.

H4a. Knowledge tacitness is negatively related to competitive learning.

H4b. Knowledge tacitness is positively related to joint learning.

3.2.2. Knowledge Complexity

The second characteristic of knowledge is complexity. According to Winter (1987), "the complexity/simplicity dimension has to do with the amount of information required to characterize the item of knowledge in question" (Winter 1987, p. 172). Complexity results from having a large number of interdependent skills and assets (Reed and Defillippi 1990). Simonin (1999) defined complexity as the number of interdependent technologies, routines, individuals, and resources linked to a particular knowledge, and found that complexity is negatively related to knowledge transfer.

Generally, complex knowledge is difficult to transfer since it draws upon multiple kinds of interrelated competencies. The difficulty to acquire knowledge prevents partners from allocating resources in competitive learning, but urges the partners to make efforts to integrate the knowledge from both parties, and co-create new IJV-specific knowledge. In other words, when the firm recognizes that the complex knowledge costs too much to acquire, it may be dissuaded from acquiring that knowledge (Inkpen and Beamish 1997), but make use of the partner's talent in that area, and work with the partner in joint programs.

H5a. Knowledge complexity is negatively related to competitive learning.

H5b. Knowledge complexity is positively related to joint learning.

3.2.3. Knowledge Specificity

The third characteristic, specificity, originates from the concept of asset specificity in the transaction cost analysis. Reed and DeFillippi (1990) define specificity as transaction-specific skills and assets that are utilized in production processes and in the provision of services for particular customers. As this definition might be too broad to

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capture any significant effect (Simonin 1999), Minbaeva (2007) confines it to specific

functional expertise, such as production, marketing, and technological know-how.

Specific functional knowledge is developed and integrated around an organization's

functional activities. It should be "independent" or "stand alone" without being a part of

the interrelated knowledge system, which should be easier to transfer. Thus, firms might

be interested in acquiring such knowledge to reduce its dependency on the partner. At the

same time, specific functional knowledge is an important element to synergize new

knowledge as well. When IJV partners try to co-create new technology, new strategies,

and/or new routines, existing specific knowledge from both partners can serve as solid

foundation to facilitate joint learning. Thus, I propose knowledge specificity is positively

related to both competitive learning and joint learning.

H6a. Knowledge specificity is positively related to competitive learning.

H6b. Knowledge specificity is positively related to joint learning.

3.2.4. Knowledge Availability

Availability is the fourth characteristic of knowledge. It refers to the "not

observable in use vs. observable in use" dimension in Winter's taxonomy (1987).

However, availability does not mean tacitness. The knowledge in the partner firm can be

explicitly codifiable, but the personnel may not know it is available to them, or the

partner firm does not offer to share the knowledge unless "upon request." If the

knowledge is not available and/or accessible to the firm, competitive learning is basically

blocked out. Therefore, knowledge availability is an important precursor to competitive

learning. In addition, having knowledge available for the partner signals a cooperative

attitude in the partnership. Joint learning can benefit from such available knowledge base,

and thereby new knowledge can develop based on the cooperative environment and the

accessible knowledge stock. Thus, I propose knowledge availability can foster both

competitive learning and joint learning.

H7a. Knowledge availability is positively related to competitive learning.

H7b. Knowledge availability is positively related to joint learning.

Figure 2. Knowledge Characteristics and Interpartner Learning

```
┌──────────────┐                                    ┌──────────────┐
│  Knowledge   │          H4a                       │              │
│  Tacitness   │           -                        │ Competitive  │
└──────────────┘      H4b                           │  Learning    │
                        +                           └──────────────┘
                      H5a
┌──────────────┐       -
│  Knowledge   │      H5b
│  Complexity  │       +
└──────────────┘      H6a
                       +                            ┌──────────────┐
┌──────────────┐      H6b                           │    Joint     │
│  Knowledge   │       +                            │   Learning   │
│  Specificity │                                    └──────────────┘
└──────────────┘     H7a    H7b
                      +      +
┌──────────────┐
│  Knowledge   │
│ Availability │
└──────────────┘
```
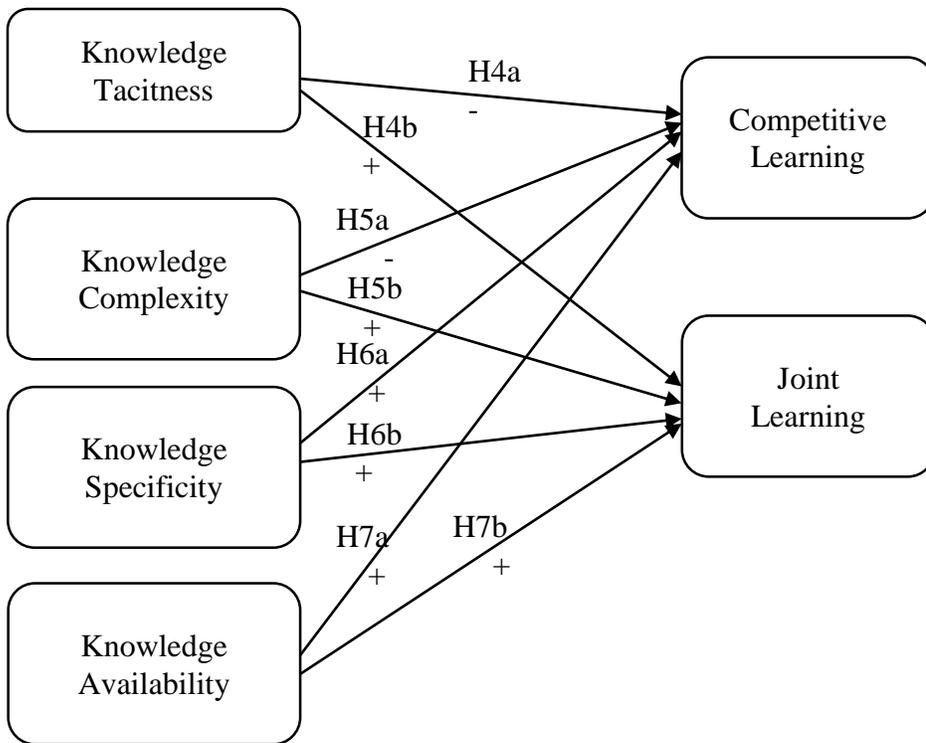
3.3. Relational Mechanism

Other than resource structure, IJV partner relationship is another important element in facilitating interpartner learning. Dyer and Hatch (2006) argue that network can be a source of capability development. Both trust and fairness are important elements in a quality relationship (Kumar et al. 1995). In a trustworthy relationship, a firm can acquire knowledge from the partner without much barrier, and also they can share knowledge more smoothly to co-create new organizational knowledge.

3.3.1. Trust

Trust has been studied in disciplines of psychology, sociology, and economics. Understanding social mechanisms behind collaboration between the two partners of different organizations has been the core of trust research in business studies. Young-Ybarra and Wiersema (1999) combine transaction cost economics and social exchange theory in their framework concerning trust. They define it as being "based on three components: dependability (expectation that the partner will act in the alliance's best interests), predictability (consistency of actions), and faith (partner will not act opportunistically)" (p. 443). This definition reflects a combination of social and economic approaches (Sako and Helper 1998; Young-Ybarra and Margarethe 1999), and is recognized as a comprehensive view of complex phenomenon of trust in inter-partner relationships (Seppänen et al. 2007). Trust has been considered as a multi-dimensional construct, given the fact that no single dimension properly describes the whole phenomenon. According to the literature covering marketing and management areas, the role and number of dimensions varied. The dimensions used in the empirical research on

inter-partner trust mainly were credibility, confidence, reliability, integrity, dependability, goodwill trust, contract trust, competence trust, predictability, etc.

In alliance context, trust has been analyzed at the interorganization level, agency level, and intraentity level (Fang et al. 2008). Determined by the nature of the IJV, in this study, trust is supposed to be discussed at the intraentity level, where two IJV partners representing parent firms interact within the IJV platform. IJV partners may potentially have diverging and/or conflicting objectives, however, the coentity requires a high level of cooperation to generate value (Das and Teng 1998). The unique context of multiple IJV partners, diverse objectives, and mixed loyalties makes the role of trust in the IJV particularly complex (Fang et al. 2008).

Studies demonstrated that trust in ability and integrity is the key component in collaborative relationships (Ring and Ven 1992; Sydow 1998; Sydow and Windeler 1998). In interpartner learning literature, scholars have argued that lack of trust may lead to competitive confusion about whether or not a partner is an ally (Powell et al. 1996), or whether there is protectiveness of knowledge in the alliance (Currall and Judge 1995). An atmosphere of trust should contribute to the free exchange of information between committed partners since the decision makers do not feel that they have to protect themselves from the others' short-term behavior (Jarillo 1988).

In this study, the emphasis on trust in inter-partner learning is on goodwill trust, which refers to the degree to which one partner trusts the other to look after its interests without explicitly asking for such help (Sako 1992). It is about a firm's good faith, good intentions, and integrity (Das and Teng 2001). In IJVs, a positive feeling about each other's goodwill is essential, because each partner can have opportunities to pursue

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private interests at the expense of collaborative interests. (Khanna et al. 1998; Park and Ungson 2001), especially for partners that are potential competitors. Trust allows IJV partners to engage in constructive interpretation of each other's actions (Zaheer et al. 1998). However, there is a risk that knowledge flows to in unintended and harmful ways, particularly when laws regarding property rights are not well established in the host country. For example, Goulds Pumps Inc., the foreign partner of the Nanjing Goulds joint venture, found that the Chinese partner manufactured its own line of pumps using a design almost identical to the proprietary one Goulds had brought to the venture, despite the joint venture contract which contained a clause stating that Goulds technology was for the sole use of the venture (Barru 1992). In this situation, Goulds might be better off to reduce the dependency on the local partner by acquiring necessary knowledge to survive in the Chinese market. Therefore, when the firm cannot trust that the IJV partner would maintain a constructive long-term relationship, competitive learning is a good approach to proactively reduce dependency.

H8a. Trust on the IJV partner is negatively related to competitive learning.

At the same time, when both partners are in a trustworthy relationship, they would be eager to share information for new knowledge synergy. Dirks and Ferrin (Dirks and Ferrin 2001) contend that intraentity trust between partners increases the frequency and accuracy of resource coordination, and further the trust motivates cooperative decision making, reduces fears of exploitation (Chiles and McMackin 1996). With a trustworthy partner, firms are more willing to adopt cooperative approaches to combine, integrate, and redeploy component resources together, and explore more joint learning opportunities. The relationship barriers between IJV partners are minimized, when

partners have good faith in the cooperation, and thereby joint learning will be fostered and prosperous with the intraentity trust well-established. Therefore, I anticipate that trust will encourage more joint learning in the IJV.

H8b. Trust on the IJV partner is positively related to joint learning.

3.3.2. Justice

Organizational justice is defined by Greenberg (1987) as the extent to which people perceive organizational events as being fair. Specifically, organizational justice is widely regarded to have three dimensions: distributive justice, procedural justice, and interactional justice (Greenberg 1987). Distributive justice is the perceived fairness of decision outcomes, such as pay, while procedural justice refers to the perceived fairness of the procedures used to make decisions, and interactional justice captures the perceived fairness of how decisions are enacted by authority figures (Greenberg 1987). A wealth of evidence showed that organizational justice is an important dimension affecting performance at the employee, group, subunit, and organizational levels. In IJVs, the discussion about justice is at the organizational macro level, especially about the role of justice in affecting the learning behavior in cross-country interfirm cooperation. Thus, the focus of this study will be only on distributive justice and procedural justice, as the interactional justice happens in inter-personal relationships.

When resources are allocated, partners care not only about the size of their share, but also about how the distribution of resources was determined. The perceived justice of a decision depends on both the outcomes of the decision (distributive fairness) and the process by which the outcomes were determined (procedural fairness). Both distributive justice and procedural justice have been shown to increase the perceived fairness of and

satisfaction with resource allocations among partners (Colquitt 2001). For example, litigants' judgments about the justice of a court trial might be influenced both by the outcome of the trial and by the manner in which the trial was conducted (Thibaut and Walker 1975).

3.3.2.1. Distributive Justice

The purpose of establishing an IJV is to create and then share synergistic gains. The question of how to share or divide the gains is one that falls into the field of distributive justice. Distributive justice is concerned with the distribution of benefits and harms, rewards and costs or other things that affect the well-being of the individual members of a group or community (Alexander and Ruderman 1987; Deutsch 1985). Depending on the entities emphasized, outcome items vary from individual-related outcomes such as pay raise, job security, promotion or layoffs, workplace retaliation, and organizational citizenship behavior to group-related outcomes such as subsidiary performance, partner commitment, profit-sharing in entrepreneur-investor relations, and resource allocation in mergers and acquisitions. The essential values of distributive justice are those values that foster effective cooperation to promote each member's well-being in economic, social, psychological and physiological situations.

In the specific setting of IJVs, Luo (2009) defines distributive justice as the extent to which interparty sharing of the rewards of cooperation is impartial in view of each party's contribution and commitment as well as its assumption of responsibility, risk and burden. Rewards can be monetary, such as profit and dividend, or nonmonetary, such as knowledge acquisition and reputation enhancement.

Distributive justice perceptions first influence inter-organizational cooperation via the equity effect, through which distributive justice is a normative force that affects each IJV partner's motives for repeated exchanges (Summers and DeNisi 1990). If these participants believe they are treated unfairly as to outcome sharing, their incentives will be hindered and they may even work against each other's interests, resulting in interpartner conflicts, unstable interdependence or even partnership termination (Johnson et al. 2002). Equity is the basic norm of distributive justice, and inequity leads not only to the dissatisfaction of the suffering party, but also to other harmful consequences such as discontinuity of ongoing exchanges, jeopardy in adaptation, and reduced commitment, which will eventually injure the relationship. Coinciding with this notion, IJV researchers argue that gain-sharing that is disproportional to a party's contribution yields the potential hazard of opportunistic behavior (i.e., self-serving actions through guile) in a continuing collaboration process, which then creates a significant obstacle to fostering confidence in cooperation (Parkhe 1993; Reuer and Ariño 2007). Thus, the perceived distributive injustice can be an important factor to motivate competitive learning in the IJV.

Also, according to a group value model in justice theory, IJV teams will have more cooperative behaviors when distributive justice is perceived. Because these teams' benefits and promotions are tied to IJV performance by their parent firms, they are motivated to cooperate with each other to improve their coentity value. The coentity value effect of distributive justice will solidify the cooperative efforts from all parties and motivate these parties to work toward joint gains instead of competitive race. Thus, joint learning is more likely to be fostered in the environment with distributive justice. When

partners do not perceive distributive justice, they may engage in a learning race and try to leave the relationship as soon as they can.

H9a. Distributive justice is negatively related to competitive learning.

H9b. Distributive justice is positively related to joint learning.

3.3.2.2. Procedural Justice

Procedural justice concerns the extent to which the dynamics of the decision process are judged to be fair (Lind and Tyler 1988). And the ways in which the decision-making process influences the quality of exchange relationships (Greenberg 1987). This kind of justice is especially important in guiding IJV partners' behavior and contribution to interpartner exchanges. If IJV partners do not have adequate information regarding the trustworthiness of other parties nor the assurance regarding the final gains from which they would share, they may refer to procedural justice to decide the extent to which they should commit to joint activities (Luo 2008).

Drawn from the definition of Luo (2008), I define procedural justice in the IJV as the extent to which an IJV's strategic decision-making process and procedures are impartial and fair as perceived by the IJV partner. "Procedure" involves an array of strategic decisions in the process of establishing, organizing, running, and managing the alliance, thus extending beyond the process of control or formalization. Procedural justice is about transparent and impartial rules ensuring that each of the agents involved in an interaction enjoys an equal opportunity to obtain a satisfactory outcome. To maintain this justice, the partners need to establish two-way communication, mutual respect, and courtesy in the process of making and implementing strategic decisions (Luo 2008). Procedural justice is regarded as a critical stimulus for improving cooperation outcomes

through increased interpartner cooperation or decreased opportunism and conflicts. Korgaard, Schweiger, and Sapienza (1995) find a positive relationship between managers' perceptions of the procedural justice of strategy making and their commitment to the strategy.

Fair treatment creates cooperative value by removing fears of exploitation and by demonstrating respect for the rights and dignity of the other party (Folger and Konovsky 1989), which triggers further positive reciprocation, resulting in more stabilized relationships as well as superior citizenship behavior (Siegel et al. 2005; Tyler et al. 1989). On the other hand, justice can deter opportunism more effectively than a mutual hostage or contractual arrangement (Hill et al. 1990). With decreased opportunism, relational risk is lessened, and partners will have better willingness to cooperate. The relational model in justice theory further states that procedural justice stimulates neutrality (i.e., each party is treated without bias) and standing (the party is treated with politeness and courtesy), which can further enhance cooperation in repeated long-term exchanges (Konovsky 2000), and thereby facilitate joint learning in IJVs.

Procedural justice perceptions can influence inter-organizational cooperation via the heuristic effect. This view argues that in incomplete or insufficient information conditions, people or parties process information heuristically. An IJV is a loosely coupled system in which cross-cultural organizations interdependently share pooled resources while maintaining their parent private control, so there is a wide range of information that is either insufficient for all parties or asymmetrical between partners (Dyer and Singh 1998; Gulati and Singh 1998; Reuer and Koza 2000). The perception of procedural justice can be used as a substitute for information that would be more directly

relevant but is absent (Luo 2009). If one party is perceived fair, the party may be portrayed as cooperative or trustworthy in the eye of other parties, which in turn leads to more IJV partners' joint learning.

Allen and Meyer (1990) contend that a positive perception of procedural justice can improve commitment through more active participation in the joint decision making and through better compliance with IJV rules and sharpened membership unity. Procedural justice is regarded as a critical stimulus for improving cooperation outcomes through increased interpartner cooperation or decreased opportunism and conflicts. Procedural justice encourages the participation of cooperation on new knowledge creation. Joint learning can be nourishing in an IJV that exercises procedural justice as the norm.

Injustice will be detrimental to any interpartner trust. Especially, when there is a power asymmetry in the relationship, the less powerful partner is more likely to be vulnerable to injustice. There might be some exceptions, though, such as local government protection. Nevertheless, when procedures cannot be executed fairly, the party that perceives unfairness can become opportunistic or take short-term action to terminate the relationship. Competitive learning is one of the approaches to reduce dependency on the other partner, and thereby resolve the partnership. Thus, I propose there will be a negative relationship between procedural justice and competitive learning.

H10a. Procedural justice is negatively related to competitive learning.

H10b. Procedural justice is positively related to joint learning.

Both distributive justice and procedural justice are very important elements of cooperation in IJVs. The fairness in gain sharing and procedures can determine the

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strategic direction of the IJV. Whether the IJV will choose a competitive orientation or

cooperative orientation will largely be determined by the extent of justice.

Figure 3. Relational Mechanism and Interpartner Learning
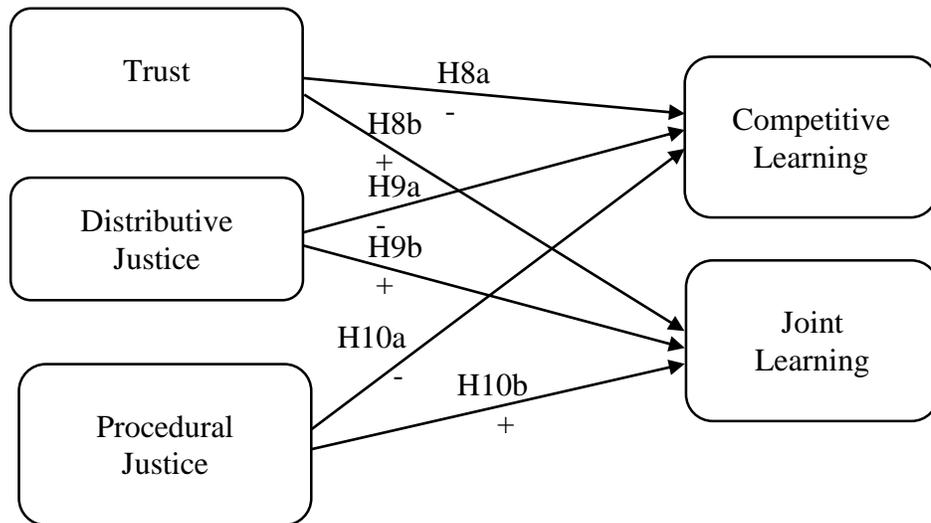
3.6. Partner Fit

Variables involved in partner fit include goal congruency, interfirm rivalry, and

cultural compatibility. These variables are important indicators to measure whether

partners have good match and cooperative relationship (Luo 2002; Madhok and Tallman

1998; Park and Ungson 2001). Partner compatibility can facilitate or impede interpartner

learning. More goal congruency and cultural compatibility and less interfirm rivalry will

most likely facilitate joint learning. However, partner incompatibility will cultivate

incentives for competitive learning.

3.6.1. Goal Congruency

Individual activities and efforts are oriented toward a shared goal or set of goals. The concepts of "learning" and "knowledge" become meaningful only in relation to some explicit or implicit objectives (e.g., to efficiently perform a task, to maximize revenue, etc.). According to agency theory, when cooperating parties have a differing division of labor, goal conflicts can create incentives for opportunistic behavior (Jensen and Meckling 1976). Khanna et al. (1998) contend that the organizations in learning alliances may have asymmetric incentives in learning with their "private benefits" and "common benefits." Private benefits refer to those that a firm can earn unilaterally by picking up skills from its partner and applying them to its own operations outside the scope of JIV business. Common benefits are those that accrue to each partner in the IJV from the collective application of the learning that both firms go through as a consequence of being part of the alliance (Khanna et al. 1998). Intuitively, when partners perceive a higher ratio of common benefits over private benefits, their goals are more congruent in pursuing common interest, and vice versa. Generally, goal congruency is defined as the extent to which IJV partners have consistent strategic objectives for the operations and evaluations of the IJV (Luo 2002).

An IJV's management system is operated by people who are often influenced by parent firms that have different preferences or goals (Killing 1983). The pursuit of different goals helps establish the observable identity of subgroups, which sows the seeds of political conflict (Clayton and Smith 1982; Schein 1980). Moreover, top management consensus on goals is crucial for high levels of performance (Dess 1987). A lack of goal congruency is a most important cause of political conflict (Kochan et al. 1975).

Goal congruency is the extent to which firms perceive the possibility of common

goal accomplishment (Eliashberg and Michie 1984). When goal congruency is high

between partners, the incentive for opportunism can be curbed. Anderson (1988) finds

that goal congruence is related in a convex way to opportunism; the more partners

perceive alignment between their goals and the IJV's goals, the less opportunism they

practice on the partnership. By developing common goals between the buyer and

supplier, a perception is created about what is beneficial for the partner that will also be

in the best interests of the firm. This creates a reduced incentive to start a learning race

and inhibits the development of suspicions within the dyad (Jap 2001). It also urges the

dyad to seek mutual gains and forego individual gains detrimental to the joint

relationship. Thus, competitive learning is less likely to happen, as it is driven by firms'

individual interests.

Greater goal congruence is a more effective way to keep the relationship on track

for achieving strategic outcomes and bolsters confidence in the long-term future of the

arrangement. Firms may find that an appeal to common objectives between partners is a

more effective way to resolve their differences and enhance the day-to-day functioning of

ongoing exchanges between organizations, such that they will adopt more joint learning

behaviors in a manner consistent with their shared goals (Jap 2001).

It is important to note that goal congruency represents an assurance that the other

party will not pursue activities that are advantageous to its own competitive position at

the expense of the other. Goal congruency reduces a partner's uncertainty about the other

partner's behavior. The uncertainty could deter a firm from making the best response to

the other's predicted moves (Gibbons 1992). Goal congruency also enhances

organizational fit and strategic symmetry between the partners, thus helping to build

mutual trust and commitment between IJV partners (Luo 2002), which are important

seedbed for joint learning. The reduced uncertainty about each other's behaviors and

enhanced trust and commitment in the IJV facilitate the development of a mutually

accepted value within the IJV, leading to institutionalized behaviors that are commonly

acceptable and mutually understood (Gulati and Singh 1998). Once these institutionalized

behaviors are established, both partners can understand, utilize, and integrate each other's

knowledge in the IJV more efficiently and quickly (Gulati and Singh 1998), which as a

result facilitates the joint learning within IJVs.

H11a. Goal congruency is negatively related to competitive learning.

H11b. Goal congruency is positively related to joint learning.

3.6.2. Interfirm Rivalry

When two partners are in an alliance at the early stage, they may realize that they

might compete with each other at some later stage (Park and Ungson 2001). However,

they still invest time and effort, anticipating specific outcomes from the alliance would

benefit them, even if the period of collaboration is temporary. When strategic alliances

between competitors are formed to improve their competitive positioning, it is not

necessarily congruent to their individual goals. The same competitive motives to form an

alliance may account for the eventual demise of the alliance (Kogut 1989). Inter-firm

rivalry can motivate partners to pursue individual interests at the expense of the other

partner (Parkhe 1993). Collective benefits from an alliance are typically future-oriented

and uncertain, while opportunity costs from opportunism are more immediate and often

tangible, which further aggravates opportunistic tendencies in an alliance. A partner's

opportunistic behavior brings immediate realization of private goals without facing the uncertainty of long-term returns. Interfirm rivalry in an alliance also makes mutual forbearance less appealing to partners as they lack a long-term view (Park and Ungson 2001).

According to Parkhe (1993), the prisoner's dilemma provides an insight about how competitive rivalry emerges. In a competitive alliance, the game theory suggests that although each partner does better when all act cooperatively than when all act noncooperatively, any partner can do better by acting noncooperatively when all other partners act cooperatively. Partners face constant temptations to renege on agreements, because if a partner does not renege, while its partner does, it will do worse than when all partners renege. In learning settings, each partner in the alliance can gain by sharing proprietary knowledge. However, one partner may lose a lot if it provides the knowledge while the other partner does not. Both parties stand to lose or gain, depending on their propensity to compete or cooperate.

From the perspective of resource-based view, firms are heterogeneous with respect to their resources. Unique resources constitute a competitive advantage in the firm. It is easier to acquire existing resources from alliance partners than to develop them internally, which has been one of the major reasons for proliferation of technological alliances in recent years (Eisenhardt and Schoonhoven 1996). Hamel (1991) contends that alliances have been regarded as vehicles where the primary goal was to internalize partner's skills. For example, Reich and Mankin (1986) indicated that unintended unilateral transfer of technology competencies from U.S. firms to their Japanese partners has caused the erosion of U.S. firms' resource bases and competitive advantages. Hamel

(1991) concluded that, for rivalrous partners, resource appropriation hazard is heightened when there is resource commitment asymmetry.

Interfirm rivalry can also be recognized by the pattern of interdependence between the partners (Park and Russo 1996). Park and Ungson (2001) summarized that integrative alliances face a stronger threat of appropriation hazards where partners may lose important know-how and its competitive basis, than sequential alliances where each partner's contribution lies on a sequential path with boundaries between partners. In integrative alliances, as the interaction continues, it is possible that one of the partners could have opportunities to gradually expose and appropriate the other's key firm-specific assets.

Opportunistic hazards are inevitable in strategic alliances because of this interfirm rivalry between partners. Each partner may pursue short-term and tangible gains by appropriating its partner's knowledge and renege on the contracts. Interfirm rivalry is an issue that exists in the nature of cooperation and partners' role and disposition toward an alliance, which is closely tied with partners' incentive and motivation in a cooperative relationship (Park and Ungson 2001).

Competitors are motivated to form strategic alliances with one another to improve their market positioning. They expect to reduce rivalry or attenuate contractual hazards through collaboration. However, interfirm rivalry still can cause future problems and instability, even more, failure occurs when excessive rivalry eclipses cooperative tendencies (Park and Ungson 2001). Hamel (1991) indicates that rival partners' primary emphasis is on pursuing self-interests over long-term collective goals. Opportunistic hazards are inevitable in strategic alliances because of this competitive rivalry between

partners. There is a threat of each partner pursuing short-term and tangible gains by appropriating its partner and reneging on the contracts. In a competitive alliance, it is difficult to develop trust between partners, and once each party begins to doubt the other there is often no end to it. Thus, IJV can become a costly governance structure to arrange interfirm transactions as partners try to employ safeguards against these potential hazards (Park and Ungson 2001).

Underlying rivalry between partners presents a situation in which each partner would weigh gains from the cooperation against individual interests as knowledge acquisition opportunities are available. As rivals compete for similar customers, learning partners' proprietary competency to boost competitive position rationalizes the strategic adoption of competitive learning behavior. Anecdotal evidence shows that a competitive learning race is more popular in horizontal alliances, in which partners are competitors in the same market. However, the learning race between IJV partners can be greatly reduced, when they are not directly competing with each other. Joint learning is more likely to create greater strategic value. As both partners do not compete for similar customers, the safeguard costs used to prevent the partner from learning its proprietary knowledge will be significantly reduced as well. The trust and friendly relationship will facilitate cooperative learning activities.

H12a. Interfirm rivalry is positively related to competitive learning.

H12b. Interfirm rivalry is negatively related to joint learning.

3.6.3. Cultural Compatibility

Traditionally, culture refers to patterns of beliefs and values that are manifested in practices, behaviors, and various artifacts shared by members of an organization or a

country (Hofstede 1980). Compatibility in organizational cultures between IJV partners influences the extent to which partners are able to realize the synergistic potential of the IJV (Madhok and Tallman 1998).

The collaboration involves a great deal of interaction and integration of the partners' resource bases. The actualization of the interaction and integration requires a compatible cultural environment. Similar organizational values reduce coordination costs between collaborating organizations and serve as a means for behavior control (Das and Teng 1998) and expectation management (Chung et al. 2000). Incompatibility among partners may lead to a counterproductive working relationship characterized by strife and suspicion. Sarkar, Cavusgil, and Evirgen (1997) contend that social incompatibility may create obstacles for the partners to develop a harmonious relationship and thus negatively influence collaborative effectiveness. The incompatibility in organizational values, norms, and capabilities can result in a high level of stress and hostility. Organizational cultural differences hinder role socialization, thus making it more difficult for interfacing managers to work together (Smith and Barclay 1997).

There seems to be theoretical and empirical support that the cultural compatibility between IJV partners will negatively influence the success of collaborations, particularly the ability to benefit from knowledge spillovers. Harrigan (1985) suggests that it is difficult for culturally disparate alliance partners to work together effectively because they are unable to develop common values. When the two partners have incompatible values and norms, they may find it difficult to communicate each partner's complementary knowledge and skills. The importance or value of the complementary resource can be understood differently. As inter-organizational learning requires massive

interactions between the two partners, and cultural compatibility plays an important role

in interactions, I anticipate it will be an important antecedent to interpartner learning.

H13a. Cultural compatibility is positively related to competitive learning.

H13b. Cultural compatibility is positively related to joint learning.

Figure 4. Partner Fit and Interpartner Learning
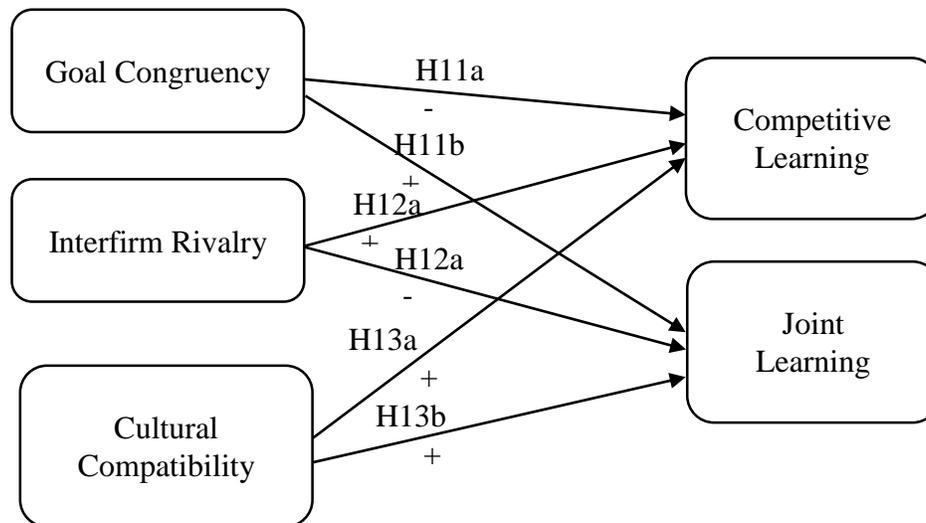
3.7. Interpartner Learning and IJV Instability

IJVs are mixed-motive games, in which the participants cooperate and compete

simultaneously (Hamel et al. 1989). Kogut (1989) attributes joint venture failure or

instability to potential competition between the partners. Particularly, IJV instability may

be a direct result of interpartner competitive learning (Hamel 1991; Inkpen and Beamish

1997). Hamel (1991) contends that venture sponsors form alliances to extract and

internalize skills of their partners, and thus improve their own competitive position.

Therefore, joint ventures provide an arena, where partners engage in a "race to learn." Interpartner asymmetries in competitive learning can shift the relative bargaining power between the partners, and make the original bargain obsolete, as the faster learner is likely to raise the "price" for further cooperation (Hamel 1991). Consequently, competitive learning can prompt structural change such that control will accrue to the faster, more effective learner.

Knowledge of the local environment is usually one of the most important resources provided by local partners, and it is also a key source of bargaining power, because it makes the foreign partner dependent on the local partner (Yan and Gray 1994). As a foreign partner increases its knowledge about the local market, its dependence on the local partner reduces. For the local partners, the technological and management knowledge of the foreign partners might be of great interest. If they are allowed to access and acquire the knowledge, the dependence on their foreign partners may decrease. When one firm learns faster than the other, the different speeds in competitive learning creates an asymmetry between faster and slower learners. The asymmetry in learning can cause the bargaining power structure to change, and lead to a pattern of unilateral, rather than bilateral, dependence (Hamel 1991).

H14a. Competitive learning is positively related to IJV instability.

In addition to competition, organizations are also pushed into joint activities because of the need for coordination (Aiken and Hage 1968). The coordination in those joint programs helps to sustain a balanced and relatively stable power structure. In joint learning, partners co-create organizational routines, processes, and management systems (Fang and Zou 2010). The created knowledge is embedded in the IJV's unique and

complex organizational and social context, which makes it difficult to apply the knowledge outside the context (Spender 1996). Thus, IJV joint learning creates a bond between two partners.

In the literature, IJVs have been compared to cross-cultural marriages (Contractor and Lorange 2002). Two people from different cultural backgrounds bring in their own resources and knowledge to the marriage, and they need to coordinate to learn about and adapt to each other's culture. Specifically, they develop family-specific rules, routines, and processes, such as spending and children's education, to stabilize and sustain the marriage. The jointly created family knowledge is embedded in the marriage, and cannot be taken away by one partner to another marriage should the first marriage fails (Fang and Zou 2010). Thus, in IJVs, joint learning facilitates the creation of new knowledge embedded in the organization as systems, structures, and processes, which creates mutual dependence between partners and counteracts the IJV instability.

H14b. Joint learning is negatively related to IJV instability.

Figure 5. Interpartner Learning and Instability
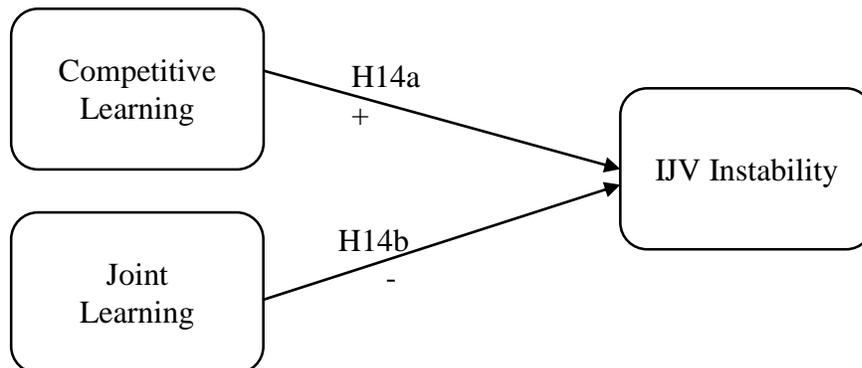
CHAPTER 4: METHOD

4.1. Methodology Overview

The context of this research was equity-based IJVs in China. There were several reasons for selecting this setting. First, China is the world's biggest foreign direct investment destination and the largest production center, attracting on average $140 million (Luo 2009) in foreign capital per day. Approximately 65% of such capital has been invested through IJVs (Luo 2009). Given China's phenomenal economic growth and increased market openness, success in China has become a top priority for many corporations. The broad diversity of foreign investors and the dynamic environment have provided a rich research setting (Guthrie 2005). Second, because of the unstable institutional environment and high risks associated with international partners, some firms take IJVs as a short-term solution to gain advantage, and this tends to make IJVs more unstable (Luo 2000). Nevertheless, some firms are optimistic as to the partnership, and take a long-term view of their strategy and operations to maintain relatively stable IJVs (Yan and Zeng 1999). This context provided conditions with variations in IJV stability, and also led us to determine why such variation exists. Third, it is widely recognized that most foreign firms and local Chinese firms enter into equity joint ventures to gain access to each other's knowledge (Luo 2000). Particularly, local Chinese partners seek foreign partners' proprietary technology and management know-how, while foreign partners are interested in local partners' resources in marketing, distribution channels, and the relationships with the local government. The nature of resource

endowment in equity joint ventures in China provides an excellent context to study competitive learning and joint learning.

A preliminary in-depth interview with three IJV managers was conducted to develop and evaluate the tentatively developed questionnaire. In the interview, for the constructs of competitive learning and joint learning, I asked managers what activities are on their lists for each learning behavior. Additionally, I asked their opinions about interpartner learning in the IJV, what are the antecedents to interpartner learning, and any relevant variables that should be taken into account, and probably should be set aside as control variables. Measurement scales of competitive learning, joint learning, and IJV instability were developed based on these interviews. I also had discussions on the measurement with the dissertation committee members and faculty members whose expertise is in international marketing from the three sampling Chinese universities.

To test the theoretical model, survey data were collected from top managers of the IJVs in China from part-time MBA programs in three Chinese universities in Beijing. They are the Central University of Finance and Economics, the University of International Business and Economics, and the Renmin University of China respectively. Each university has a contact person to handle the data collection process. Some of these part-time MBA students from these universities have been working in IJVs and are at least middle-level employees.

Two criteria were used to select the informants. First, the firm has to be an international joint venture with at least one partner from a foreign country. Second, the IJV has employees from both parent firms, and the employee size should be at least 30 people.

I used multiple regression analysis to test the hypotheses. In this study, variables were continuous, multiple regression provided the most straightforward approach to predict the relationships between antecedents/consequences and learning behaviors. In addition, regression analysis has been widely used in survey research (Bearden et al. 2001; Berger and Ward 2010; Burroughs and Rindfleisch 2002; Mitchell and Dacin 1996).

4.2. Data Collection

This study used convenient sampling to collect survey data. Three sampling universities were selected because of their academic connection with the Robert J. Trulaske College of Business of the University of Missouri.

The survey questionnaire was initially developed in English, then translated into Chinese and back-translated into English, ensuring that the English and Chinese versions contain equivalent measures. I had discussions with bilingual scholars and professionals on the questionnaire and pretested the instrument validity with 3 academic scholars and 3 managers. I asked them how they processed the questionnaire information and asked them to identify any ambiguities in the questionnaire.

The Central University of Finance and Economics have 34 current part-time MBA students working in IJVs and 157 part-time MBA alumni working in IJVs. A total number of 191 surveys were distributed to the subjects. The contact person handed out the survey to the current MBA students after their classes, and collected the survey at the beginning of the class in the next week. For the 157 alumni, the contact person reached them through phone calls first and emailed them the survey. For those who did not send

the survey back, a second wave of phone calls was made to remind them. Finally, a total of 118 surveys (a response rate of 61.8%) were back and 104 of them were useable.

The contact person from the University of International Business and Economics distributed the survey to their current part-time MBA students who were qualified for the sample selection criteria, after their classes. The contact person identified 37 qualified subjects based on their student profiles, and he handed out the survey to these subjects after their classes were finished. At the beginning of the class in the next week, 12 surveys were collected and all of them were useable (a response rate of 32.4%).

The contact person from the Renmin University of China also distributed the survey to their current part-time MBA students who were qualified for the sample selection criteria. The contact person identified 41 qualified subjects based on the information provided by the instructors. He handed out the survey to these subjects after their classes were finished. At the beginning of the class in the next week, 8 surveys were collected and all of them were useable (a response rate of 19.5).

In summary, 118 surveys were received from the Central University of Finance and Economics, the response rate is 61.8%, and 104 of them were usable. 12 surveys were received from University of International Business and Economics, and all of them were usable, with a response rate of 32.4%. At the Renmin University of China, 8 surveys were collected and all of them were usable, with a response rate of 19.5%. The overall response rate was 51.3%, and 124 surveys were useable. Table 2 summarized the data collection and response rate.

The assessment of potential response bias was done by making comparison between the early response and the late response, as well as the comparison between the

three universities (Armstrong and Overton 1977). Based on the sales revenue, employee size, and IJV longevity, there was no statistically significant difference in the mean of measured items between the early response and the late response; also the statistics did not indicate any significant difference among the three universities.

Table 2. Data Collection Summary

Source	Surveys Received	Response Rate	Useable Surveys
Central University of Finance and Economics	118	61.8%	104
University of International Business and Economics	12	32.4%	12
Renmin University of China	8	19.5%	8
Total	138	51.3%	124

The sample represented a diverse array of industries, including electronics manufacturing, information technology, medical supplies, services, construction, food manufacturing, electricity, banking, etc. No duplicate IJVs were reported in the data. From the data reported, the average total equity invested in the IJVs is ￥2,757,313,867 (USD 438,930,246). About 17.7% IJVs have existed in the market no more than 3 years, 37.1% IJVs have existed 4 to 10 years, and 25.9% IJVs have been in the market more than 10 years (19.4% missing data). The group with sales revenue less than ￥1,000,000 had 6.5%, between ￥1,000,001 and ￥100,000,000 had 19.4%, between ￥100,000,001 and 1,000,000,000 had 33.9%, and more than 1,000,000,000 had 19.4% (21% missing data). The first group with 30 to 100 employees was 14.5%, the second group of 100 to 1000 employees was 43.5%, and the third group with more than 1000 employees was

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20.9% (21% missing data). The average working experience of the informants is 4.15 years. Job titles of the informants are basically marketing manager, general manager, account executives, etc.

4.3. Measurement

This section outlines the measures used in the survey. Scales used to measure the constructs were close-ended with 7 point Likert-type scales (see appendix for the survey). Subjects reported on competitive learning, joint learning, IJV instability, total resource commitment, resource asymmetry, resource complementarity, knowledge tacitness, knowledge complexity, knowledge specificity, knowledge availability, trust, procedural justice, distributive justice, goal congruency, interfirm rivalry, cultural compatibility, equity invested in the IJV, longevity, sales revenue, employee size, working experience in the IJV, title, and subjects' confidence in the reliability of their answers.

4.3.1. Competitive learning and Joint learning

In this dissertation, *competitive learning* and *joint learning* are regarded as the emphasis of behavior, in contrast to the work of Fang and Zou (2010) who studied the capacity of competitive learning and joint learning in IJVs. I developed new scales for the learning behaviors referring to Fang and Zou's (2010) work. In the preliminary interviews with three IJV managers, I asked managers to list items that can describe competitive learning and/or joint learning. Based on the literature and the interviews with practioners, I developed scales for both competitive learning and joint learning.

The domain of competitive learning was defined as the emphasis that one partner of the IJV places on absorbing knowledge from the other partner in a learning race to reduce dependency on the partner. Competitive learning was measured with 6 items using

a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .93.

Joint learning was defined as the emphasis in integrating partners' knowledge, creating a knowledge based for the IJV, and institutionalizing new knowledge in the context of the IJV. This scale was measured with 9 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .93.

4.3.2. IJV Instability

IJV instability was a formative construct, and it was defined as a major change in strategic direction, contracts/agreement, ownership and/or management structure, or partnership relationship status between partners in the IJV, which is unplanned and premature from one or both partners' perspectives (Inkpen and Beamish 1997; Yan and Zeng 1999; Fang and Zou 2010). Based on the literature and the interviews with practitioners, this definition has broadened the scope of IJV instability.

Since a composite formative variable has no error term, an exhaustive list of items must be included in the construct items. A four-step process was used to ensure a comprehensive item list. First, I compiled a listing of potential dimensions and items. Second, this list was evaluated, verified and amended by the three managers interviewed by me. Third, the amended list was evaluated and amended by several Ph.D.s working in the area of international marketing, strategic marketing or both. Finally, the items were verified by a second group of marketing professors who deemed the list to be exhaustive.

This construct covers different aspects, such as ownership, relationship between partners, acquisition intention, resolution possibility, etc. Therefore, this construct was

defined and measured as a formative construct. Specifically, items measuring the different aspects were theoretically not correlated with each other, but collectively influenced the definition of instability (Bagozzi and Fornell 1982; Jarvis et al. 2003), confirmatory factor analysis and reliability test (Cronbach's alpha) were not appropriate. The formative scale was developed with 10 items using 7-Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. This scale was reliable if perceived as a reflective measure (Cronbach's alpha = .85), but it was viewed formatively in this research for the reasons discussed above.

4.3.3. Resource Structure

Total resource commitment: Resource commitment was defined as dedicated assets of knowhow that could be traded, financial or physical assets, human capital, etc. Total resource commitment described the overall amount or magnitude of the assets invested in the IJV. The author developed the scale based on Gundlach, Achrol, and Mentzer's (1995) work. Subjects reported their perceptual estimate of the total amount or magnitude of resources committed by both parties in the IJV. The scale was measured with 5 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .92.

Resource asymmetry: Resource asymmetry was another construct that characterized the amount of resource invested by individual parties and involved the comparison between the two parties in terms of balance/discrepancy. The author developed the scale based on Gundlach et al.'s (1995) work and had subjects to report their perceptual estimate of the asymmetry of resource commitment of the two parties in

the IJV. The 3 items scale used a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .86.

Resource Complementarity: I adapted the Sarkar et al.'s (2001) scale and modified for the IJV context. The items characterized the level of resource interdependence in the relationship and measure the extent to which both partners perceived the value of resources and capabilities that the other brought to the relationship. The scale was measured with 4 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .96.

4.3.4. Knowledge Characteristics

This concept was composed of four components, knowledge tacitness, knowledge complexity, knowledge specificity, and knowledge availability, which characterized the property of the knowledge. Scales of these four dimensions were developed based on Minbaeva's (2007) work.

Knowledge tacitness: This construct was defind as the extent of difficulty to articulate and codify a given domain of knowledge. This scale was measured with 5 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .92.

Knowledge complexity: This construct was defined as the number of interdependent technologies, routines, individuals, and/or resources linked to a particular knowledge. The scale was measured with 2 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha is .75.

Knowledge specificity: This construct was defined as the specific functional expertise, such as product, marketing and technological know-how. The scale was

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measured with 3 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .84.

Knowledge availability: This construct simply described whether the knowledge is available to the other party or not. The scale was measured with 5 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .90.

4.3.5. Relational Mechanism

Trust: Trust was defined as the degree to which one partner trusts the other to look after its interests without explicitly asking for such help (Sako 1992). I adapted the measurement from the scale of Luo's (2008) on IJV partners' trust. The development of this measurement was based on the studies of Inkpen and Currall (Inkpen and Currall 1997) and Zaheer et al. (1998). The scale was measured with 5 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .92.

Procedural justice: Drawn from the work of Luo (2008), procedural justice in the IJV was defined as the extent to which an IJV's strategic decision-making process and procedures are impartial and justice as perceived by the IJV partner. This scale was measured with 6 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .94.

Distributive justice: In the IJV, distributive justice was defined as the extent to which interparty sharing of the rewards of cooperation was impartial in view of each party's contribution and commitment as well as its assumption of responsibility, risk and burden (Luo 2008). This scale captured the justice of various reward/return sharing

measures in view of each party's contributed resources, commitment, amount of effort, and level of responsibility. It was measured with 4 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .91.

4.3.6. Partner Fit

Goal Congruency: It was defined as the extent to which IJV partners had consistent strategic objectives for the operations and evaluations of the IJV (Luo 2002). Based on Jap's (2009) scale about goal congruency, I adapted it for the IJV context. The scale was measured with 5 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .92.

Interfirm Rivalry: This construct described the degree of competition between the two parties in the IJV. The scale for this construct was developed based on strategy literature review and the discussion with IJV managers in the preliminary interviews. The scale was measured with 5 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .90.

Cultural Compatibility: I adapted the scale from Sarkar et al.'s (2001) work. The scale was measured with 5 items using a 7-point Likert scale anchored with *Strongly Disagree* = 1 and *Strongly Agree* = 7. The Cronbach's alpha was .86.

4.4. Survey Pretest

Before administering the survey, a pretest was run to ensure adequate clarity and flow. I have asked three academic professionals, one business professional, and three

Ph.D. students to help with this process. They provided useful advice to revise the translated survey.

Three faculty members were requested to do the pretest. They were from the Central University of Finance and Economics, speaking both Chinese and English fluently. They compared the translated Chinese survey and the English survey carefully, and discussed their concern with me in a conference call. They suggested to change the wording of the translated survey in the description of two questions and some phrases in five items. Finally, we had consensus on the changes, and believe that the revised questions and items would be clearer and more relevant to practice. If the changes would reduce informants' misunderstanding or confusion, the statistical model could be loaded more appropriately.

A business practitioner was asked to compare the revised version and the original version. The revised questions and phrases in items seemed to work better and more relevant to him. Finally, we decided to use the revised survey for further pretest. Three Ph.D. students who had the research concentration on international marketing were also asked to pretest the survey. They suggested a number of small changes on a couple of items, timing, clarity and the format. The order of two sections was changed, so that the informant can cost less mental energy to understand the question. A couple of key words were bolded to make sure that the informant register the information in his/her mind. In addition, some examples were provided to assist the informant understand the question easier.

4.5. Measurement Models

Multiple indicator measurement models were used for all reflective constructs to reduce potential ambiguity (Anderson and Gerbing 1982), and since none of the constructs met the requirements for acceptable single item measures (Bergkvist and Rossiter 2007). To test for potential common method variance bias I applied Harman's one-factor test to the data. Items for all fifteen reflective constructs were subject to an exploratory factor analysis.

The unrotated factor analysis extracted fifteen principal components and showed that the items were not loading on a single, common method factor (Podsakoff and Organ 1986). Further, the most prominent factor accounted for less than 40% of the variance present. As an additional test, I ran the partial correlation test by partialing out the first principal components. The results indicated that many significant partial correlations remained between the variables.

Because of the large number of latent constructs relative to the sample size of 124, I conducted two sub sets of confirmatory factor analyses (e.g., Kim et al. 2006). The first measurement model included all thirteen antecedents (thirteen constructs) to competitive learning and joint learning was estimated using confirmatory factor analysis (CFA) in EQS 6.1 for windows. The second measurement model included competitive learning and joint learning. For both models, I followed the multi-step procedure recommended by Bagozzi and Yi (1988).

In the first CFA model, first, I examined the univariate and multivariate of the variables to detect if there are any potential violations of the normality assumption. As normality was not assumed, elliptical reweighted least squares was used to fit the CFA

model. Second, the model converged properly and did not report any anomalies, such as condition codes or improper solutions. Third, the Chi-square test was significant X^2 (1406) = 2829.59, $p < .001$. However, because three problems have been identified with this test, such as unknown power, inadequate measurement of goodness of fit, and sensitivity to sample size (Fornell and Larcker 1981), I examined additional model fit indices, which showed decent fit (CFI = .936, IFI = .937, Bentler-Bonett Non-Normed Fit Index = .930, RMR = .088 and RMSEA = .097) (Bagozzi and Yi 1988). Variances of the factors and error variances were all significant and positive. Fourth, I examined the internal structure of the measurement model and the convergent validity of the factors. The final model indicated that the internal structure of the CFA model was sound and had strong convergent validity. Fifth, the coefficient evidenced that each scale had acceptable reliability. Sixth, I tested the discriminant validity by comparing one- and two-factor models of each pair of 8 factors. Seventy-eight pairs were compared, and the two-factor model was significantly better than one-factor model for all pairwise comparisons (Bagozzi and Phillips 1982).

In summary, in the first CFA model, all factors possessed convergent and discriminant validity and the CFA model demonstrated a decent fit with the data. The standardized factor loadings, R^2 and the corresponding t-statistics for all items as well as the model fit indices and coefficient alphas for the factors, were presented in Table 3.

Table 3. Measurement Model Items and Factor Loadings for Interpartner Learning Antecedents

Items	Standardized Loading	R Squared	t-Value	Reliability
Total Resource Commitment				
In the JV, the total amount of resources committed by both parties is huge.	.911	.830	------	α = .92
In the JV, the resources contributed by both parties are regarded as big investments.	.876	.767	13.406***	
The resources invested by both parties in the JV are limited.	.795	.632	10.951***	
In the JV, the magnitude of resources committed by both parties is substantial.	.791	.625	10.845***	
In the JV, there is a significant amount of resources committed by both parties.	.783	.613	10.636***	
Resource Commitment Asymmetry				
There has been an imbalance in the resource commitments between our partner and us.	.787	.618	------	α = .86
The discrepancy of the amount of resources committed by our partner and us to the JV has been large.	.957	.916	10.223***	
Our partner and we have contributed approximately the same amount of resources to the JV.	.799	.638	9.027***	
Resource Complementarity				
Both partner firms have needed each other's resources to supplement their own resources.	.940	.884	------	α = .96
Both partner firms have needed each other's resources to accomplish their goals and responsibilities.	.931	.867	18.675***	
Resources brought into the venture by each partner firms have been valuable for each other.	.950	.903	20.305***	
Resources brought into the venture by each partner firms have played an important role in the JV.	.923	.852	18.083***	

***p < .001

Table 3. Measurement Model Items and Factor Loadings for Interpartner Learning Antecedents

Items	Standardized Loading	R Squared	t-Value	Reliability
Knowledge Characteristics				
The knowledge/skills that we have tried to learn from our partner->				
Knowledge Tacitness				
are provided in specific manuals.	.874	.764	------	α = .92
are clearly described with operating procedures.	.882	.778	12.596***	
are embodied in software or documentation.	.903	.815	13.226***	
are easily codifiable (in instructions, formulas, etc.)	.846	.716	11.628***	
are more explicit than implicit.	.719	.517	8.826***	
Knowledge Complexity				
are highly interdependent information.	.867	.752	------	α = .75
are contingent on sophisticated technology.	.639	.408	6.347***	
Knowledge Specificity				
are about specific functional areas.	.826	.682	------	α = .84
can be specified by step-by-step.	.810	.656	9.581***	
can be separated from other things.	.742	.550	8.476***	
Knowledge Availability				
The knowledge/skills that we tried to learn from our partner are accessible to our personnel.	.686	.471	------	α = .90
Employees from our firm had free access to our partner's knowledge/skills.	.777	.604	7.211***	
We could get hold of our partner's knowledge/skills whenever we want to.	.877	.769	7.980***	
Our partner was willing to share with us the knowledge/skills.	.799	.638	7.392***	
There were no barriers for us to learn about the knowledge/skills from our partner.	.779	.607	7.224***	

***$p < .001$

Table 3. Measurement Model Items and Factor Loadings for Interpartner Learning Antecedents

Items	Standardized Loading	R Squared	t-Value	Reliability
Trust				
We believe that our partner can be trusted to make sensible decisions in the JV.	.788	.621	------	α = .92
We are confident that our partner would not intend to gain advantage by deceiving our party.	.858	.736	10.018***	
We expect that both parties in the JV would have a high level of mutual trust in various activities.	.865	.748	10.128***	
We believe that the partner would stand by its word even when this is not in the best interest for it.	.851	.724	9.899***	
We are confident that the partner would never use any opportunities to profit at our expense.	.691	.477	7.591***	
Procedural justice				
The procedures specified in the JV contract for JV decision-making have been fair.	.939	.882	------	α = .94
The procedures specified in the JV contract for formulating and structuring the JV have been fair.	.919	.845	17.622***	
The procedures specified in the JV contract for planning, organizing, and managing JV activities have been fair.	.871	.759	14.831***	
The procedures specified in the JV contract for governing knowledge or resource sharing between partners have been nondiscriminatory.	.784	.615	11.486***	
The execution of the JV contract has been administered and monitored fairly by both parties.	.779	.607	11.331***	
The implementation of strategic decisions specified in the JV contract has been administered and monitored fairly by both parties.	.747	.558	10.411***	

Distributive justice				
Relative to both parties' contributed resources to the JV, we think the contract specified fair rules on between-party sharing of rewards/returns.	.908	.824	------	α = .91
Relative to both parties' continued commitment to cooperation, we think the contract specified fair rules on between-party sharing of rewards/returns.	.823	.677	11.944***	
We think between-party sharing of rewards/returns specified by the contract reflects well the level of responsibility each party takes in building and managing the JV.	.883	.780	13.999***	
We think between-party sharing of rewards/returns specified by the contract reflects well the amount of effort each party puts into building and managing the JV.	.777	.603	10.654***	
Goal Congruency				
The goals of our partner and us in this JV are compatible.	.840	.706	------	α = .92
There is total agreement regarding organizational goals across all levels, functions, and divisions in the JV.	.836	.699	10.811***	
Our partner and we support each other's objectives.	.919	.845	12.774***	
All employees are committed to the same JV's organizational goals.	.810	.656	10.266***	
There are major conflicts between our partner and us in this JV regarding its objectives.	.847	.717	11.035***	

***$p < .001$

Table 3. Measurement Model Items and Factor Loadings for Interpartner Learning Antecedents

Items	Standardized Loading	R Squared	t-Value	Reliability
Interfirm Rivalry				
Our partner and we have overlapping product lines.	.811	.658	------	α = .90
Our partner and we have similar core businesses.	.839	.704	9.648***	
Our partner and we target similar customer groups.	.786	.618	8.858***	
Our partner and we carry the products having similar brand images.	.664	.441	7.159***	
We may compete for market share with each other in the future.	.809	.654	9.192***	
Cultural Compatibility				
The organizational values prevalent in the two parties have been congruent.	.753	.567	------	α = .86
Executives from both parties involved in this JV have got similar philosophies/approaches to business dealings.	.820	.672	8.314***	
Our partner and we have practiced similar business norms in this JV.	.738	.545	7.446***	
Our employees have not perceived much cultural conflict with the employees from our partner.	.787	.619	7.968***	
Chi-Square (df= 1406, p<.001)	2829.592			
Bentler-Bonett Non-Normed Fit Index	.930			
Comparative Fit Index (CFI)	.936			
Bollen (IFI) Fit Index	.937			
Standardized RMR	.088			
RMSEA	.097			
90% Confidence Interval of RMSEA	(.091, .102)			

***$p < .001$

In the second CFA model, I followed the same steps as in the first CFA model. First, I examined the univariate and multivariate of the variables to detect if there are any potential violations of the normality assumption. As normality was not assumed, elliptical reweighted least squares was used to fit the CFA model. Second, the model converged properly and did not report any anomalies, such as condition codes or improper solutions. Third, the Chi-square test was significant X^2 (89) = 287.52, $p < .001$. Because three problems have been identified with this test (i.e., unknown power, inadequate measurement of goodness of fit, and sensitivity to sample size) (Fornell and Larcker 1981), I examined additional model fit indices, which showed decent fit (CFI = .929, IFI = .930, Bentler-Bonett Non-Normed Fit Index = .917, RMR = .066 and RMSEA = .136) (Bagozzi and Yi 1988). RMSEA was a little higher than the cutoff value (i.e., .10), but for a two factor CFA, it is acceptable, given the decent fit of other indices. Besides, variances of the factors and error variances were all significant and positive. Fourth, I examined the internal structure of the measurement model and the convergent validity of the factors. The final model indicated that the internal structure of the CFA model was sound and had strong convergent validity. Fifth, the coefficient evidenced that each scale had acceptable reliability. Sixth, I tested the discriminant validity by comparing one- and two-factor models of each pair of 8 factors. One pair was compared, and the two-factor model is significantly better than one-factor model for all pairwise comparisons (Bagozzi and Phillips 1982).

In summary, in the second CFA model, all factors possessed convergent and discriminant validity and the CFA model demonstrated a decent fit with the data. The

standardized factor loadings, R^2 and the corresponding t-statistics for all items as well as

the model fit indices and coefficient alphas for the factors, were presented in Table 4.

Table 4. Measurement Model Items and Factor Loadings for Interpartner Learning

Items	Standardized Loading	R Squared	t-Value	Reliability
Competitive learning				
We have allocated a lot of resources to learn about such knowledge/skills.	.907	.823	------	.93
We have spent a great deal of effort to acquire such knowledge/skills.	.857	.734	12.301***	
Learning from our partner has been one of our foci in the JV.	.842	.708	11.836***	
We have tried hard to absorb whatever we can learn from our partner.	.873	.762	12.843***	
We have tried to learn the knowledge/skills from our partner as fast as we can.	.819	.670	11.188***	
Wherever possible, we have tried to be faster than our partner in acquiring knowledge/skills.	.694	.481	8.323***	
Joint learning				
Our partner and we have been developing new knowledge set together for the JV.	.684	.468	------	.93
Our partner and we have been trying to explore routines/procedures which are specific to this JV.	.741	.549	6.783***	
Our partner and we have been applying the jointly learned knowledge/skills to the JV's operation process.	.772	.596	7.040***	
Learning together with partner has been part of the norm in this JV.	.798	.637	7.255***	
"Learning together" in this JV has been greatly valued by both firms.	.803	.645	7.296***	
We have always been interested in learning new knowledge/skills sets with our partner.	.837	.701	7.577***	
Our partner and we have cooperated in acquiring new knowledge for this JV.	.840	.706	7.579***	
Our partner and we have been trying to develop suitable organizational processes specifically for this JV.	.835	.697	7.562***	
Our partner and we have worked to find new ways to work together in this JV.	.726	.527	6.654***	
Chi-Square (df= 89, p<.001)	287.515			
Bentler-Bonett Non-Normed Fit Index	.917			
Comparative Fit Index (CFI)	.929			
Bollen (IFI) Fit Index	.930			
Standardized RMR	.066			
RMSEA	.136			
90% Confidence Interval of RMSEA	(.118, .153)			

***$p < .001$

CHAPTER 5: TESTING HYPOTHESES

There were twenty four hypotheses proposed regarding the antecedents and the instability consequence to competitive learning and joint learning. The antecedents to competitive learning and joint learning were categorized into four relatively independent groups: resource structure, knowledge characteristics, relational mechanism, and partner fit, covering four theoretical aspects in interpartner learning. This chapter will present the results.

5.1. Resource Structure

In this group of antecedents, six hypotheses were proposed, and five of them were supported by the data. The regression of competitive learning on resource commitment asymmetry, total resource commitment, and resource complementarity showed that the model was significant ($F_{3, 120} = 22.024$, $p < .001$, $R^2 = .355$) (see table 5). The regression of joint learning on these antecedents was also significant ($F_{3, 120} = 54.981$, $p < .001$, $R^2 = .579$) (see table 6). Collinearity was not deemed to be an issue as none of the variables registered a variance inflation factor above 2.0.

It was expected that resource asymmetry would be positively linked to competitive learning. With asymmetric resource commitment, both partner may take some advantage of the IJV platform to acquire each other's knowledge properties, such as proprietary technology or management know-how. Nevertheless, the results showed that this the positive relationship was not significant, so H1a was not supported ($\beta = .038$, $p > .05$).

It was proposed that asymmetry in resource commitment was negatively related to joint learning. H1b was statistically supported by the data ($\beta = -.151$, $p < .05$). The comparable amount of resource commitment heightened both partners' common-interest stake and partner interdependency (Gundlach et al. 1995), and the balanced power structure would encourage more cooperation in learning, so joint learning was expected to be more likely to develop in circumstance, where resource commitment asymmetry was low.

Another quantitative measurement of resource commitment was total resource commitment. This construct concerned the magnitude of the resource invested by both partners in the IJV. The hypothesis predicted that more total resource commitment in the IJV could induce competitive learning, because more valuable knowledge/skills were installed and could be available for learning. In IJVs, where less resources were invested, partners would be less motivated to learn from the other one, as the body of the IJV may limit the amount of valuable knowledge for competitive learning. This hypothesis was supported by the data ($\beta = .461$, $p < .001$).

A huge total resource commitment signaled a long-term goal that IJV partners would try to achieve. Cooperation and common interests in learning behaviors can be the major value of this kind of IJV. Thus, I hypothesized that total resource commitment was positively related to joint learning. The data statistically supported this proposition ($\beta = .034$, $p < .05$). From the statement alone, H2b seemed to be similar as H1b. It is important to note that competitive learning and joint learning were not exclusive of each other, and they could coexist. Nevertheless, IJV partners' motivations were different. Actors of competitive learning were motivated to learn by the valuable assets embedded

in the large resource commitment, while actors of joint learning were motivated by the long-term goals set for the IJV.

Resource complementarity has been one of the most important reasons to bring partners together in strategic alliances (Doz and Shuen 1988). This construct characterizes the domains of resources devoted by IJV partners. It was hypothesized that resource complementarity may have positive impact on competitive learning. According to the survey data, the top three resources provided by local partners were market resources (i.e., market information, distribution channels) (58.1%), financial resources (62.5%), and government relationships (78.2%), while the top three resources provided by foreign partners were product/service proprietary technology (69.4%), management know-how (66.9%), and financial resources (41.7%). This background information indicated that there were a good number of IJV partners seeking for complementary assets. The results showed that in IJVs, where partners' resources were complementary, competitive learning occurred more often ($\beta = .201$, $p < .05$). H3a was supported by the data.

Since the work of Penrose (1959), strategic management literature has proposed that firms tended to co-create value if they accessed complementary resources. This argument validly extended to the realm of IJVs. IJV partners could synergize the complementary resources from each other and jointly co-create new knowledge. The hypothesis was made that the resource complementarity was positively related to joint learning. H3b was supported ($\beta = .561$, $p < .001$). This hypothesis had a different perspective from that of H3a though. IJV partners aimed to co-create new resources and

new capabilities, while in the mode of competitive learning, IJV partners worked to

absorb the existing knowledge from each other's complementary resources.

Table 5. Resource Structure and Competitive Learning

DV	IV	M	SD	$F_{(3, 120)}$	R Square	β	*p* Value
Competitive Learning:		4.72	1.11	22.024	.355		<.001***
	Resource Commitment Asymmetry	4.72	1.23			.038	.627
	Total Resource Commitment	3.44	1.34			.461	<.001***
	Resource Complementarity	5.35	1.21			.201	.036*

* *p* < .05
** *p* < .01
*** *p* < .001

Table 6. Resource Structure and Joint Learning

IV	IV	M	SD	$F_{(3, 120)}$	R Square	β	*p* Value
Joint Learning:		4.95	1.17	54.981	.579		<.001***
	Resource Commitment Asymmetry	4.72	1.23			-.151	.019*
	Total Resource Commitment	3.44	1.34			.194	.015*
	Resource Complementarity	5.35	1.21			.561	<.001***

* *p* < .05
** *p* < .01
*** *p* < .001

5.2. Knowledge Characteristics

I proposed four dimensions of knowledge characteristics to investigate, which

were important to characterize knowledge/skills for interpartner learning in IJVs. They

were knowledge tacitness, knowledge complexity, knowledge specificity, and knowledge

availability. This study proposed that the degree of these four dimensions were

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determinants of interpartner learning behaviors. The model summary showed that the regression of knowledge characteristics on competitive learning was significant ($F_{4,\,119}$ = 19.329, $p < .001$, R^2=.394) (see table 7), and also significant on joint learning ($F_{4,\,119}$ = 20.640, $p < .001$, R^2=.410) (see table 8). Collinearity was not deemed to be an issue as none of the variables registered a variance inflation factor above 2.0.

Tacitness described the degree of codifiability or articulability of knowledge, which was more explicit than implicit (e.g., Zander and Kogut 1995). Scholars (e.g., Zander and Kogut 1995) argued that knowledge tacitness might decrease the speed of knowledge transfer. In other words, absorption of tacit knowledge could be difficult for IJV partners. However, as tacit knowledge was abstract and difficult to "tell", joint learning would be a better option for IJV partners to pursue in interpartner learning. It was expected that knowledge tacitness was negatively related to competitive learning, but positively related to joint learning. Results showed that the relationship was not significant, though negative (β = -.032, $p > .05$). However, the positive relationship between tacitness and joint learning was supported by the data (β = .221, $p < .05$). It indicated that in IJVs, where the knowledge base was more tacit, more joint learning behaviors could be adopted. In other words, tacitness could facilitate joint learning.

Knowledge complexity was expected to be negatively related to competitive learning and positively related to joint learning. Because interdependent technologies, routines, and resources in a particular knowledge base were too complex to acquire, the knowledge acquisition cost must be high, therefore, competitive learning might not be an ideal choice. But joint learning was proposed to be a better approach to co-create value with complex knowledge. Unfortunately, both hypotheses were not supported by the data.

Knowledge specificity concerns the functional expertise, such as production, marketing, and/or technological know-how. Specific functional knowledge was developed and integrated around the IJV's functional activities (Minbaeva 2007). It was expected that transferring specific knowledge should be easier than non-specific knowledge. The hypothesis that knowledge specificity was positively related to competitive learning was supported by the data ($\beta = .369$, $p < .001$). Specific functional knowledge could serve as important foundation for new knowledge co-creation. The hypothesis that knowledge specificity was positively related to joint learning was supported by the data as well ($\beta = .393$, $p < .001$).

Knowledge availability describs the accessibility of the knowledge. For available knowledge, there were no obstacles set by the partner or the environment to prevent the other partner from acquiring the knowledge. Competitive learning would not be possible, if there was no knowledge available for transferring, so I expected knowledge availability would be positively related to competitive learning. H7a was supported by the data ($\beta = .226$, $p < .001$). In addition, that knowledge characteristic also greased the wheels for joint learning, because the availability indicated that the partner was open to share knowledge. Such cooperative attitude in learning was imperative for joint learning. Also, the accessible knowledge stock could serve as a solid foundation for new knowledge co-creation. The positive relationship between knowledge availability and joint learning was expected as well. H7b was supported by the data ($\beta = .441$, $p < .001$).

Table 7. Knowledge Characteristics and Competitive Learning

DV	IV	M	SD	$F_{(4, 119)}$	R Square	β	p Value
Competitive Learning:		4.72	1.11	19.329	.394		<.001***
	Knowledge Tacitness	4.29	1.36			-.032	.722
	Knowledge Complexity	4.73	1.32			.158	.093
	Knowledge Specificity	4.74	1.30			.369	.001**
	Knowledge Availability	4.24	1.28			.226	.005**

* $p < .05$
** $p < .01$
*** $p < .001$

Table 8. Knowledge Characteristics and Joint Learning

IV	IV	M	SD	$F_{(4, 119)}$	R Square	β	p Value
Joint Learning:		4.95	1.17	20.640	.410		<.001***
	Knowledge Tacitness	4.29	1.36			.221	.013*
	Knowledge Complexity	4.73	1.32			.038	.678
	Knowledge Specificity	4.74	1.30			.393	<.001***
	Knowledge Availability	4.24	1.28			.441	<.001***

* $p < .05$
** $p < .01$
*** $p < .001$

5.3. Relational Mechanism

Relationships between IJV partners played an important role in interpartner learning. This study investigated trust, procedural justice, and distributive justice, because trust and justice both were important elements in a quality relationship. Trust in this study focused on good faith and intentions. Justice included procedural justice and distributive

justice. Based on the results, the regression of these constructs on competitive learning was significant ($F_{3,\,120} = 15.386$, $p < .001$, $R^2 = .278$) (see table 9), but the individual antecedents on competitive learning had no effects. The regression model of joint learning was significant ($F_{3,\,120} = 56.093$, $p < .001$, $R^2 = .584$) (see table 10). Collinearity was not deemed to be an issue as none of the variables registered a variance inflation factor above 2.0.

Trust discussed in this study is about good faith, good intentions, and integrity. If one partner did not have confidence that the other partner in the IJV would protect its interest and maintain a long-term relationship, competitive learning was more likely to occur in the IJV. However, this hypothesis was not supported by the data ($\beta = .160$, $p > .05$). But if both IJV partners were in a trustworthy relationship, they would be more open to share the knowledge, co-create and apply new knowledge. Being cooperative in interpartner learning should be the dominant atmosphere in a trustworthy relationship. Joint learning based on trust would be prosperous in the IJV. H8b was strongly supported by the data ($\beta = .485$, $p < .001$).

Distributive justice concerns the distribution of benefits and costs that affected the well-being of the IJV. Outcome sharing could be the major incentive that motivated or hindered IJV partners to compete or cooperate. I argued that when one partner was unsatisfied with the outcome distribution, the partnership might not be of much interest. It was likely that the partner was motivated to change the unfair situation. Competitive learning could be one of the ways to adjust the unequal relationship by reducing knowledge dependency. I, otherwise, argued that the fairness in distribution should

solidify the cooperative efforts, and foster joint learning. But both H9a ($\beta = .274$, $p > .05$)

and H9b ($\beta = .062$, $p > .05$) were not supported by the data.

In the IJV, procedural justice could ensure that IJV partners had equal opportunity

to obtain a satisfactory outcome. Such justice should be reflected in the contract,

decision-making process, and/or knowledge governing. When one partner perceived

procedural injustice, it was expected that it might turn to more competitive learning to

reduce dependency on the other partner, and possibly resolve the relationship in the

future. However, H10a was not supported by the data ($\beta = .160$, $p > .05$).

Procedural justice encouraged cooperative learning in an organization. The results

showed that procedural justice was positively related to joint learning ($\beta = .291$, $p < .05$).

Compared with distributive justice, which did not have a significant relationship with

joint learning, procedural justice might be more important for IJV partners in joint

learning than distributive justice.

Table 9. Relational Mechanism and Competitive Learning

DV	IV	M	SD	$F_{(3, 120)}$	R Square	β	p Value
Competitive Learning:		4.72	1.11	15.386	.278		
	Trust	4.95	1.25			.160	.156
	Distributive Justice	4.98	1.11			.274	.065
	Procedural Justice	4.89	1.17			.143	.307

* $p < .05$
** $p < .01$
*** $p < .001$

Table 10. Relational Mechanism and Joint Learning

IV	IV	M	SD	$F_{(3, 120)}$	R Square	β	*p* Value
Joint Learning:		4.95	1.17	56.093	.584		<.001***
	Trust	4.95	1.25			.485	<.001***
	Distributive Justice	4.98	1.11			.062	.579
	Procedural Justice	4.89	1.17			.291	.007**

* *p* < .05
** *p* < .01
*** *p* < .001

5.4. Partner Fit

The match between IJV partners could facilitate or impede interpartner learning. I investigated three compatibility factors: goal congruency, interfirm rivalry, and cultural compatibility. The regression of these three factors on competitive was significant ($F_{3, 120}$ = 11.140, $p < .001$, R^2=.218) (see table 11), and also significant on joint learning ($F_{3, 120}$ = 61.552, $p < .001$, R^2=.606) (see table 12). Collinearity was not deemed to be an issue as none of the variables registered a variance inflation factor above 2.0.

The hypothesis expected that goal congruency would be negatively related to the IJV partner's competitive learning. The results showed that there was a significant relationship, but it was positive ($β = .337$, $p < .05$). The results were opposite to the hypothesis, indicating that goal congruency had a positive impact on competitive learning. It was not difficult to understand, however, that when both partners had congruent goals in the IJV, they would have more joint learning. The results showed that H11b was strongly supported ($β = .670$, $p < .001$).

For IJV partners that had similar customers, target markets, or even core businesses, they might have the potential to compete with each other at the later stage or some time in the future (Park and Ungson 2001). It was expected that more interfirm rivalry would result in more competitive learning, but this hypothesis was not supported by the data ($\beta = .022$, $p > .05$). Joint learning was expected to be high in IJVs, where interfirm rivalry was less. With minimum interfirm rivalry, costs on knowledge governing would be less, and more cooperation in learning could be observed. The negative relationship between rivalry and joint learning was supported by the data ($\beta = -.167$, $p < .05$).

Both interaction and integration in learning required cultural compatibility, because similar organizational culture could reduce coordination costs between IJV partners (Das and Teng 1998). It was expected that both competitive learning ($\beta = .183$, $p < .10$) and joint learning ($\beta = .123$, $p > .05$) would have positive relationship with cultural compatibility, but the data did not support these two hypotheses. However, for competitive learning, the p value showed marginal significance, and for joint learning, the p value was close to marginal. I suspected that these relationships might be significant if a larger sample size was studied.

Table 11. Partner Fit and Competitive Learning

DV	IV	M	SD	$F_{(3, 120)}$	R Square	β	p Value
Competitive Learning:		4.72	1.10	11.140	.218		<.001***
	Goal Congruency	4.91	1.19			.337	.002**
	Interfirm Rivalry	3.63	1.45			.022	.803
	Cultural Compatibility	4.15	1.18			.183	.088

* $p < .05$
** $p < .01$
*** $p < .001$

Table 12. Partner Fit and Joint Learning

IV	IV	M	SD	$F_{(3, 120)}$	R Square	β	p Value
Joint Learning:		4.95	1.17	61.552	.606		<.001***
	Goal Congruency	4.91	1.19			.670	<.001***
	Interfirm Rivalry	3.63	1.45			-.168	.009**
	Cultural Compatibility	4.15	1.18			.123	.107

* $p < .05$
** $p < .01$
*** $p < .001$

Competitive learning and joint learning were learning behaviors that could coexist in the IJV. IJV partners might have mixed motives while taking these learning approaches. Based on the results, the regression model was significant ($F_{2, 120} = 21.694$, $p < .001$, $R^2 = .266$). H14a was supported by the data, indicating a significant positive relationship between competitive learning and IJV instability ($\beta = .239$, $p < .05$). It meant competitive learning does have negative impact on the stability of an IJV. H14b was strongly supported by the data as well, and suggested a significant negative relationship between joint learning and IJV instability ($\beta = -.605$, $p < .001$), which meant joint learning could stabilize an IJV.

Table 13. Interpartner Learning and IJV Instability

IV	IV	M	SD	$F_{(3, 120)}$	R Square	β	p Value
IJV Instability:		3.17	1.11	21.694	.266		<.001***
	Competitive Learning	4.72	1.10			.239	.012*
	Joint Learning	4.95	1.17			-.605	<.001***

* $p < .05$
** $p < .01$
*** $p < .001$

Summary

In total, there were twenty eight hypotheses, seventeen of them were supported by the data; ten of them showed no statistical relationship, and one of them was opposite to the hypothesis (see table 14 and table 15).

In the resource structure, total resource commitment and resource complementarity had impacts on both competitive learning and joint learning. The Asymmetry in resource commitment only affected joint learning. Among knowledge characteristics, knowledge specificity and availability positively impacted both competitive learning and joint learning. Tacitness only seemed to be related to joint learning. Complexity showed effects on neither of the learning behaviors. In relational mechanism, trust and procedural justice played an important role in joint learning, but not necessarily effected competitive learning. Distributive justice did not show any effects on either learning behavior. In partner fit, goal congruency and interfirm rivalry suggested significant influence on joint learning, but no effect on competitive learning. Opposite to the hypothesis, the results showed that goal congruency was positively related to competitive learning. Cultural compatibility showed no impact on either learning behavior.

As the author expected, both learning behaviors had significant relationships with IJV instability. The analysis results were consistent with the hypotheses. Competitive learning was positively related to instability, while joint learning was negatively related to instability. This finding further concurred that learning behaviors could significantly stabilize or destabilize the IJVs.

Table 14. Correlation Table

	IB	CL	JL	TOTAL	ASYMETR	COMPLE	TACIT	CMLX	SPCF	AVAIL	TRUST	PJ	DJ	GOAL	IR	CULTUR
IB	1															
CL	.010	1														
JL	-.564**	.471**	1													
TOTAL	-.264**	.410**	.582**	1												
ASYMETR	.084	-.127	-.074	.000	1											
COMPLE	-.416**	.444**	.747**	.603**	-.110	1										
TACIT	-.011	.436**	.282**	.478**	.136	.369**	1									
CMLX	.029	.414**	.164	.216*	.052	.219*	.577**	1								
SPCF	-.169	.453**	.452**	.512**	.114	.420**	.729**	.618**	1							
AVAIL	-.240**	.374**	.618**	.475**	-.137	.367**	.414**	.123	.455**	1						
TRUST	-.440**	.469**	.774**	.569**	-.120	.634**	.269**	.073	.497**	.575**	1					
PJ	-.445**	.484**	.710**	.603**	-.261**	.742**	.314**	.298**	.415**	.502**	.682**	1				
DJ	-.358**	.514**	.663**	.611**	-.278**	.682**	.280**	.346**	.447**	.456**	.724**	.820**	1			
GOAL	-.536**	.384**	.774**	.705**	-.012	.749**	.286**	.109	.445**	.449**	.829**	.692**	.710**	1		
IR	.239**	.210*	.012	.097	.123	.081	.170	.081	.018	-.064	-.003	.085	.150	.089	1	
CULTUR	-.197*	.346**	.525**	.443**	.015	.410**	.236**	.283**	.325**	.359**	.572**	.531**	.627**	.572**	.413**	1

Table 15. Summary of Hypotheses

Hypotheses	Hypothesis Wording	Supported/Not Supported
H1a	Asymmetry in resource commitment (+) → Competitive learning	Not Supported
H1b	Asymmetry in resource commitment (-) → Joint learning	Supported
H2a	Total resource commitment (+) → Competitive learning	Supported
H2b	Total resource commitment (+) → Joint learning	Supported
H3a	Resource complementarity (+) → Competitive learning	Supported
H3b	Resource complementarity (+) → Joint learning	Supported
H4a	Knowledge Tacitness (-) → Competitive learning	Not Supported
H4b	Knowledge Tacitness (+) → Joint learning	Supported
H5a	Knowledge complexity (-) → Competitive learning	Not Supported
H5b	Knowledge complexity (+) → Joint learning	Not Supported
H6a	Knowledge specificity (+) → Competitive learning	Supported
H6b	Knowledge specificity (+) → Joint learning	Supported
H7a	Knowledge availability (+) → Competitive learning	Supported
H7b	Knowledge availability (+) → Joint learning	Supported
H8a	Trust (-) → Competitive learning	Not Supported
H8b	Trust → (+) Joint learning	Supported
H9a	Distributive justice (-) → Competitive learning	Not Supported
H9b	Distributive justice (+) → Joint learning	Not Supported
H10a	Procedural justice (-) → Competitive learning	Not Supported
H10b	Procedural justice (+) → Joint learning	Supported
H11a	Goal congruency (-) → Competitive learning	Refuted
H11b	Goal congruency (+) → Joint learning	Supported
H12a	Interfirm rivalry (+) → Competitive learning	Not Supported
H12b	Interfirm rivalry (-) → Joint learning	Supported
H13a	Cultural compatibility (+) → Competitive learning	Not Supported
H13b	Cultural compatibility (+) → Joint learning	Not Supported
H14a	Competitive learning (+) → IJV instability	Supported
H14b	Joint learning (-) → IJV instability	Supported

CHAPTER 6. DISCUSSION AND IMPLICATIONS

The present studies on IJV partnership have been confined to the areas of partner selection factors, control, performance, and cross-cultural issues. However, after the formation of the IJV, the dynamic changes occurring in the partnership have been neglected. The stabilization of an IJV might be of a more important issue, because the dissolution of the partnership or premature changes can be extremely costly for one or both IJV partners. Inkpen and Beamish (1997) affirm that interpartner learning (i.e., absorptive learning) is the major factor that causes instability in IJVs. However, this statement does not adequately explain some successful examples – stable and longevous IJVs (e.g., Mazda and Ford). In fact, there are two different types of interpartner learning forces – competitive learning and joint learning, which create the tension in IJVs. One stabilizes IJV, while the other destabilizes IJV.

In order to have better understanding on both learning behaviors, it is imperative to investigate their antecedents, so that researchers and pratitioners can leverage firm resources to facilitate one or/and another. This dissertation aimed to address two research questions: 1) how do competitive learning and joint learning impact the IJV instability/stability? and 2) what are the antecedents to competitive learning and joint learning. A survey study was made to empirically test the two research questions. The results supported most of the hypotheses.

This chapter has three sections. The first section presents the summary of the key findings of the survey, and provides a discussion of the results in relation to the hypotheses. The second section discusses the theoretical and managerial implications.

Lastly, the chapter closes with a discussion of the limitations and proposes future research directions.

6.1. Summary of Findings and Discussion

A survey study was conducted to empirically test numerous hypotheses. There were 124 usable questionnaires collected from middle-level managers of IJVs in China. The results indicated that competitive learning did influence IJV instability, while joint learning, on the contrary, strongly stabilized IJVs. It was found that both competitive learning and joint learning could coexist in IJVs and affect the stability simultaneously. Joint learning played an important role in IJV stability, and its effect seemed much stronger than competitive learning.

Further, the antecedents that caused competitive/joint learning were identified. In research resource structure, resource asymmetry had the main effect on joint learning, but not on competitive learning. When IJV partners had relatively equal resource commitment, they tended to have more joint learning. When resource commitment discrepancy increased, the data suggested that less joint learning was observed. This results suggested that a well-balanced resource contribution fertilized the ground for cooperation in learning, but it did not necessarily prevent competition in learning.

Total resource commitment and resource complementarity have a positive impact on competitive learning and joint learning. It indicated that the emphasis of the two different types of interpartner learning occurred in IJVs, where there were substantial resource commitment and complementary resource combination. Even though, the main effects of total resource commitment and resource complementarity had the same

direction, the theoretical interpretation differed. The considerable total resource investment signaled a good chance of acquiring valuable knowledge. Significant amount of total resource commitment normally has involved highly valuable firm resources, such as proprietary knowledge, technology and idiosyncratic elements. These valuable resources were all reasons to motivate partners to learn, so that the dependency on the partner could be reduced. For joint learning, the big resource commitment assured long-term cooperation. Both partners would collaborate to jointly learn and apply new knowledge as a long-term goal.

By the same token for resource complementarity in terms of motivation behind the learning, on the one hand, valuable complementary resources could eliminate deficiencies in each other's portfolio of resources, so they could greatly bolster partner's own competencies if acquired; on the other hand, they encouraged IJV partners to combine and synergize each other's advantages. The configuration of resource complementarity cultivated both competitive learning and joint learning.

The second group of antecedents explored the influence of the nature of knowledge on interpartner learning. They were modeled into the framework, because the characteristics of the knowledge could determine learning behaviors. Four dimensions were investigated in this dissertation – tacitness, complexity, specificity, and availability.

Tacitness was found to facilitate joint learning, but showed no effect on competitive learning. The possible explanation was that as tacit knowledge sharing required more socialization and interaction between the two partners, the communication platform determined by the nature of the IJV facilitated competitive learning, regardless of whether the knowledge is tacit or not. Tacit knowledge was hard to acquire, but for

some IJVs the setting might have reduced the obstacles of competitive learning. Therefore, tacitness might not be the major factor to influence competitive learning. Nevertheless, the process of tacit knowledge sharing encouraged individuals or teams to socialize more, and go beyond their knowledge territories to promote the dynamics of new knowledge integration and institutionalization. Interactive social communications can eclipse the boundaries between IJV partners. Particularly, it is a conversion process to integrate the partner's tacit knowledge into the IJV by creating new knowledge, new firm culture, and values. Therefore, tacit knowledge cultivated the ground for joint learning.

Knowledge specificity and availability positively impacted both competitive learning and joint learning. Specific functional knowledge could be acquired easily, because it was independent and stand-alone knowledge. Learning this kind of independent knowledge would expect fewer hassles than knowledge woven with the context or any other techniques. In addition, specificity increased joint learning as well. The specifiable knowledge provided solid foundation for joint learning to combine and synergize new knowledge. By the same token, availability simply opened up the knowledge. The accessible knowledge constituted no physical, governing, or administration barriers for IJV partners, and just greatly boosted competitive learning. Also, as the partner's existing knowledge base became open, there was more chance for joint learning, because new knowledge can be co-created from the existing knowledge combination. Therefore, both learning behaviors could benefit from specificity and availability.

I investigated the relational mechanism in terms of trust and justice. It was found that competitive learning was not impacted by any of them, nevertheless, joint learning relied on trust and procedural justice. This finding suggested that trust and justice were not necessarily influential to competitive learning, however, they did play important roles in joint learning. In order to have successful joint learning programs, IJV partners had to share information, insights, and ideas and work together effectively. Nevertheless, this sharing and coordination could make the partner vulnerable to knowledge exploitation, so trust must be proactively established in the IJV for joint learning. Besides, justice was crucial for a quality relationship (Kumar et al. 1995), but particularly only procedural justice was found to affect joint learning. Distributive justice showed no effect on joint learning. Distribution of benefits and harms, rewards and costs affected the well-being of individual parties of an organization (Alexander and Ruderman 1987; Deutsch 1985). A possible explanation was that distributive justice was more focused on individual parties' private interest than on common interest. IJV partners that looked forward to long-term cooperation might care less about individual party's gain sharing. For long-term joint projects, usually there was no adequate information regarding the trustworthiness of other parties, nor the assurance regarding the final gain sharing, partners might refer to procedural justice to decide how much they should commit to joint activities (Luo 2008). The finding was consistent with Allen and Meyer's (1990) statement that procedural justice could improve commitment through more active participation in the joint decision making. The finding suggested that procedural justice could stimulate cooperation on new knowledge co-creation and institulization. Thus, the finding proved the significant positive relationship between procedural justice and joint learning.

Lastly, the fourth group of antecedents was about partner fit regarding goal congruency, interfirm rivalry, and cultural compatibility. These factors were tested to measure whether IJV partners were a good match for one another (Luo 2002; Madhok and Tallman 1998; Park and Ungson 2001). Goal congruency was positively related to both competitive learning and joint learning. This positive relationship with competitive learning was opposite to the hypothesis. The counterintuitive finding might suggest that both partners needed to have similar objectives, and were supportive to such objectives to make knowledge resources accessible. This finding suggested that competitive learning was not necessarily conflicting behavior between partners. In real business world, it also required some cooperative foundation, otherwise, competitive learning was not even possible.

Surprisingly, interfirm rivalry showed no impact on competitive learning. The knowledge governance, partner relationship, and the type of knowledge might interfere with the main effect, especially for competitive rivalries. Future studies may explore the interaction effects with other factors on competitive learning. No effect found on this proposition might be due to the undiscovered moderators.

Consistent with the hypothesis, interfirm rivalry was negatively related to joint learning. When IJV partners did not have similar business models and were not competing for similar customers, the cooperative tendency was enhanced, and joint learning was also boosted by less safeguard on knowledge. In addition, knowledge synergy and combination were based on resources from different domains. The relationship seemed similar to the effect of resource complementarity on interpartner learning, but the mechanism was different. Competitive rivalries would have more

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concern on opportunism. No direct competition in the future freed IJV partners from opportunistic hazards, so more joint learning engagement was observed.

Cultural compatibility affected neither competitive learning nor joint learning. It was proposed to increase the communication efficiency, and thereby would positively influence both learning behaviors. No significance was found, but their p values were around .10. I expect that the relationship would become significant when the sample size became larger.

In general, more than half of the hypotheses were supported, and there might be further interesting explorations for unsupported hypotheses.

6.2. Theoretical Contributions

This dissertation was the first study to explore both antecedents and consequences to competitive leaning and joint learning. It had a number of theoretical and managerial contributions in interpartner learning literature and IJV studies.

First, the study on instability added value to IJV studies with respect to the dynamic evolution of partnership. Numerous studies about performance outcomes in IJVs have researched partner selection factors, control (e.g., Geringer and Hebert 1989), cross-cultural issues (e.g., Pothukuchi et al. 2002), etc. Nevertheless, little light has shed on the dynamic changes in IJVs. The termination, dissolution, equity acquisition, and contract changes have occurred more frequently than ever before. It has become urgent to study instability in IJVs. Instability characterizes the evolution of an IJV in terms of the partner relationship, equity ownership change, strategic decisions, and management structure. The premature or unplanned change in these aspects can be very costly for one or both

IJV partners. Understanding the importance of instability and investigating its causal factors are imperative for both academic professionals and business practitioners. This dissertation contributed by elucidating the importance of instability and statistically reveals its existence.

Second, the dissertation researched beyond the commonly held beliefs on the relationship between interpartner learning and IJV instability. Prior researches on interpartner learning have focused on knowledge transferring or knowledge acquisition, which was regarded as the major reason for IJV instability (Inkpen and Beamish 1997). However, in reality, stabilizing and destabilizing forces could coexist in IJVs. The confined discussion only on learning that destabilizes IJVs, just exhibited a partial picture of reality. Fang and Zou (2010) demonstrated that joint learning capacity played an important role in stabilizing IJVs. Based on their work, this dissertation considered both competitive learning and joint learning, which simultaneously influence the stability in IJVs. The model illustrated competitive learning as an early signal of instability, and suggested joint learning to enhance the organization stability. With a completed picture of interpartner learning regarding competitive learning and joint learning, we can have better understanding on the tension caused by different types of learning on stabilizing/destabilizing IJVs.

In the present study, rather than being defined as learning capacity, competitive learning and joint learning were conceptualized as the perceptual emphasis of the behavior. Learning capacity or the actual learning behavior can be a little vague to define and hard to measure. The IJV manager may not have the perfect knowledge of the full capacity of learning or how much learning behavior is carrying on throughout the

organization. For example, the manager probably does not have the awareness of the learning capacity among lower-level employees. Thus, due to the manager's limited knowledge, using learning capacity may not fully capture the concurrent learning in the organization. The emphasis of learning described the trend and the strategic direction of learning, which is supposed to be within the scope of the manager's knowledge. Informants (i.e., managers) may have better knowledge about the emphasis of learning than learning capacity. Thus, with this conceptualization, less information can be lost and the measurement can be more precise.

Further, most works on interpartner learning are conceptual (e.g., Inkpen and Beamish 1997), with few exceptions (Fang and Zou 2010). This dissertation empirically tested the influence of competitive learning and joint learning. The measurement instrument was developed thoughtfully through interviews with business practitioners, and the validity was polished by both academic professionals and business professionals. The standardized factor coefficients loaded appropriately. The regression analysis confirmed prior works' conceptual proposition that competitive learning could destabilize IJV, at the same time, the author illustrated that joint learning could facilitate IJV stability. The empirical examination of these relationships enabled researchers and practitioners to read the early signals of instability or maintain a stable IJV, from the perspective of interpartner learning. Interestingly, compared with the influence of competitive learning on instability, the study found that joint learning was a much stronger force on stability.

Second, this study explored the antecedents to both competitive learning and joint learning. Given the importance of IJV stability and the influence of interpartner

learning on the stability, it was compelling to investigate the antecedents. The investigation bridged another theoretical gap that what factors cultivated the ground for both learning behaviors. The findings were prescriptive so that IJVs could be proactive in the application of interpartner learning. This dissertation comprehensively modeled the antecedents that could influence interpartner learning, sorted into four groups: resource structure, knowledge characteristics, relational mechanism, and partner fit. The selection of the antecedents was based on the literature of strategic alliances, IJV studies, and works in organizational learning. The data have confirmed that most of them were influential on either competitive learning or/and joint learning. In summary, in order to foster joint learning, managers may work with the partner on increasing the total resource commitment, keeping a well-balanced resource commitment, and providing complementary resources; IJV partner firms may want to enhance the tacitness, specificity and availability in knowledge/skill sets; besides, they should also consider establishing procedural justice, maintaining congruent goals, and reducing interfirm rivalry. For firms that would adopt competitive learning or avoid competitive learning, they need to notice these factors at the early stage: in a substantial resource commitment, the party that commits complementary resources is more likely to be deprived of its knowledge set, especially the knowledge is specific and with open access; additionally, the coinciding organization goals makes competitive learning easier as well. In all, the framework modeled with antecedents and consequences has completed the interpartner learning theory in the IJV context. Based on this work, both researchers and practitioners can proactively act to facilitate competitive learning and/or joint learning.

Third, China is the second largest economy and the biggest foreign direct investment (FDI) country. About 65% FDI has been invested through IJVs (Luo 2009). The great market opportunities and economy growth have attracted many foreign companies to form joint ventures in China. With diverse objectives, local partners and foreign partners may have intensive tensions in the joint venture. This context has provided the environment with variations in IJV instability/stability. Investigating the factors that caused instability in IJVs in China was critically meaningful for foreign firms and local firms. Given some unique features of this context, such as culture and government involvement, the results of the study still had great generalization for many other developing countries.

In conclusion, this dissertation illustrated the importance of IJV stability/instability in partnership evolution. The study did not just confirm the impact of competitive learning and joint learning on instability/stability, but also explored the antecedents. With the knowledge presented by this dissertation, managers would be able to selectively preset the organization configurations to facilitate competitive learning and/or joint learning, and thereby influence IJV stability/instability.

6.3. Managerial Implications

This dissertation also provides important managerial implications for business practitioners in IJVs. First, as IJV instability can be very costly for its partner firms, it becomes extremely important for managers to understand the mechanism of interpartner learning that stabilize/destabilize IJVs. A large number of foreign firms have been attracted to China through the form of IJV, which is one of the most popular ways to

enter the Chinese market. Both local firms and foreign firms have encountered some difficulties as to IJV instability. For example, Carrefour entered China in the form of IJV. Quickly, Carrefour adopted competitive learning approach to acquire necessary knowledge from its local partner, and then pushed to change the equity share, modify the contract, and finally dissolve the partnership. In this kind of situation, if the partner firm has no awareness of the influence of competitive learning on IJV stability, the partnership would be short-lived and they have to bear costly consequences. This study urges practitioners to read some early signals (i.e., competitive learning behaviors) of instability, so that they can proactively avoid any premature changes or partnership dissolution.

However, in another example, Mazda and Ford have been IJV partners for decades, sharing proprietary technology and jointly exploring the market. This successful example urges us to question the conventional argument on the relationship between interpartner learning and IJV instability. It suggest that partners can actively adopt another learning approach – joint learning to stabilize IJV.

More importantly, in addition to warning IJV partners about competitive learning and advising joint learning to facilitate stability, this dissertation also provides prescriptive advice as to what factors influence competitive and joint learning, such as leveraging firm resource structure, understand knowledge characteristics, establish quality relationship, and observe partner's compatibility. With consciousness about these factors, IJV partners can have anticipation of interpartner learning. Specifically, in order to have more joint learning, IJV partners can work on adjusting resource investment by increasing or balancing the commitment amount, and/or

providing more complementary resources. IJV can also try to establish/reestablish a trustworthy relationship and develop business procedures that are transparent and fair for both parties. In addition, you may work on reducing rivalry by targeting at different customers or creating alternative product lines. Looking for similar and compatible goals can help as well. Lastly, being aware of what you have is important, knowing the characteristics of your own knowledge. Promoting tacit knowledge would enhance IJV partners' interest in joint learning. Presenting specific and accessible knowledge is also recommended.

IJV partners who want to avoid the counterparts' competitive learning should be cautious when providing complementary resources for the IJV, and the total investment is substantial. The knowledge you possess is specific and easy to access, thus triggering your partner's interest for knowledge acquisition. You may understand that sharing similar organizational goals and supporting your partner's objectives are not universally "good". Be cautious and vigilant about opening the door for sneaky learners.

From the perspective of the learning party, however, competitive learning may not necessarily a bad thing. If your partner is not competent enough and even drags the progress of the IJV development, or you need to intentionally acquire the competency from your partner for whatever reason, competitive learning might be a strategic way to get away. In an IJV with a big investment, you may have more chance to learn, and especially when your partner's area is complementary to yours. Understanding the knowledge that you would learn will save time, money, and effort. Specific and accessible knowledge is the easiest to acquire. Setting compatible organizational goals and temporarily reducing rivalry can help approach your partner and acquire the

knowledge easily. But this "sneaky strategy" may be subject to corresponding ethical codes.

In general, depending on firms' perspective, this dissertation provides insightful suggestions as to how to stabilize/destabilize the IJV through learning. Competitive learning and/or joint learning is the firms' strategic choice.

6.4. Limitations and Future Research

There are several limitations of this study. First, this was a survey study from one perspective of the IJV. A more robust approach would require dyad data, so that the bias from unilateral opinion could be avoided. IJV partners might have inconsistent perceptions on some constructs. For example, a giant retailer like Carrefour may not regard setting up a retail store as a big resource commitment, while its local partner with relatively scarce resources may do so. In the aspect of organizational goals, perhaps the local partner believes its goal coincides with its partners', however, its partner may have a second thought on it. Dyads would be the most ideal dataset for interpartner learning studies in the future, whose bias could be minimized this way.

Second, the antecedents and consequences to competitive learning and joint learning happened chronically. A longitudinal study would be a rigid way to assure the causal relationships. Measuring antecedents, learning behaviors and consequences at different periods would be recommended for future studies.

Third, this dissertation tried to comprehensively list the antecedents to competitive learning and joint learning. However, this list might not be exhaustive, especially some factors that were specific to this context, such as the government

involvement and national culture. For example, due to the national cultural differences, Chinese firms and American firms may perceive trust differently and have different approaches or techniques to establish trust. For instance, American firms would set up rigid contract terms to establish trust, while Chinese firms would emphasize the personal relationships. These are country-specific factors and can be investigated in China-specific topics in future studies.

Fourth, there might be some moderating conditions not discussed in this dissertation. Some antecedents might have interaction with one another to influence competitive learning or joint learning, some antecedents might even have interaction with one of the learning behaviors to influence the other learning. For example, I did a post-hoc analysis and found that competitive learning could enhance the effect of total resource commitment on joint learning. I plan to further explore any possible interactions in the future.

Fifth, the sample size is relatively small. Some main effects and interactions were not found significant enough relationship due to the small sample size. I may follow up by collecting more data in the future to enhance the statistical power.

Besides, the interpartner learning framework is conceptually modeled with antecedents and consequences. Mediation test can be considered to analyze the data, when interpartner learning is conceptualized as a mediator. It would be interesting to explore how much impact of the antecedents can be mediated by competitive learning and joint learning to influence instability/stability. I conducted bootstrap mediation analysis using the dataset and found competitive learning and joint learning mediate the

effect of most of the antecedents. Thus, the author can work on another project with the focus on the mediation of learning.

Other than the constructs hypothesized in the dissertation, the questionnaire also surveyed some other constructs, such as strategic performance, financial performance, and opportunism. I expected to utilize these constructs in another project. For example, a post-hoc analysis showed that stable IJVs have better performance. A follow-up study can explore how interpartner learning affect performance through instability/stability. In addition, based on competitive learning and/or joint learning, new product development (NPD) can vary. Another study on the relationship between interpartner learning and NPD would be interesting to explore as well.

APPENDIX 1. Recruitment letter for the three contact people (by email)

Dear xxx,

We have talked about the research project regarding the learning behaviors in international joint venture. I really appreciate you agree to help us on this project and help recruit, distribute, and collect the surveys for this project.

In the data collection process, we would like you following the steps below.

1. You need to announce the verbal recruitment script to let the participants know about the project.
2. You need to announce that their participation and the data collected from them will be anonymous.
3. After you get consent from the MBA students, you may distribute the cover letter and the survey.
4. The survey should not have any mark which can identify the participant.
5. When you collect the survey, the survey should be sealed in an envelope provided by us to keep the participation anonymous.

Thank you very much! If you have any questions, please contact Xiaodan Dong(Tel: 1-573-529-1003; office 403 Cornell Hall, MU Campus; e-mail: xdong@mizzou.edu). If you have any question regarding the human subjects rights, you may also contact the Campus Institutional Review Board Office at (573) 882-9585, 483 McReynolds Hall , Columbia, MO 65211, USA, umcresearchcirb@missouri.edu.

Best regards,

Xiaodan Dong
PhD Candidate
Marketing Department
University of Missouri

APPENDIX 2. COVER LETTER

Survey for International Joint Ventures

Researchers at the University of Missouri request your help regarding learning behaviors in international joint ventures. The learning behaviors have important influences on IJVs' stability. The results will be used in this research for scholars from the University of Missouri.

We hope you will participate in the survey that asks about your learning behaviors in the joint venture. The survey will take approximately 20-25 minutes. Please note that your answer will be anonymous. Participation is voluntary. If you agree to fill out this survey, please check "agree to participate", otherwise please check "disagree to participate". Thank you.

(   ) Agree to participate   (   ) Disagree to participate

If you have any question, please contact:

Xiaodan Dong (Principal Investigator)
Email: xdong@mizzou.edu
Phone: 001-573-529-1003
403 Cornell Hall, Columbia, MO 65211
USA

Shaoming Zou
Email: zou@missouri.edu
Phone: 001-573-884-0920
403 Cornell Hall, Columbia, MO 65211
USA

If you have questions about your rights as a research participant, please contact the University of Missouri IRB, 483 McReynolds Hall, Columbia, MO 65211, USA, 573-882-9585, umcresearchirb@missouri.edu

Thank you very much for the participation!!

APPENDIX 3. Cover Letter (Chinese Version)

合资企业调查问卷

尊敬的先生/女士：您好!

我们是来自美国密苏里大学的研究员。此调查问卷是有关中外合资企业合作方之间相互学习方面的问卷。总体调查结果仅仅用于美国密苏里大学商学院合作研究.

这份调查问卷需要 20-25 分钟完成。您的回答是匿名，参与完全自愿。如果你们同意参与此项调查请在"同意参与"上打勾，如果不同意请在"不同意参与"上打勾。谢谢

（　）同意参与　　（　）不同意参与

如有任何问题请联系：

董小丹(Principal Investigator)
Email: xdong@mizzou.edu
电话: 001-573-529-1003
地址：403 Cornell Hall, Columbia, MO 65211，USA

邹绍明
Email: zou@missouri.edu
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地址：403 Cornell Hall, Columbia, MO 65211，USA

如果您对参与者权利有任何问题，请联系 the University of Missouri IRB, 483 McReynolds Hall, Columbia, MO 65211, USA, 573-882-9585, umcresearchirb@missouri.edu

希望您认真填写！
感谢您的参与！！

APPENDIX 4. Verbal Recruitment Script

Hi, I'm xxx (the distributor's name). I am working for researchers Ms. Xiaodan Dong and Professor Shaoming Zou of the University of Missouri on this research project. They would like to ask you for help regarding learning behaviors in international joint ventures. The learning behaviors have important influences on IJVs' stability.

You must be at least 18 years of age to participate in this study. You are free to not answer any question that you don't wish to in the questionnaire. You are also free to terminate your participation in this research at any time. Your participation and the data collected from you will be anonymous.

Your participation in this research is entirely voluntary. The survey will take 20-25 minutes to complete. Your participation is voluntary and you can fill it out at your convenience any time and bring it back to me at xx (time) in room xxx.

If you have any questions regarding this research or your rights as a research participant, please contact Xiaodan Dong(Tel: 1-573-529-1003; office 403 Cornell Hall, MU Campus; e-mail: xdong@mizzou.edu). If you have any questions regarding human subjects rights, you may also contact the Campus Institutional Review Board Office at (573) 882-9585, 483 McReynolds Hall, Columbia, MO 65211, USA, umcresearchcirb@missouri.edu.

APPENDIX 5. Verbal Recruitment Script (Chinese version)

大家好！我叫 xxx。我现在负责帮助一项研究课题。美国密苏里大学的研究员董小丹小姐和邹绍明教授为这项课题希望得到你们的帮助。这项课题的内容是关于合资企业内部的学习行为。

要参加这项课题您必须年满 18 岁。对于不想回答的问题可以把回答，随时可以终止您的参与。你的参与和收上来的数据都是匿名的。

您的参与纯属自愿。整个调查需要 20-25 分钟。您可以把问卷带回家中方便的时候填写，等填写完毕后于 xxx 时间带回课堂。

如果作为为参与者，您有任何问题请联系董小丹小姐(电话: 1-573-529-1003; 地址 403 Cornell Hall, MU Campus; e-mail: xdong@mizzou.edu). 如果您对于作为参与者的权利有任何疑虑，可以联系 Campus Institutional Review Board Office at (573) 882-9585, 483 McReynolds Hall, Columbia, MO 65211, USA, umcresearchcirb@missouri.edu.

APPENDIX 6. SURVEY

Survey for International Joint Ventures

This research is focused on inter-organizational learning in international joint ventures (IJVs). The results will be used in research for scholars from both the University of Missouri and Renmin University of China. The survey will take approximately 20-25 minutes. Please note that your answer will be anonymous and confidential. If you are interested in the results of this study, you may leave an email address at the end of the survey, so that we can send you a summary report as soon as this project is finished.

If you have any question, please contact:

Xiaodan Dong (Principal Investigator)
Email: xdong@mizzou.edu
Phone: 001-573-529-1003

Zelin Zhang (Investigator)
Email: zhangzelin@rbs.org.cn
Phone: 86-18612661309

Thank you very much for the participation!!

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Note: In the following questions, "joint venture (IJV)" refers to a legally independent company jointly owned by partnership of the parent corporations, and at least one parent corporation has its headquarters outside China.

The country where the headquarters of your parent firm/your partner's parent firm is located at:

Your firm's headquarters located at: _____

Your partner firm's headquarters located at: _____

The name of your JV is: _____ Your industry is: _____

1. Please circle the degree of your agreement with following statements.

	Strongly Disagree.............................Agree					Strongly	
The partner and our party may have to significantly renegotiate the JV agreement, which was not originally planned.	1	2	3	4	5	6	7
The JV may reconfigure its ownership structure, which was not originally planned.	1	2	3	4	5	6	7
The JV may have to significantly restructure its management team, which was not originally planned.	1	2	3	4	5	6	7
The relationship with our partner, to some extent, will change.	1	2	3	4	5	6	7
The partner and we have had a lot of conflicts in the JV.	1	2	3	4	5	6	7
There is a high level of tension for any kind of change in the JV.	1	2	3	4	5	6	7
We may extensively discuss ending the relationship in the JV with our partner in the JV.	1	2	3	4	5	6	7
It is likely that we or our partner will acquire the other party's share in the JV in the future.	1	2	3	4	5	6	7
We or our partner, either party, plan to increase the equity shareholding in the JV.	1	2	3	4	5	6	7
It is likely that the JV will expand in the future.	1	2	3	4	5	6	7
It is unlikely that we will work with our partner after the contract ends.	1	2	3	4	5	6	7
It is likely that we will leave our partner in the future, when possible.	1	2	3	4	5	6	7

2

2. Please circle the degree of your agreement with following statements.

	Strongly Disagree					Strongly Agree	
The strategic position of the JV is very strong.	1	2	3	4	5	6	7
Relative to our major competitors, our JV is very competitive in the market.	1	2	3	4	5	6	7
Our JV's market share is very high relative to our major competitors.	1	2	3	4	5	6	7
Our JV has been able to build a leadership position in our industry.	1	2	3	4	5	6	7
Our JV has a very favorable cost position relative to our major competitors.	1	2	3	4	5	6	7
Compared to major competitors, the sales revenue of our JV has been increasing rapidly.	1	2	3	4	5	6	7
The operations of our JV are very profitable relative to our major competitors.	1	2	3	4	5	6	7
Our JV's return on investment is higher than that of our major competition.	1	2	3	4	5	6	7

3. In the JV, your company may have learned *knowledge/skills* from your partner. Please rank the importance of the *knowledge/skills*. For example, "1" for the most important knowledge/skills, "2" for the second most important knowledge/skills. If two or more are equally "most important", you may place "1" in front all of them, etc.

☐ A. Market information/distribution channels   ☐ B. Capital/Financing
☐ C. Product/Service core technology   ☐ D. Management
☐ E. Manufacturing   ☐ F. Government Relationship
☐ G. Other (specify) _____

How well has your company learned *the most important knowledge/skills*, which ranked "1" in above question?

	Very weak					Very well	
How well has your party grasped the *most important knowledge/skills* from your partner?	1	2	3	4	5	6	7

	Very unskilled					Very skilled	
How skilled has your party learned the *most important knowledge/skills* from your partner?	1	2	3	4	5	6	7

3

4. Considering the most important knowledge/skills from last page, please circle the degree of your agreement with following statements.

	Strongly Disagree...............................Agree

In the JV…

	1	2	3	4	5	6	7
We have allocated a lot of resources to learn about such knowledge/skills.	1	2	3	4	5	6	7
We have spent a great deal of effort to acquire such knowledge/skills.	1	2	3	4	5	6	7
Learning from our partner has been one of our foci in the JV.	1	2	3	4	5	6	7
We have tried hard to absorb whatever we can learn from our partner.	1	2	3	4	5	6	7
We have tried to learn the knowledge/skills from our partner as fast as we can.	1	2	3	4	5	6	7
Wherever possible, we have tried to be faster than our partner in acquiring knowledge/skills.	1	2	3	4	5	6	7
We have been racing with our partner in learning from each other.	1	2	3	4	5	6	7
The knowledge/skills that we have tried to learn from our partner->	1	2	3	4	5	6	7
> are provided in specific manuals.	1	2	3	4	5	6	7
> are clearly described with operating procedures.	1	2	3	4	5	6	7
> are embodied in software or documentation.	1	2	3	4	5	6	7
> are easily codifiable (in instructions, formulas, etc.)	1	2	3	4	5	6	7
> are more explicit than implicit.	1	2	3	4	5	6	7
> are highly interdependent information.	1	2	3	4	5	6	7
> are contingent on sophisticated technology.	1	2	3	4	5	6	7
> are about specific functional areas.	1	2	3	4	5	6	7
> can be specified by step-by-step.	1	2	3	4	5	6	7
> can be separated from other things.	1	2	3	4	5	6	7

4

	Strongly Disagree.......................Strongly Agree					
The *knowledge/skills* that we tried to learn from our partner are accessible to our personnel.	1 7	2	3	4	5	6
Employees from our firm had free access to our partner's *knowledge/skills*.	1 7	2	3	4	5	6
We could get hold of our partner's *knowledge/skills* whenever we want to.	1 7	2	3	4	5	6
Our partner was willing to share with us the *knowledge/skills*.	1 7	2	3	4	5	6
There were no barriers for us to learn about the *knowledge/skills* from our partner.	1 7	2	3	4	5	6

5. Please circle the degree of your agreement with following statements on joint learning in the JV.

	Strongly Disagree.......................Strongly Agree						
Our partner and we have been developing new knowledge set together for the JV.	1	2	3	4	5	6	7
Our partner and we have been trying to explore routines/procedures which are specific to this JV.	1	2	3	4	5	6	7
Our partner and we have been applying the jointly learned knowledge/skills to the JV's operation process.	1	2	3	4	5	6	7
Learning together with partner has been part of the norm in this JV.	1	2	3	4	5	6	7
"Learning together" in this JV has been greatly valued by both firms.	1	2	3	4	5	6	7
We have always been interested in learning new knowledge/skills sets with our partner.	1	2	3	4	5	6	7
Our partner and we have cooperated in acquiring new knowledge for this JV.	1	2	3	4	5	6	7
Our partner and we have been trying to develop suitable organizational processes specifically for this JV.	1	2	3	4	5	6	7
Our partner and we have worked to find new ways to work together in this JV.	1	2	3	4	5	6	7

5

6. Type of resource provided by your party (check all that apply)

☐ A. Market information/distribution channels   ☐ B. Capital/Financing
☐ C. Product/Service core technology   ☐ D. Management
☐ E. Manufacturing   ☐ F. Government Relationship
☐ G. Other (specify) _____

Among these resources, which is appreciated the most by your partner? _____

Type of resource provided by your partner (check all that apply)

☐ A. Market information/distribution channels   ☐ B. Capital/Financing
☐ C. Product/Service core technology   ☐ D. Management
☐ E. Manufacturing   ☐ F. Government Relationship
☐ G. Other (specify) _____

Among these resources, which is appreciated the most by your party? _____

	Not valuable at all.....................................Valuable						
The value of resources provided by your party is	1	2	3	4	5	6	7
The value of resources provided by your partner is	1	2	3	4	5	6	7

Considering the firm resources provided by your partner and your party (human, physical, financial and technological resources), please circle the degree of your agreement with following statements

	Strongly Disagree.............................Strongly Agree						
In the JV, the total amount of resources committed by both parties is huge.	1	2	3	4	5	6	7
In the JV, the resources contributed by both parties are regarded as big investments.	1	2	3	4	5	6	7
The resources invested by both parties in the JV are limited.	1	2	3	4	5	6	7
In the JV, the magnitude of resources committed by both parties is substantial.	1	2	3	4	5	6	7
In the JV, there is a significant amount of resources committed by both parties.	1	2	3	4	5	6	7
There has been an imbalance in the resource commitments between our partner and us.	1	2	3	4	5	6	7
There has been a big difference in the amount of resources committed in the JV by our partner and us.	1	2	3	4	5	6	7
The discrepancy of the amount of resources committed by our partner and us to the JV has been large.	1	2	3	4	5	6	7
Our partner and we have contributed approximately the same amount of resources to the JV.	1	2	3	4	5	6	7
Choose who commits more resources in the JV	☐ Us			☐ Our partner			

6

7. Please circle the degree of your agreement with following statements.

	Strongly Disagree..............................Agree						
Both partner firms have needed each other's resources to supplement their own resources.	1	2	3	4	5	6	7
Both partner firms have needed each other's resources to accomplish their goals and responsibilities.	1	2	3	4	5	6	7
Resources brought into the venture by each partner firms have been valuable for each other.	1	2	3	4	5	6	7
Resources brought into the venture by each partner firms have played an important role in the JV.	1	2	3	4	5	6	7
We believe that our partner can be trusted to make sensible decisions in the JV.	1	2	3	4	5	6	7
We are confident that our partner would not intend to gain advantage by deceiving our party.	1	2	3	4	5	6	7
We expect that both parties in the JV would have a high level of mutual trust in various activities.	1	2	3	4	5	6	7
We believe that the partner would stand by its word even when this is not in the best interest for it.	1	2	3	4	5	6	7
We are confident that the partner would never use any opportunities to profit at our expense.	1	2	3	4	5	6	7
The goals of our partner and us in this JV are compatible.	1	2	3	4	5	6	7
There is total agreement regarding organizational goals across all levels, functions, and divisions in the JV.	1	2	3	4	5	6	7
Our partner and we support each other's objectives.	1	2	3	4	5	6	7
All employees are committed to the same JV's organizational goals.	1	2	3	4	5	6	7
There are major conflicts between our partner and us in this JV regarding its objectives.	1	2	3	4	5	6	7
Please circle "1" for this question	1	2	3	4	5	6	7

Since the formation of the JV, now how much change in trust between the two parties has occurred?

Less Trust	-3☐	-2☐	-1☐	0☐	1☐	2☐	3☐	More Trust

7

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8. Please circle the degree of your agreement with following statements

(**Note for this section**: "fairness" refers to procedures and the execution of these procedures are transparent, adjustable and correctable, representative, unbiased and nondiscriminatory to each party, and follow the contractual specifications.)

In the JV...	Strongly Disagree...................................Agree						
The procedures specified in the JV contract for JV **decision-making** have been fair.	1	2	3	4	5	6	7
The procedures specified in the JV contract for **formulating** and **structuring the JV** have been fair.	1	2	3	4	5	6	7
The procedures specified in the JV contract for **planning, organizing, and managing JV activities** have been fair.	1	2	3	4	5	6	7
The procedures specified in the JV contract for **governing knowledge or resource sharing between partners** have been nondiscriminatory.	1	2	3	4	5	6	7
The execution of the JV contract has been administered and monitored fairly by both parties.	1	2	3	4	5	6	7
The implementation of strategic decisions specified in the JV contract has been administered and monitored fairly by both parties.	1	2	3	4	5	6	7

(**Note for this section**: "rewards or returns" broadly include monetary forms, such as profit and dividend, and nonmonetary forms, such as knowledge acquisition and reputation enhancement.)

	Strongly Disagree...................................Agree						
Relative to both parties' contributed resources to the JV, we think the contract specified fair rules on between-party sharing of rewards/returns.	1	2	3	4	5	6	7
Relative to both parties' continued commitment to cooperation, we think the contract specified fair rules on between-party sharing of rewards/returns.	1	2	3	4	5	6	7
We think between-party sharing of rewards/returns specified by the contract reflects well the level of responsibility each party takes in building and managing the JV.	1	2	3	4	5	6	7
We think between-party sharing of rewards/returns specified by the contract reflects well the amount of effort each party puts into building and managing the JV.	1	2	3	4	5	6	7

8

	Strongly Disagree...........................Strongly Agree						
Our partner and we have overlapping product lines.	1	2	3	4	5	6	7
Our partner and we have similar core businesses.	1	2	3	4	5	6	7
Our partner and we target similar customer groups.	1	2	3	4	5	6	7
Our partner and we carry the products having similar brand images.	1	2	3	4	5	6	7
We may compete for market share with each other in the future.	1	2	3	4	5	6	7
The organizational values prevalent in the two parties have been congruent.	1	2	3	4	5	6	7
Executives from both parties involved in this JV have got similar philosophies/approaches to business dealings.	1	2	3	4	5	6	7
Our partner and we have practiced similar business norms in this JV.	1	2	3	4	5	6	7
Our employees have not perceived much cultural conflict with the employees from our partner.	1	2	3	4	5	6	7
Select "7" for this question	1	2	3	4	5	6	7
Sometimes **our party** has to alter the facts slightly in order to get what we need.	1	2	3	4	5	6	7
Our party has sometimes promised to do things without actually doing them later.	1	2	3	4	5	6	7
On occasion, **our party** has to lie to the partner about certain things in order to protect our interests.	1	2	3	4	5	6	7
Has your JV started any new product program in the past 2 years?	☐ Yes			☐ If no, skip to next page			
The program has strong positive impact on the JV's sales.	1	2	3	4	5	6	7
The program has met its sales objectives.	1	2	3	4	5	6	7
The Research & Development in the program has been on budget.	1	2	3	4	5	6	7
The program is profitable relative to the spending on it.	1	2	3	4	5	6	7
The new product(s) developed in the program...	1	2	3	4	5	6	7
-> reflect specific Chinese customer needs.	1	2	3	4	5	6	7
-> reflects economic conditions in the Chinese market.	1	2	3	4	5	6	7
-> reflects legal requirements in the Chinese market.	1	2	3	4	5	6	7
-> reflects cultural consideration in the Chinese market.	1	2	3	4	5	6	7
-> would be sold mainly in the Chinese market.	1	2	3	4	5	6	7
-> would be sold mainly in other emerging markets.	1	2	3	4	5	6	7
-> would be sold in the global market (including developed markets).	1	2	3	4	5	6	7

9

Company information

Please indicate the ratio of the equity that are put into the JV by your party and your partner firm (both numbers should be added up to equal 100%).

Our party_____ %   Our partner firm _____ %   The total equity committed into the JV ¥_____

Length of the JV:

  ❑ < 1 year   ❑ 1-3 years   ❑4-6 years   ❑7-10 years   ❑ 11-15 years   ❑ 15-20 years ❑>20 years

Sales Revenue of the JV last year:

  ❑ < ¥ 1,000,000   ❑ ¥1,000,001-100,000,000
  ❑¥ 100,000,001 - 1,000,000,000   ❑> ¥1,000,000,000

Number of employees of the JV:

  ❑ < 100   ❑ 100 – 1000   ❑ 1,001 – 5000   ❑ 5001-10000   ❑ >10000

Your job title: _____   for _____ years

Your confidence in the answers to this survey:

Completely guess   -3 -2 -1 0 1 2 3   Very reliable

If you have any comments or advice for this survey, please write down: _____

_____

Your email (only for sending you the report of this study) _____

编号＿＿＿

合资企业调查问卷

在以下问题中，"合资企业"是指您所在的公司与合作方公司共同建立的独立法人子公司，合作双方至少有一方不在中国。

在该合资企业中，请问：

你方公司总部所在国家是：＿＿＿＿＿＿＿＿＿＿

合资方公司总部所在国家是：＿＿＿＿＿＿＿＿＿＿

合资公司名称为：＿＿＿＿＿＿＿＿＿＿　其所在行业/产业为：＿＿＿＿＿＿＿＿　（例：信息业）

1. 请您对以下描述进行判断，请选择一个合适的选项。

非常不同意 <<<<<<<<<<<<>>>>>>>>>> 非常同意

描述	1	2	3	4	5	6	7
在尚未计划过的情况下，我方和合资方会较大幅度地重新商谈合资企业的合同。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方需要在计划外重新设置并调整该合资企业的产权结构。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
该合资企业需要重新改组原设定管理团队。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方之间的关系会发生显著变化。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方在合资企业内部现已有很多矛盾。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方之间的关系紧张，随时可能导致合资企业内部的显著变化。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方会广泛地讨论终止合作关系。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
将来我方或合资方很有可能会收购另一方在合资企业的股权。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方或合资方很有可能打算增加其在合资企业中的股权。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
将来该合资企业很可能会扩张其生意规模。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
等合同到期后，我们很可能不会再和合资方合作。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
将来如果有机会我们很可能会离开合资方。	1☐	2☐	3☐	4☐	5☐	6☐	7☐

合资企业调查问卷

在以下问题中，"合资企业"是指您所在的公司与合作方公司共同建立的独立法人子公司，合作双方至少有一方不在中国。

在该合资企业中，请问：

您方公司总部所在国家是：＿＿＿＿＿＿＿＿＿

合资方公司总部所在国家是：＿＿＿＿＿＿＿＿＿

合资公司名称为：＿＿＿＿＿＿＿＿＿　　其所在行业产业为：＿＿＿＿＿＿＿（例：信息业）

1.请您对以下描述进行判断，请选择一个合适的选项。

非常不同意～～～～～～～～～～～～～～非常同意

描述	1	2	3	4	5	6	7
在原先计划过的情况下，我方和合资方会较大幅度地重新商研合资企业的合同。	□	□	□	□	□	□	□
我方和合资方需要在计划外重新设置并调整该合资企业的产权结构。	□	□	□	□	□	□	□
该合资企业需要重新改组原设定管理团队。	□	□	□	□	□	□	□
我方和合资方之间的关系会发生显著变化。	□	□	□	□	□	□	□
我方和合资方在合资企业内部现已有很多矛盾。	□	□	□	□	□	□	□
我方和合资方之间的关系紧张，随时可能导致合资企业内部的显著变化。	□	□	□	□	□	□	□
我方和合资方会广泛地讨论终止合作关系。	□	□	□	□	□	□	□
将来我方或合资方很有可能会收购另一方在合资企业的股权。	□	□	□	□	□	□	□
我方或合资方很有可能打算增加其在合资企业中的股权。	□	□	□	□	□	□	□
将来该合资企业很可能会扩张其生意规模。	□	□	□	□	□	□	□
等合同到期后，我们很可能不会再和合资方合作。	□	□	□	□	□	□	□
将来如果有机会我们很可能会离开合资方。	□	□	□	□	□	□	□

2. 请您对以下描述进行判断，请选择一个合适的选项。

非常不同意 ←—————————————————————→ 非常同意

	1	2	3	4	5	6	7
该合资企业在市场上的战略地位很强。	1□	2□	3□	4□	5□	6□	7□
相对于主要竞争对手，该合资企业在市场上竞争力很强。	1□	2□	3□	4□	5□	6□	7□
该合资企业的市场份额相对于主要竞争对手很高。	1□	2□	3□	4□	5□	6□	7□
该合资企业在该行业中已占据领军地位。	1□	2□	3□	4□	5□	6□	7□
相对于主要竞争对手，该合资企业享有成本优势。	1□	2□	3□	4□	5□	6□	7□
该合资企业销售额相对于主要竞争对手增长迅速。	1□	2□	3□	4□	5□	6□	7□
该合资企业盈利能力比主要竞争对手强。	1□	2□	3□	4□	5□	6□	7□
该合资企业的投资回报率高于我们的主要竞争对手。	1□	2□	3□	4□	5□	6□	7□

3. 在该合资企业，你方向合资方学习过一定的 *知识/技能*，请为所学的 *知识/技能* 的重要性排序。例如：在最重要的知识/技能前填写 1，其次在前填写 2，两个以上同等"最重要"可在前都填写 1，以此类推。

_____ 市场信息、渠道　　_____ 资本或融资渠道　　_____ 产品核心技术　　_____ 管理经验
_____ 生产制造　　　　　_____ 政府关系　　　　　_____ 其他（如果有的话）_____

目前你方向合资方学习但尚未掌握到的 *该最重要的知识/技能*（即上题中排名第一的知识/技能）的程度。

□很弱　　□弱　　□较弱　　□一般　　□较强　　□强　　□很强

目前你方向合资方学习后运用 *该最重要的知识/技能*（即上题中排名第一的知识/技能）的熟练度。

□很不熟练　□不熟练　□较不熟练　□一般　□较熟练　□熟练　□很熟练

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4.考虑到您上一页选填的 ==*该最重要的知识/技能*== （以下简称该知识/技能），请对以下描述进行判断，选择一个合适的选项。

完全不同意 ◇◇◇◇◇◇◇◇◇◇◇◇◇◇◇◇◇◇◇◇◇ 完全同意

在该合资企业中，……

我方已经调配了大量公司资源学习 ==*该知识/技能*==。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方已经花了大量精力以获取 ==*该知识/技能*==。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
向合资方学习是我方工作的重点之一。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方努力从合资方吸取所能学到的一切知识。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方尽最大可能快速地向合资方学习。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
如果可能的话，我方努力使学习知识/技能的速度与合资方快。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
在彼此学习这点上，我方和合资方像是展开了一场竞赛。	1☐	2☐	3☐	4☐	5☐	6☐	7☐

我方从合资方哪里学到的 ==*该知识/技能*==：

> 有专门的指南手册可循。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
> 其操作程序可以清晰地描述出来。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
> 其中的操作部分大多都能在相应的软件中或通过操作手册来完成。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
> 能很容易地汇编成操作指南。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
> 能清晰明确的用不含蓄隐晦的语言表达出来。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
> 其信息结构是相互紧密关联的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
> 有赖于其他成熟的技术或成果为。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
> 是具体的功能方面的知识。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
> 可以被分解为不同的步骤。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
> 有其独立的体系。	1☐	2☐	3☐	4☐	5☐	6☐	7☐

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非常不同意 ～～～～～～～～～～～～～～～～ 非常同意

	1	2	3	4	5	6	7
我方试图从合资方那里学的*知识/技能*是对我方工作人员开放的。	1□	2□	3□	4□	5□	6□	7□
我方的雇员可以自由地接触*知识/技能*。	1□	2□	3□	4□	5□	6□	7□
我方根据需要可以随时掌握并利用合资方的*知识/技能*。	1□	2□	3□	4□	5□	6□	7□
合资方愿意和我方分享*知识/技能*。	1□	2□	3□	4□	5□	6□	7□
我方在学习*知识/技能*的时候没有来自合资方的任何阻碍。	1□	2□	3□	4□	5□	6□	7□

5. 在合资企业中请对以下双方共同学习的行为描述进行判断，选择一个合适的选项。

非常不同意 ～～～～～～～～～～～～～～～～ 非常同意

	1	2	3	4	5	6	7
我方和合资方在该合资企业中共同开发新的知识/技能。	1□	2□	3□	4□	5□	6□	7□
我方和合资方共同探究适用的工作流程。	1□	2□	3□	4□	5□	6□	7□
我方和合资方把共同学习到的新知识/技能应用到合资企业的日常操作中去。	1□	2□	3□	4□	5□	6□	7□
我方和合资方共同学习新知识/技能是该合资企业中企业行为准则的一部分。	1□	2□	3□	4□	5□	6□	7□
我们双方都很看重在该合资企业中的共同学习。	1□	2□	3□	4□	5□	6□	7□
我方一直对于和合资方共同学习新的知识/技能很感兴趣。	1□	2□	3□	4□	5□	6□	7□
我们双方协同合作为该合资企业吸取新知识。	1□	2□	3□	4□	5□	6□	7□
我们双方试图制定适合该合资企业的具体的组织流程。	1□	2□	3□	4□	5□	6□	7□
我们双方在探索增进合作的新方法。	1□	2□	3□	4□	5□	6□	7□

6. **你方提供的资源类型（可多选）**

- ☐ A. 市场信息、渠道　　☐ B. 资本或融资渠道　　☐ C. 产品核心技术　　☐ D. 管理经验
- ☐ E. 生产制造　　　　　☐ F. 政府关系　　　　☐ G. 其他 _____

在你方提供的资源类型中，合资方最为看重的是 _____

合资方提供的资源类型（可多选）

- ☐ A. 市场信息、渠道　　☐ B. 资本或融资渠道　　☐ C. 产品核心技术　　☐ D. 管理经验
- ☐ E. 生产制造　　　　　☐ F. 政府关系　　　　☐ G. 其他 _____

在合资方提供的资源类型中，你方最为看重的是 _____

请为双方贡献的 所 有 资 源 做评价

	毫无价值 ×××××××××××××××× 很有价值						
你方贡献给合资企业的资源价值为	1☐	2☐	3☐	4☐	5☐	6☐	7☐
合资方贡献给合资企业的资源价值为	1☐	2☐	3☐	4☐	5☐	6☐	7☐

考虑到你方和合资方各自公司资源（即母公司人力、物力、财力、技术等）投入方面，请您对以下描述进行判断，选择一个合适的选项。

	非常不同意 ×××××××××××××××× 非常同意						
在该合资企业中，合双方投入的资源总量是巨大的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
在该合资企业中，双方投入的总资源是一项巨额投资。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方投入到该合资企业的总资源是相当有限的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
在该合资企业中，我方和合资方投入的资源总量是可观的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
在该合资企业中，双方投入了大量的资源。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方投入的资源是不均等的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方投入到该合资企业的资源在数量上有巨大的差距。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方贡献了差不多数量的资源到该合资企业。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
请选出哪一方在合资企业投入资源更多	☐我方			☐合资方			

7. 请您对以下描述进行判断，选择一个合适的选项。

	非常不同意 ◁◁◁◁◁◁◁◁◁◁◁◁◁◁◁ 非常同意						
合资双方都需要对方的资源以弥补己方的不足。	1□	2□	3□	4□	5□	6□	7□
合资双方都需要对方的资源来共同完成在合资企业的目标和责任。	1□	2□	3□	4□	5□	6□	7□
合资双方投入到合资企业中的资源对彼此都有重要价值。	1□	2□	3□	4□	5□	6□	7□
合资双方提供的资源在合资企业中都起着重要的作用。	1□	2□	3□	4□	5□	6□	7□
我方相信合资方在合资企业中能做出合乎情理的决策。	1□	2□	3□	4□	5□	6□	7□
我方相信合资方不会用欺骗我方的手段谋取利益。	1□	2□	3□	4□	5□	6□	7□
我们期望双方在合资企业中的各种行为中都高度地信任彼此。	1□	2□	3□	4□	5□	6□	7□
我们相信合资方会尊重自己的承诺，即使这种承诺不能最大化自己的利益。	1□	2□	3□	4□	5□	6□	7□
我们相信合资方绝不会以牺牲我方利益来牟利。	1□	2□	3□	4□	5□	6□	7□
我方和合资方在合资企业中的目标是相容的。	1□	2□	3□	4□	5□	6□	7□
双方在各个阶层、职能、部门的组织目标上达成了一致。	1□	2□	3□	4□	5□	6□	7□
我方和合资方相互支持对方的目标。	1□	2□	3□	4□	5□	6□	7□
合资企业中所有的员工都为同一个组织目标而奋斗。	1□	2□	3□	4□	5□	6□	7□
合资企业中我方和合资方在企业目标上存在很大的冲突。	1□	2□	3□	4□	5□	6□	7□
此项请您选择 "1"	1□	2□	3□	4□	5□	6□	7□

从合资企业成立到现在，双方之间的信任程度产生了哪些变化，选择一个合适的选项。

更不信任	-3□	-2□	-1□	0□	1□	2□	3□	更信任

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8. 请您对以下描述进行判断，请选择一个合适的选项。

（对以下问题的注解：这里的"公平"是指在合资企业中，投资双方在以下描述中的程序和程序的执行中是透明的，可校正的，不偏私，不歧视合资双方中的任何一方）

非常不同意 ~~~~~~~~~~~~~~~~~~~~~~~~非常同意

在该合资企业中……

	1	2	3	4	5	6	7
根据相关合同，双方在决策过程中所使用的程序是公平的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
根据相关合同，双方在规划和组建合资企业时的程序是公平的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
根据相关合同，双方在计划、组织、和管理合资企业日常战略活动时的程序是公平的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
根据相关合同，用以监管双方之间知识/资源共享的规章程序是公平的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
合资企业合同是在双方公平地管理和监督下执行的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
根据相关合同，战略决策的执行过程是在双方公平地管理和监督下执行的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐

（对以下问题的注解："收益"的定义包括货币形式，比如利润和红利，非货币形式，比如获取的知识和知名度）

非常不同意 ~~~~~~~~~~~~~~~~~~~~~~~~非常同意

	1	2	3	4	5	6	7
根据双方各自投入的资源，合同约定的收益分配是公平的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
考虑到双方的保持合作的程度，合同约定的收益分配是公平的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
合同约定的收益分配公平地反映了双方各自角色的建设管理合资企业的责任。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
合同约定的收益分配公平地反映了双方各自在建设管理合资企业中所耗费的精力。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方在产品生产线上有重叠。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方的核心业务相似。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方的目标顾客类似。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方各自的产品都有相似的品牌形象。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方和合资方将来可能会有市场份额的竞争。	1☐	2☐	3☐	4☐	5☐	6☐	7☐

9. 请您对以下描述进行判断，请选择一个合适的选项。

	非常不同意 ←──────────────────→ 非常同意

	1	2	3	4	5	6	7
合资双方在该合资企业中组织价值观是一致的。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
双方派遣至合资企业的高层行政人员在商业运作中都有相似的管理思想/管理方法。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
双方在合资企业中都有相似的行为准则。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方的员工和合资方员工在该合资企业中没有感受到太大的文化差异。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
此项请您选择七	1☐	2☐	3☐	4☐	5☐	6☐	7☐
有时我方需要在综合合资方反映情况时有微妙修饰以争取我方所需。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
我方有时会对合资方做一些无法兑现的承诺。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
有时我方会为了保护自己的利益而在某些方面对合资方不告以真实情况。	1☐	2☐	3☐	4☐	5☐	6☐	7☐

该合资企业在过去2年是否有新产品开发项目？	☐是		☐否，则请跳至下页

	1	2	3	4	5	6	7
该项目对该合资企业的营业收入有重大影响。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
该项目成功地达到了合资企业的销售目标。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
该项目研发开支在合资企业的预算之内。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
相对成本而言，该项目盈利可观。	1☐	2☐	3☐	4☐	5☐	6☐	7☐

该项目所开发的新产品……

	1	2	3	4	5	6	7
主要针对中国客户而设计	1☐	2☐	3☐	4☐	5☐	6☐	7☐
其设计很大程度基于中国的经济环境限制考虑。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
其设计很大程度基于中国的法制法规环境限制考虑。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
其设计很大程度基于中国的文化环境考虑。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
该产品的主要销售市场将是中国。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
该产品的主要销售市场是其他发展中国家。	1☐	2☐	3☐	4☐	5☐	6☐	7☐
该产品将在国际市场（包括发达国家）销售。	1☐	2☐	3☐	4☐	5☐	6☐	7☐

公司信息

请填写您方和合资方投入到合资企业中的股权结构（两者比例相加不能超过 100%）

我方股权比例占 _____ %   合资方股权比例占_____ %   合资企业总资产为了_____

合资企业已经存在多久了？

☐< 1 年   ☐1-3 年   ☐4-6 年   ☐7-10 年   ☐11-15 年   ☐15-20 年   ☐>20 年

合资企业去年年销售总额

☐ < 一百万   ☐ 一百万到一亿   ☐ 一亿到十亿   ☐ > 十亿以上

合资企业员工人数

☐< 100   ☐100 – 1000   ☐1,001 – 5000   ☐5001-10000   ☐>10000

您的工作职称：_____   在职时间 _____ 年

对您填写的此次调查问卷，您对自己的答案的准确性有多大把握？

完全是猜测   ☐-3   ☐-2   ☐-1   ☐0   ☐1   ☐2   ☐3   非常可信

对于此次调研，如果您有任何问题或意见，请写下来：_____

您的 email（仅用来发送此次研究调查结果）_____

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