

Transnational Corporations Review

Call for Papers

INSTITUTIONALIZATION VS INTERNATIONALIZATION: THEORY AND PRACTICE

Special Editors:

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Institution-based view of international business and global strategy has been introduced for years, and particularly emphasized by studies focusing on emerging markets (EM) (e.g., Wright, Filatotchev, Hoskisson, and Peng, 2005). It is argued that under-developing and varying institutions in EMs shape both the strategies and performance of firms doing business there (Boisot and Meyer, 2008; Meyer, Estrin, Bhaumik, and Peng, 2009; Roy and Oliver, 2009; Peng, Wang, and Jiang, 2008; Peng, Sun, Pinkham, and Chen, 2009). Peng et al. (2008), for example, argue that the institution-based view should be equally important as the other two conventional ones –industry- and resource-based views –to study firms from EMs such as China. Wright et al. (2005) suggest that both domestic and foreign companies in EMs face uncertainties arising from economic and political instabilities and a lack of market-based resource management. Boisot and Meyer (2008) further argue that the influence of the institutional framework is not restricted to the domestic realm but also play a crucial role in the internationalization of domestic companies.

Although not fully understood by many scholars, the definition of EM, as opposed to emerging economies or emerging countries, essentially emphasizes both words of “emerging” and “market”. Namely, EM defines economies and countries that *emerging* from a *non-market* based institutional setting to a *market* based institutional setting. In this sense, some non-traditionally focused areas such as Canadian- and Australian First Nations societies that carry out pro-market liberalization and institutional reform are also accounts of EMs. Such a process of institutionalization for a market economy becomes even more appealing when firms from EMs internationalize into a foreign location whether it be a non-market or market-based institutional setting.

Although it is well recognized that institutions are a relevant focus for studying FDI as they contribute to the characteristics of a location (L) (e.g., Meyer and Nguyen, 2005), a relatively understudied dimension in Dunning’s *ownership-location-internalization* (OLI) or eclectic paradigm (McCann and Mudambi, 2005; Anderson, Beugelsdijk, Mudambi, and Zaheer, 2011), not many studies have put any emphasis on home institutions, both theoretically (Voss, Buckley, and Cross, 2010) and empirically (Globerman and Chen, 2010), whereas most institution-based studies in the area of international business and global strategy focus on the host markets (e.g., Bevan, Estrin, and Meyer, 2004; Meyer and Nguyen, 2005).

At this stage, we are open for discussions on any topics that linking *institutionalization* to *internationalization* activities, which encompass, but not exclusively, managerial decision,

locational choice, entry mode, corporate strategies, survival and sustainability, and corporate performance at firm or individual levels. We welcome conceptual discussions based on various schools of institutional theory, including sociology (e.g., DiMaggio and Powell, 1983; Scott, 1995), economics (e.g., Coase, 1998; North, 1990; Williamson, 1985), and political science (e.g., Hall and Taylor, 1996; Ostrom, 1998; 2005). Although there is a broad span of welcomed topics, we encourage studies that address existing limitations that have already been suggested in the literature including, for example:

- 1) Discussing firm-specific assets (FSAs) or ownership advantages (OAs) without considering their institutional contingency (Cuervo-Cazurra and Genc, 2008, 2009; Chen, 2011; Holburn and Zelner, 2010). For instance, ignoring non-market based FSAs/OAs such as political capabilities and social ties that partially lead firms to take market share and industry leadership in non-market based institutional environment.
- 2) Discussing institutional distance or diversity without considering its possible asymmetry or direction (Shenkar, 2001). For example, US's distance to China might be different from China's distance to US; it might be easier for US firms to obtain legitimacy in China than the other way around, with non-institutional factors being constant.
- 3) Presuming institutions, which include formal rules, informal constraints, and enforcement characteristics (North, 1990), as a nationally common and bounded monolith (Chen, 2011). For instance, some informal constraints such as culture could be sub-nationally segmented (e.g., India, China, etc.) or supra-nationally similar (e.g., Oceania); more importantly, enforcement behaviours, which are by and large carried by local-level administrators, are subject to different mental decision models and ideological beliefs, given market imperfection nature such as incomplete information (Ostrom, 1998; 2005; 2010).

SUBMISSION FORMAT

Transnational Corporations Review (TNCR) since its birth has positioned itself to be a direct bridge between knowledge creators (scholars) and knowledge seekers (practitioners) in the areas of international business and global strategy. It differs from most refereed journals of the kind, which either creating novel knowledge that no practitioners ever read or targeting practitioners by translating existing, old knowledge. It is one of the very few refereed journals in the world that are actually read by a wide range of highly educated practitioners and real-world decision makers. In addition, it is one of the very few journals in the West that have a deep and broad root in emerging markets like China.

As a young journal, we encourage free thinking, innovative ideas, and creative theory building by not imposing a strictly formularized rule, but we do emphasize our four general rules for paper selection:

- ***We encourage ideas that are novel:*** i.e., ideas that are more than testing existing theories and replicating prior efforts, but conceptually (not only empirically) distinguished and advanced from the existing literature.

- ***We encourage ideas that are not specific to a particular country:*** i.e., researches that are more than simply following the contemporary popularity of a certain rising power, but trying to explore transnational applicability.
- ***We encourage ideas that are not specific to a particular short-time period:*** i.e., researches that are genetically (cross-generationally) transferable, and dynamically explaining a repeating situation or activity.
- ***We encourage ideas that are applicable into the real world:*** i.e., researches that are more than metaphysical arguments, but generate relevant implications for decision making practice.

In accordance to TNCR's uniqueness and paper selection rules, for this special issue, we are taking a bold initiative in terms of the format of the submitted papers. Papers should be novel, conceptual, and theory-driven (i.e., purely empirical attempts not allowed; papers testing other people's theories discouraged). It should be no more than 2 pages long excluding references and supporting graphs/tables (Times New Roman, 12, single space, 2.54 cm for all page margins). Please also provide an abstract (no more than 100 words) and no more than five key words. You may refer to APA style to insert and list your references. We appreciate if you can keep your reference list as short and sufficient as possible by, for example, listing the earliest of the kind, and the most cited if more than one being published at about the same time (e.g., based on Google Scholar).

This is a simulative practice of presenting your novel theory in a boardroom scenario, where you need to very briefly present your key arguments in a time-sensitive situation to very important decision makers with diverse educational and professional background. ***At this time, we do not require empirical supports using quantitative methods of, for instance, regressions, econometrics, and statistics, partially because it is a complex issue as to how to examine data quality and manipulation.*** In other words, in such a short piece of work, we want authors to emphasize the strength of your logical flows, conceptual constructions, and theory building prior to any empirical efforts.

As a replacement for empirical supports, we ask authors to present your arguments to at least two relevant practitioners, who hold important decision making positions. In the end of the paper, please attach a page of a summary of practitioners' response, in which you need to answer the following three questions very thoroughly: a) why your selected practitioners are relevant, and how influential they are in your targeted areas? b) what they respond on the contribution and applicability of your ideas in their decision making process? and c) who could be the other beneficiary practitioners? Lastly, provide a short biography (no more than 100 words for each) of your selected practitioners and their contacts (emails/telephone numbers) –we will contact them for reference check if your papers are finalists based on your conceptual arguments.

We will publish the best papers based on the following selection criteria:

- 1) Round one selection: the quality and novelty of your conceptual argument and theory foundation should stand out in order to be selected for the next round evaluation;
- 2) Round two selection: the quality (breadth and depth) of practitioners' response, and relevance and influence of your selected practitioners. We will invite an international investment practitioner with proven record as a guest reviewer for this round. Authors of

the best papers will also be invited to submit full papers (elaborate versions with more detailed methodologies and empirical results) at a later time for another special issue in about July 2012.

We particularly encourage senior doctoral students and junior faculties to participate in this initiative as their first step for building real-world influence.

The submission deadline for this special issue is **December 30, 2011**. Please send your submissions in Microsoft Word format by e-mail to the Managing Editor Hugh Dang (info@tnc-online.org), and cc to Special Editors Victor Chen (zca4@sfu.ca) and Gu Qian (guqian@nus.edu.sg). Please use email title subject “TNCR Special Issue: IvI”. Submissions should include an extra page of author(s) biography (no more than 100 words for each) with a recent taken passport-size picture and contact information.

TNCR is dedicated to providing economic, policy, and business analysis of current issues related to transnational corporations, foreign direct investment, institutional innovation, and international development. It is regularly indexed in ALJC, AMICUS, CrossRef, EBSCO, EconLit, Scopus, and SSCI/SCI (under review). For more details, please visit the journal website at <http://www.tnc-online.net/page/board/index.php>.

ABOUT SPECIAL EDITORS



Victor Chen is co-founder and associate editor of *Transnational Corporations Review*. Victor is a PhD candidate in the Beedie School of Business at Simon Fraser University, specializing in business policy and strategy, and international business. He has been named a Doctoral Scholar of Social Sciences and Humanities Research Council of Canada, a Pacific Century Scholar of the Province of BC, Canada, and a Research Fellow of Asia Pacific Foundation of Canada. He positions himself to be a practical scholar, linking scholarly research to relevant real-world decision making practice, and experiencing real-world cases to develop his theoretical arguments. He frequently appears in major media for distributing his research to the general public. More of his information is at www.VictorZChen.com, and he can be reached at zca4@sfu.ca.



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