

# Overview of the Contents

<b>1</b>	<b>Introduction .....</b>	<b>1</b>
1.1	Problem Definition and Relevance .....	1
1.2	Case Example and Implications .....	3
1.3	Research Setting.....	6
1.4	Research Questions.....	8
1.5	Methodological Approach.....	14
1.6	Structure of the Research .....	16
<b>2</b>	<b>Analyzing Intersubsidiary Relationships .....</b>	<b>18</b>
2.1	Delineation of Intersubsidiary Relationships .....	19
2.2	Types of Intersubsidiary Relationships.....	23
2.3	Origin of Intersubsidiary Relationships.....	29
2.4	Contents of Intersubsidiary Relationships .....	36
2.5	Classification Scheme for Intersubsidiary Relationships .....	62
<b>3</b>	<b>Explaining Intersubsidiary Relationships .....</b>	<b>65</b>
3.1	Approach to Theory Selection and Discussion.....	66
3.2	Benefits and Drawbacks of Intersubsidiary Relationships .....	67
3.3	Theoretical Perspectives .....	74
3.4	Contingency Approach .....	109
3.5	Influencing Factors.....	120
3.6	Summary and Implications .....	137
<b>4</b>	<b>Intersubsidiary Relationships in Project Marketing of Plant Engineering Companies .....</b>	<b>139</b>
4.1	Plant Engineering.....	139
4.2	Project Marketing .....	142
4.3	Models of Intersubsidiary Relationships in Project Marketing .....	164
<b>5</b>	<b>Link between Strategic Orientation and Intersubsidiary Relationships.....</b>	<b>177</b>
5.1	MNC Strategic Orientation as a Key Influencing Factor .....	177
5.2	Propositions on Intersubsidiary Relationships.....	186
<b>6</b>	<b>Empirical Study and Findings .....</b>	<b>198</b>
6.1	Research Methodology: Case Studies .....	198
6.2	Research Methods .....	203

6.3	Review of the Research Approach .....	215
6.4	Scope and Comparability of the Case Studies .....	218
6.5	Empirical Findings on Company A .....	221
6.6	Empirical Findings on Company B .....	233
6.7	Empirical Findings on Company C .....	251
6.8	Empirical Findings on Company D .....	274
6.9	Summary and Implications .....	296
<b>7</b>	<b>Contributions, Limitations and Implications for Future Research.....</b>	<b>306</b>
7.1	Contributions to IB Research .....	306
7.2	Managerial Implications .....	311
7.3	Limitations and Implications for Future Research .....	313
	<b>Appendices .....</b>	<b>319</b>
	<b>References .....</b>	<b>329</b>

# Contents

<b>Figures .....</b>	<b>XXI</b>
<b>Tables .....</b>	<b>XXIII</b>
<b>1 Introduction .....</b>	<b>1</b>
1.1 Problem Definition and Relevance .....	1
1.2 Case Example and Implications .....	3
1.3 Research Setting .....	6
1.4 Research Questions .....	8
1.5 Methodological Approach .....	14
1.6 Structure of the Research .....	16
<b>2 Analyzing Intersubsidiary Relationships .....</b>	<b>18</b>
2.1 Delineation of Intersubsidiary Relationships .....	19
2.2 Types of Intersubsidiary Relationships .....	23
2.2.1 Competition .....	24
2.2.2 Cooperation .....	25
2.2.3 Coopetition .....	27
2.2.4 Independence .....	28
2.3 Origin of Intersubsidiary Relationships .....	29
2.3.1 Headquarters-Led Relationships .....	30
2.3.2 Subsidiary-Led Relationships .....	32
2.3.3 A Note on Formal and Informal Relationships .....	34
2.4 Contents of Intersubsidiary Relationships .....	36
2.4.1 Objects of Competition .....	36
2.4.1.1 Choice of Categories .....	37
2.4.1.2 Resources .....	38
2.4.1.3 Charters .....	40
2.4.1.4 Customers .....	43
2.4.2 Objects of Cooperation .....	45
2.4.2.1 Choice of Categories .....	46
2.4.2.2 Resource Sharing .....	48
2.4.2.3 Knowledge Sharing .....	50
2.4.2.4 Split of Work .....	60
2.5 Classification Scheme for Intersubsidiary Relationships .....	62

<b>3 Explaining Intersubsidiary Relationships .....</b>	<b>65</b>
3.1 Approach to Theory Selection and Discussion .....	66
3.2 Benefits and Drawbacks of Intersubsidiary Relationships .....	67
3.3 Theoretical Perspectives .....	74
3.3.1 Transaction Cost Economics .....	75
3.3.1.1 Key Terms and Concepts .....	75
3.3.1.2 Relevant Areas of Application .....	76
3.3.1.3 Implications for Intersubsidiary Relationships .....	80
3.3.2 Resource-Based View .....	86
3.3.2.1 Key Terms and Concepts .....	87
3.3.2.2 Relevant Areas of Application .....	88
3.3.2.3 Implications for Intersubsidiary Relationships .....	92
3.3.3 Network Approaches .....	96
3.3.3.1 Key Terms and Concepts .....	97
3.3.3.2 Relevant Areas of Application .....	98
3.3.3.3 Implications for Intersubsidiary Relationships .....	101
3.3.4 Complementary Theoretical Perspectives .....	102
3.3.5 Interim Conclusion .....	106
3.4 Contingency Approach .....	109
3.4.1 Historical Development .....	110
3.4.2 Concepts and Methods .....	111
3.4.3 Critical Assessment of the Contingency Approach .....	114
3.4.3.1 Methodological Criticism .....	114
3.4.3.2 Content-Related Criticism .....	115
3.4.4 The Contingency Approach in IB Research .....	117
3.4.5 Research Implications .....	119
3.5 Influencing Factors .....	120
3.5.1 Determinants of Interunit Competition .....	121
3.5.2 Determinants of Interunit Cooperation .....	124
3.5.3 Determinants of Interunit Competition .....	127
3.6 Summary and Implications .....	137
<b>4 Intersubsidiary Relationships in Project Marketing of Plant Engineering Companies .....</b>	<b>139</b>
4.1 Plant Engineering .....	139
4.2 Project Marketing .....	142

4.2.1	Definition and Delineation .....	142
4.2.2	Scope of Activities .....	144
4.2.3	Traditional Focus: External Relationships and Transactions .....	146
4.2.4	Research Gap: Internal Relationships and Structures .....	149
4.2.5	Starting Point: Process-Oriented Industrial Marketing .....	150
4.2.6	The Project Marketing Process .....	151
4.2.6.1	Basis and Contribution .....	152
4.2.6.2	Project Acquisition .....	154
4.2.6.3	Project Execution .....	160
4.3	Models of Intersubsidiary Relationships in Project Marketing .....	164
4.3.1	Mapping Responsibilities and Relationships .....	164
4.3.2	Headquarters-Led Independence .....	171
4.3.3	Subsidiary-Led Independence .....	171
4.3.4	Headquarters-Led Cooperation .....	172
4.3.5	Subsidiary-Led Cooperation .....	173
4.3.6	Headquarters-Led Competition .....	173
4.3.7	Subsidiary-Led Competition .....	174
4.3.8	Headquarters-Led Coopetition .....	175
4.3.9	Subsidiary-Led Coopetition .....	175
<b>5</b>	<b>Link between Strategic Orientation and Intersubsidiary Relationships .....</b>	<b>177</b>
5.1	MNC Strategic Orientation as a Key Influencing Factor .....	177
5.1.1	The Integration-Responsiveness Framework .....	178
5.1.2	Bartlett and Ghoshal's Typology of Multinational Companies .....	179
5.1.2.1	Conceptual Typology .....	180
5.1.2.2	Empirical Investigation .....	183
5.1.2.3	Research Implications .....	185
5.2	Propositions on Intersubsidiary Relationships .....	186
5.2.1	Scope and Contents of the Contingency Framework .....	187
5.2.2	Intersubsidiary Relationships in Multinational Companies .....	188
5.2.3	Intersubsidiary Relationships in Global Companies .....	191
5.2.4	Intersubsidiary Relationships in International Companies .....	192
5.2.5	Intersubsidiary Relationships in Transnational Companies .....	194
5.2.6	Summary of the Propositions .....	196

<b>6 Empirical Study and Findings</b>	<b>198</b>
6.1 Research Methodology: Case Studies	198
6.2 Research Methods	203
6.2.1 Data Collection: Interviews	203
6.2.2 Data Analysis: Thematic Coding	209
6.3 Review of the Research Approach	215
6.4 Scope and Comparability of the Case Studies	218
6.4.1 Strategic Orientation	218
6.4.2 Intersubsidary Relationships	218
6.4.3 Discussion of Intersubsidary Relationships	219
6.4.3.1 Review of the Propositions	219
6.4.3.2 Additional Influencing Factors	220
6.4.3.3 Developments and Their Managerial Implications	220
6.5 Empirical Findings on Company A	221
6.5.1 Strategic Orientation	221
6.5.2 Intersubsidary Relationships	222
6.5.2.1 Competition	222
6.5.2.2 Cooperation	225
6.5.3 Discussion of Intersubsidary Relationships	229
6.5.3.1 Review of the Propositions	229
6.5.3.2 Additional Influencing Factors	231
6.5.3.3 Developments and Their Managerial Implications	232
6.6 Empirical Findings on Company B	233
6.6.1 Strategic Orientation	233
6.6.2 Intersubsidary Relationships	236
6.6.2.1 Competition	236
6.6.2.2 Cooperation	238
6.6.3 Discussion of Intersubsidary Relationships	245
6.6.3.1 Review of the Propositions	245
6.6.3.2 Additional Influencing Factors	247
6.6.3.3 Developments and Their Managerial Implications	248
6.7 Empirical Findings on Company C	251
6.7.1 Strategic Orientation	252
6.7.2 Intersubsidary Relationships	255
6.7.2.1 Competition	255

6.7.2.2 Cooperation .....	257
6.7.3 Discussion of Intersubsidiary Relationships .....	268
6.7.3.1 Review of the Propositions.....	268
6.7.3.2 Additional Influencing Factors .....	270
6.7.3.3 Developments and Their Managerial Implications .....	271
6.8 Empirical Findings on Company D .....	274
6.8.1 Strategic Orientation.....	275
6.8.2 Intersubsidiary Relationships .....	281
6.8.2.1 Competition.....	281
6.8.2.2 Cooperation .....	284
6.8.3 Discussion of Intersubsidiary Relationships .....	291
6.8.3.1 Review of the Propositions.....	291
6.8.3.2 Additional Influencing Factors .....	293
6.8.3.3 Developments and Their Managerial Implications .....	294
6.9 Summary and Implications .....	296
6.9.1 Strategic Orientation.....	297
6.9.2 Intersubsidiary Relationships .....	298
6.9.2.1 Review of the Propositions.....	298
6.9.2.2 Additional Influencing Factors .....	302
6.9.2.3 Developments and Their Managerial Implications .....	303
<b>7 Contributions, Limitations and Implications for Future Research.....</b>	<b>306</b>
7.1 Contributions to IB Research .....	306
7.1.1 Analyzing Intersubsidiary Relationships .....	307
7.1.2 Explaining Intersubsidiary Relationships .....	307
7.1.3 Industry and Functional Insights.....	308
7.1.4 Empirical Insights .....	309
7.2 Managerial Implications.....	311
7.2.1 Conceptual Elements .....	311
7.2.2 Empirical Findings.....	312
7.3 Limitations and Implications for Future Research .....	313
7.3.1 Conceptual Issues.....	313
7.3.2 Methodological Issues.....	315
<b>Appendices .....</b>	<b>319</b>
<b>References .....</b>	<b>329</b>