

INDEX

- Abstention outsourcing, 239n8
Additive manufacturing, 287
Advanced Manufacturing Supply Chain Initiative, 148
Airbnb, 30, 39
Amazon, 30, 39
Amoco, 68
Anadarko Petroleum, 64
ANCOVA, 220
Apple, 36, 145, 218, 275
ARCO, 68
Arctic gas, 59
Ariete, 9, 24n2
Arm's length contracting, 65
Asian financial crisis, 86
Asset specificity, 62
Asymmetric power relationships, 220
AT Kearney, 210n15
- Back-reshoring, 252
Back-shoring, 85, 141–152, 247, 252–254, 259, 271, 272, 276, 285
 in-house, 144
 for insourcing, 144
 motivations, 146–149
 outsourced, 144
 for outsourcing, 144
 research methodology, 149–150
 scope of, 144–145
 towards research agenda, 150–152
 trends of, 145–146
Backsourcing, 85, 252
Bailey Hydropower, 145
Bandwagon effect, 276
Bettio, Monica, 8
- Bharti, 203–204
Big Data, 287
Blankenship, Charles, 124
Bosch, 9
Boston Consulting Group, 145, 147, 287
Bounded rationality, 32
BP, 56, 68
 Statistical Review of World Energy, 69–70
Braun, 9, 16, 18, 25n7, 25n8
Brekke, Sigve, 41, 46–49, 53
Brent, 65
Burlington Resources, 59
Business models, 29–50
 innovation, 32–34
Buyer-driven chains, 82
Buyer-supplier contracts, termination of, 158
Buyin, 90
- Cappellini, Stefano, 8
Ceschin, Roberto, 8
Chevron, 56, 68, 74, 77
China
 De'Longhi's ownership and location decisions, 10–14
China Mobile, 209n5
Cobb–Douglas production function, 310
Commodities, 12
Competence building, 250
Competitive positioning, 128
 weakening of, 128
ConocoPhillips, 55–78

- decision to break up global value chain, 57–61
 - history of, 58
- Contract enforcement, 160–161, 163–165, 167, 179ⁿ², 180ⁿ⁷, 184–185, 188
- Contracting systems, 168–176
- Contract viability, 160, 161, 163–165, 167, 180ⁿ⁴
- Core competencies, 219
- Corporate social responsibility, 128
- Cost-estimation errors, 250
- Country-of-origin effect, 276
- Cove Energy, 64, 68
- Critical Theory, 130
- Crude oil, 64, 65
- Currency risks, 128

- Damiani, Marzio, 8
- De'Longhi
 - local for global approach, 18, 24
 - ownership and location decisions, 3–25
 - value chain configuration of, 15–21
- Debt-effect, 86
- Devon Energy, 64
- Diagonal assets, 76
- “Digital Awakening,” 44
- Digital service provider (DSP), 29–50
- Digital transformation, 29–50
 - defined, 38–39
- Disaggregation, 7
- Diversification, 74–77
 - within-industry, 75
- Divisional incentives, managing, 61
- Domestic-owned firms (DOM), 84, 86, 88
- Domino effect, 261, 262
- Drilling, 63
- Dtac Hangar, 46

- EBITDA, 204

- Economic crisis, 158, 164, 167
- Economic geography, 141–152
- Efficiency, 220
- Efficiency-seeking strategy, 82, 83, 270, 283, 286
- Elf Aquitaine, 68
- Endogeneity, 235
- Engineering Employers' Federation (EEF), 150
- Equilibrium multi-country sourcing analysis, 173–176
- Ericsson, 35, 202, 203, 208
- Espana
 - cost model, 128–129
- European Manufacturing Survey, 149
- Exogenous demand shocks, 172–173
- Experiential knowledge, 313, 314, 321, 324–328
- Experiential learning theory, 191
- Experimentation, 32
- Explicit knowledge, 250, 253
- Exploration and production (E&P), 64
- Exporting strategies, of Turkish subsidiaries'
 - global financial crisis, impact of, 81–106, 109–119
 - multinational subsidiaries, exporting strategies of, 93, 93–99
 - panel data estimator, choosing, 92, 94–95, 118–119
 - revolving doors panel, limitations and challenges of, 100, 102–104
 - top-down revolving doors unbalanced panel, 91
- Externalization, 4, 7, 8, 15, 62, 201, 218, 220
- ExxonMobil, 56, 60, 64, 68, 74–77

- Facebook, 39, 49
- Facebook Messenger, 36

- Face-Time, 36
- Factoryless goods producers, 218
- Firm performance, 217–240
- Firm-specific advantages (FSAs), 190, 193, 198
- 5G, 35
- Foreign direct investment (FDI), 218, 234, 271, 274, 275, 280, 283, 285
- Foreign R&D investment, 293–306
 - embeddedness of affiliates in host countries, 297–298
 - entry mode of affiliates in host countries, 298–299
 - mandate of affiliates, 296–297
- 4G, 35–38
- Fourth industrial revolution, 287
- Fragmented knowledge, 262

- Gazprom, 68, 74
- General Electric (GE), 124–125, 127, 128, 131, 145
- “Global Backend” project, 44
- “Global Coordination” network, 206
- Global factory, 4, 6, 7, 24
- Global financial crisis (GFC),
 - impact of
 - insourcing strategies, 86–87, 90–91, 99–100, 101–102, 105
 - offshoring strategies, 85, 90, 93, 95–99, 105
 - outsourcing offshoring strategies, 85–86, 90, 100, 105
 - Turkish subsidiaries’ exporting strategies, 81–106, 109–119
- Global integration versus value-creating local responsiveness (GI-LR), 193–194
- Globalization, 4
 - versus regionalization, 152
- Global shift-backs, 251–255, 257–264
- Global sourcing, 246–254, 256, 260–264
- Global System for Mobile Communications (GSM), 35
- Global Transformation Program, 41
- Global value chains (GVCs), 5, 6, 21, 22, 24, 158, 218, 246, 312–314, 317–320, 322–324, 327, 328, 329_{n1}, 329_{n3}, 329_{n4}
 - breaking up, in oil and gas industry, 67–69
 - construction of, 125–126
 - shift in policy and limitations, 319–320
 - weak participation and productivity for SMEs, 314–318
- Google, 39, 49
- Grameen Bank, 209_{n11}
- Grameenphone Accelerator, 46
- Grameen Telecom Corporation
 - Village Phone Program of Grameenphone, 209_{n11}
- Gross domestic product (GDP), 167
- Group Executive Management (GEM), 41
- Group Industrial Development (GID), 206, 207

- Haier, 131
- Harmonized Tariff Schedule (HTS) code, 165
- Heritage Foundation
 - Property Rights index, 161
- High-Tech Strategy, 2020, 148
- Home-shoring, 144
- Huawei, 202, 203
- Hutchison Essar Limited, 201

- IBM, 203
- Import-substitution strategies, 83
- Indian Oil, 74
- Industrial districts (ID), 269–288

- as manufacturing systems,
 - internationalization of, 272–274
- Industry 4.0, 147, 148
- Information and communication technologies (ICTs), 6, 249
- Information technology, 4
- Innovation, 201, 205, 250, 251, 259, 262, 263, 272, 274–277, 283, 285, 287
 - business model, 32–34
 - capacity, 246, 248, 249, 274
 - competencies, 246
 - lag, 128
- Inshoring, 144
- Insourcing, 86–87, 90, 99–100, 101–102, 105, 275
- Institutions, 313, 314, 320, 321, 323–328
- Integrated oil companies (IOCs), 56, 64, 65, 68, 70, 72–78
- Integration strategies, 81–106, 109–119
- Intellectual property protection, 128
- Intellectual property rights, 180*n*9
- Interactive learning, 250
- Internalization, 4, 7, 8, 15, 22, 62, 66, 218, 219
- International business, 141–152
- International Country Risk Guide (ICRG), 160, 161, 167
- Internationalization process, 269–288
 - industrial districts, as
 - manufacturing systems, 272–274
 - value of manufacturing, 274–277
- Internet of Things, 287
- Inverse Mills ratio, 234
- Istanbul Chamber of Commerce (ISO), 87
- Joint ventures (JV), 88
- Kenwood, 9, 16, 18, 20, 22
- Kinder Morgan, 64
- Knowledge, 245–264
 - explicit, 250, 253
 - external, 248, 249
 - fragmented, 262
 - loss, 251, 252, 263
 - production, 263
 - sharing, 249, 250, 258
 - spillovers, 250
 - tacit, 250, 253–254, 276
 - transfer, 260, 312, 319, 321, 322, 326, 327
 - transfer, reverse, 293–306
- Kuwait Oil Corporation, 68
- Kuwait Petroleum Corporation, 56
- Labor costs, rising, 135
- Labor force deterioration, 128
- Lead firm, 239*n*3
- Learning-by-failing, 197
- LG, 124
- Liquefied natural gas (LNG), 59, 65
- Location decisions, 3–25
 - in multinational enterprises, 5–8
- LUKOIL, 59
- “Made in America” strategy, 246
- M&A, 68
- Magnabosco, Massimo, 8
- Managers
 - bounded rationality, 32
- Manufacturers’ Organisation (United Kingdom), 150
- Manufacturing and product design, linking, 135–136
- Manufacturing outsourcing, performance consequences of, 217–240
 - control variables, 236–237
 - dimensions of performance, 221
 - empirical evidence of, 220
 - estimation methodology, 233–235

- measurement of outsourcing, 232–233
- measurement of performance, 233
- moderating effects, 237
- motives for outsourcing, 231–232
- outsourcing–performance relationship, functional form of, 235–236
- time lags, 236
- unit of analysis, 231
- See also* Outsourcing
- Manufacturing systems, 269–288
 - industrial districts as, internationalization of, 272–274
 - value of, 274–277
- Marathon, 57
- Marginal Expansion Benefits (MEB), 195
- Marginal Expansion Costs (MEC), 195
- Market imperfections, 78*n*3
- Market liberalization, 5
- Market power, 78*n*3
- Market-seeking strategy, 83
- Mckinsey, 287
- mHorizon, 205
- Microsoft, 36
- Milan Stock Exchange, 9, 10
- Mobile virtual network operators (MVNOs), 203
- Multinational companies (MNCs), 190, 198, 207, 294–296, 298–302, 305, 306
- Multinational enterprises (MNEs), 142, 143, 145, 146, 159, 177–179, 270, 271, 273, 274, 276, 286
 - ownership and location decisions in, 5–8
 - supplier, 161–162
- Multinationality–performance (M-P) relationships, 190–193, 207–208
- Multinationality research, 189–210
- Multinationality theory, 190
- Multinational mobile network operators (MNOs), 189–210
 - choice of companies, 192–194
- Multinational subsidiaries, exporting strategies of, 93, 95–99
- Multi-path theory of diversified international expansion, 194–198
 - improved global replication capabilities, 204–206
 - improved local adaptation strategies, 201–204
 - over-diversified expansion, 199–201
- Mulva, Jim, 60
- MVNO Directory, 209–210*n*14
- Myopic learning, 197, 199–200
- Nash Bargaining, 173
- National Oil Companies (NOCs), 56, 65, 67, 68, 73, 74, 77
- National Tooling Fund, 148
- Nearshoring, 252, 271
- Nespresso, 9, 14, 16, 18
- Nestlé, 9, 14, 18
- Networks, 313, 314, 319, 320, 321, 323, 324, 326–328
- New York Mercantile Exchange, 66, 67
- Nike, 218
- Nokia, 14, 25*n*4, 35, 203, 209*n*13, 275
- Nokia Solutions and Networks (NSN), 203
- North American Free Trade Agreement (NAFTA), 92, 151, 313
- Obama, Barack
 - “Made in America” strategy, 246
- Obsolescing bargaining model, 83

- Offshoring, 4–6, 8, 85, 124, 247, 275, 276
 - decision, impact of, 127
 - disadvantages, 128
 - hidden costs of, 147
 - ideological influences, 126–127
 - of manufacturing system, 271, 272, 274
 - outsourcing, 82–83, 85–86, 90, 100, 105
 - reverse, 144
 - unintended consequences of, 147
 - unintended costs of, 127–129
- Oil and gas industry, 55–78
 - breaking up global value chain, 67–69
 - counter profit cycles, 71–73
 - cyclicity, 71–73
 - diversification, 74–77
 - value chain, 63–69
 - vertical integration in, 66–67, 69–71
- Onshoring, 144, 275
- OPEC (Organization of Petroleum Exporting Countries), 65, 67
- Ophir Energy, 64, 68
- Ordinary least square (OLS) regression, 234
- Organisation for Economic Co-operation and Development (OECD), 125, 148
- Organizational adaptability, 246
- Outsourcing, 4–6, 62, 85, 90, 92, 95, 100, 105, 275, 277
 - abstention, 239*n*8
 - back-shoring for, 144
 - intensity, 232
 - manufacturing outsourcing, performance consequences of, 217–240
 - motives for, 219–220
 - offshore, 82–83, 85–86, 90, 105
 - propensity, 232
 - strategic, 219
 - substitution, 239*n*8
- Over-diversified expansion, of mobile network operators, 199–201
- Overshoring, 129–133
 - decision architecture, 132
 - defined, 129
- Ownership, 3–25
 - in multinational enterprises, 5–8
- P&G, 9
- Payment scheme
 - with penalty for renegeing, 184
 - with proportional penalty, 185–186
 - with shocks, 186–188
- Peri-central reverse offshoring, 144
- PetroChina, 68, 74
- Petrofina, 68
- Petroleum Action Plan (New Zealand), 246
- Philips, 9
- Phillips, 66, 59, 60
- Political bargaining model, 83
- Portfolio approach, 24
- Positioning manufacturing, 132, 135
- Pre-shipment inspection quality control systems, 11
- Price, 161
- PriceWaterhouseCoopers (PWC), 145, 146
- Process digitization, 6, 23
- Product design and manufacturing, linking, 135–136
- Production knowledge, 263
- Productivity performance, 294, 295, 298, 301
- Product life cycle (PLC), 152
- Product-market decisions, 32
- Product modularization, 6, 23
- Profits, 32
- Property Rights, 164, 168, 180*n*4

- Proportional penalty, alternative payment scheme with, 185–186
- Public–private partnerships, 88
- Quiktrip, 68
- Racetrac, 68
- Raha, Subir, 56
- Regional Trading Blocks, 151
- Reintegration, 7
- Relational contracting, 157–181, 184–188
 - alternative payment scheme with proportional penalty, 185–186
 - alternative payment scheme with shocks, 186–188
 - contract enforcement, 160–161, 163–165, 179n2, 180n7, 184–185, 188
 - equilibrium multi-country sourcing analysis, 173–176
 - exogenous demand shocks, 172–173
 - MNE supplier, 161–162
 - partnership countries, 162, 165
 - price, 161
 - relationship duration, 161, 165
 - reneging, alternative payment scheme with penalty for, 184
- Relationship duration, 161, 165
- Relocation, 7
- Reneging, alternative payment scheme with penalty for, 184
- Research agenda, 150–152
- Research and development (R&D), 125, 130, 133, 135, 145, 147, 246, 248, 249, 274, 276
 - foreign investment, 293–306
- Reshoring, 133–135, 142–144, 148, 252, 271
- Re-shoring Initiative, 148, 150
- Re-shoring Institute, 150
- Resource allocation, 61
- Resource-based view (RBV), 62, 69, 71, 73, 75, 88, 248
- Resource Dependency Theory, 134
- Reverse knowledge transfer (RKT), 294, 295, 300
- Reverse offshoring, 144
 - peri-central, 144
- Risk taking, 32
- Robotics, 287
- Rockefeller, John D., 56, 69
- Roland Berger, 287
- Romania
 - De’Longhi’s ownership and location decisions, 14–15
- Rosneft, 68, 74
- Royal Dutch Shell, 56, 64, 74
- Samsung, 124
- S&P, 500, 60
- Sasol, 74
- Saudi Aramco, 56, 68, 74
- SEB Group, 9
- Seismic mapping, 63
- Selloff, 90
- Sellout, 90
- Sense of discovery, 32
- Serafin, Nicola, 8
- Shocks, alternative payment scheme with, 186–188
- Siemens, 9, 145
- SIM cards, 203
- Skype, 36
- Small and medium enterprises (SMEs), 145, 150, 271–273, 311–329
- Small domestic appliances (SDAs), 5, 9, 10, 24, 25n6
- Smile framework, 274
- Softbank, 200
- Spillovers, 293–306
- Standard Oil, 66, 69

- StartupLab, 46
- State-centered strategies, 83
- Stock-keeping unit (SKU), 18, 20, 21
- Strategic business units (SBUs), 61
- Strategic outsourcing, 219
- Structural equation modelling, 220, 232
- Substitution outsourcing, 239*n*8
- Supermajors, 56, 68
- Supplier-driven chains, 82
- Supply chain, 125, 135, 136
- Supply strategies, 123

- Tacit knowledge, 250, 253–254, 276
- Takeover, 90
- Tapad, 48
- Technology-based logistics transformation, 126
- Telenor, 191, 192, 204, 209*n*6, 209*n*8
 - business model, initial building blocks of, 45–46
 - current business model, 36–38
 - digital transformation, 29–50
 - future value capture, 43
 - future value creation, 43–44
 - future value proposition, 42–43
 - “Global Coordination” network, 206
 - Group Industrial Development, 206, 207
 - improved global replication capabilities, 205–206
 - informants, 53
 - organization to support future business model, developing, 47–48
 - overview of, 34–35
 - Village Phone Program of Grameenphone, 209*n*11
 - ways to support future business model, developing, 44, 46–47
- Terminated contracts, 166, 168
- Texaco, 68

- 3D imaging, 63
- 3D printing, 287
- 3G, 35–38, 203
- Three-stage theory of international expansion, 191
- Tillerson, Rex, 72
- Tosco, 68
- Total, 56
- Transactional misalignment, 232
- Transaction Cost Economics (TCE), 178, 181*n*18
- Transaction costs, 62, 128, 248–249
- Transaction cost theory, 4, 5, 247–248
 - of multinational firms, 191, 209*n*4
- TransCanada, 64
- Transfer pricing, 61
- “Transformational partnership” model, 204
- Transnational theory of the firm, 191
- Transneft, 64
- Transportation, 6, 64
- Trump, Donald, 151
- Tullow Energy, 64
- Tullow Oil, 68
- Turkish subsidiaries’ exporting strategies
 - global financial crisis, impact of, 81–106, 109–119
 - multinational subsidiaries, exporting strategies of, 93, 95, 99
 - panel data estimator, choosing, 92–93, 118–119
 - revolving doors panel, limitations and challenges of, 100, 102–104
 - top-down revolving doors unbalanced panel, 91
- 2G, 35–38
- Uber, 30, 39
- Uninor, 210*n*16

- “transformational partnership” model, 204
- Unintended costs of offshoring, 127–129
- Valero, 68
- Value capture, 32, 33, 37, 43, 45
- Value chain, 30, 55–78, 192–194, 198, 200–203, 207, 208
 - configuration, of De’Longhi, 15–21
 - defined, 239n1
 - disaggregation of, 4
 - global, 5, 6, 21, 22, 24, 67–69, 125–126, 158, 218, 246, 312, 319, 322–324, 327, 328, 329n1, 329n3, 329n4
 - between local and global, manufacturing, 269–288
 - oil and gas industry, 63–69
- Value creation, 7–8, 32, 33, 36–38, 43–46, 219, 246, 271
- Value proposition, 32, 37, 42–43, 45
- Vertical architecture, 61
- Vertical integration, 55–57, 60–63, 219, 232, 235, 237, 239
 - in oil and gas industry, 66–67, 69–71
 - parenting perspective of, 74
- Village Phone Program of Grameenphone, 209n11
- Vodafone, 191, 192, 200–201, 203, 209n5
 - “One Vodafone” initiative, 209n9
 - Vodafone Partner Agreement, 202
- Walmart
 - “Made in the USA” campaign, 128, 148
- Western Refining, 68
- West Texas Intermediate (WTI), 65
- Wholly foreign owned subsidiaries, 88, 117
- Wipro, 202, 204, 208
- Within-industry diversification, 75
- X-Ships, 255–261
- Yunus, Muhammad, 209n11