

Est.
1841

YORK
ST JOHN
UNIVERSITY

Kesseba, Khaled ORCID:
<https://orcid.org/0000-0002-6014-7106> (2017) Performance
Management Factors in the Petroleum Contractual Business. In:
Sheffield Business School Doctoral Conference, 2017, Sheffield,
UK. (Submitted)

Downloaded from: <http://ray.yorks.ac.uk/id/eprint/7471/>

Research at York St John (RaY) is an institutional repository. It supports the principles of open access by making the research outputs of the University available in digital form. Copyright of the items stored in RaY reside with the authors and/or other copyright owners. Users may access full text items free of charge, and may download a copy for private study or non-commercial research. For further reuse terms, see licence terms governing individual outputs. [Institutional Repository Policy Statement](#)

RaY

Research at the University of York St John

For more information please contact RaY at ray@yorks.ac.uk

Performance Management Factors in the Petroleum Contractual Business

Khaled Kesseba

Sheffield Hallam University, UK

Abstract

Production sharing contracts (PSC) are a pervasive fact of economic life in developing countries. They involve a government-contractor relationship with the aim of exploring, developing and producing oil within a Joint Venture environment. This public-private partnership form of collaboration often entails conflict in managing the Joint Venture because of the different strategic objectives between its partners. The rights of the host government and the obligations of the foreign contractor are central in a PSC. This proposes numerous complexities and dilemmas in managing the Joint Venture. Joint Ventures although being an increasingly common direction of corporate strategy over the past two decades have accentuated the problem of measuring the business performance. Joint Ventures performance determinants are problematic in the sense that both parties find it difficult to distinguish between bad luck and poor performance. The major difficulty in managing the performance of a Joint Venture lies in the confusion of how to identify and measure the performance. The controversy often stems from the lack of clarity of what a determinant of performance is. The development of key performance factors and indicators receives a considerable attention as being a powerful management tool. This study will present a conceptual framework of the performance management determinants of non-equity Petroleum Joint Ventures under a PSC contractual agreement. The proposed conceptual framework will contribute to the academic knowledge in managing non-equity Petroleum Joint Ventures, as well as the contribution to management practitioners in managing oil business within the oil production sharing contract system.

Keywords: Joint Ventures, Non-equity Joint Ventures, Performance management determinants, Petroleum Industry, Neo-empiricism, Template Analysis.

1. Introduction

Production sharing contracts (PSC), as one of the types of petroleum business contracts, is widely used to establish a Joint Venture between one or more partners on one side, and the host country government on the other side. The aim of the Joint Venture is exploring and developing oil and energy. The host government rights are significantly higher compared to the investor or the partner (Johnston, 1994; Pongsiri 2004). Governments prefer the non-equity Contractual Joint Ventures to maintain its control over the business operations for that important and strategic source of income and to keep its sovereignty on its natural wealth (Al-Emadi, 2010).

The Petroleum Joint Ventures are different from Joint Ventures between the same industry partners where it's commonly referred to as "government participation" to reflect a government-contractor relationship (Johnston, 1994). Various business studies in the literature refer to this type of partnership as a contractual agreement and they would subtly refer to it as a non-equity alliance (Pan and Tse, 2000). However, it could be argued that those types of contractual agreements are still Joint Ventures but from the non-equity side of it. The term Joint Venture was developed to name a business concept and not a legal one, that is to cater business purposes when a group of domestic companies combined their skills, resources and operations to run a potentially profitable market (Al-Emadi, 2010). Al-Emadi (2010 p.646) argues that researchers are divided over the legality of the Joint Venture definition and concluded that "Joint Venture" is an ambiguous term.

This paper develops a conceptual framework to address the identification of performance management determinants in the petroleum non-equity Joint Venture under such an agreement

(PSC). The appropriate management of performance is expected to demonstrate proper future business strategic choices (Vaidya, 2009, Micheli and Manzoni, 2010). Joint Ventures have been increasingly a common aspect of corporate strategy to different international industries, however, the performance record of Joint Ventures have been problematic (Glaister, 2004). Accordingly, the paper will discuss briefly the (1) Joint Ventures importance, then (2) shed the light on the differences between equity and non-equity Joint Ventures, then (3) discuss the non-equity Petroleum Joint Ventures background in order to lead the discussion about (4) performance management in relation to the non-equity Joint Ventures, and the proposed performance management conceptual framework.

2. Joint Ventures

Joint Ventures as an organisational form of business are growing in numbers attracting foreign capital and investments (Marjit et al., 1995); They have been, and still are, the optimal business mode of foreign direct investment in developing countries. That is evident by the record of eighty percent in some less developed countries and the rapid growth of Joint Ventures in the last three decades has been well documented (Beamish and Banks, 1987; Purkayastha, 1993; Gulait et al, 1994; Beamish and Delois 1997; Styles and Hearsh 2005).

The importance of choosing Joint Ventures rather than other entry modes of business is subject to the diseconomies of acquisition. Diseconomies of acquisition refer to the mitigation of higher costs of internal development or managing unrelated activities (Kogut, 1988). The idea of diseconomies of acquisition is based on transaction cost theory which is founded on cost minimization and the implications of the control rights over transaction costs when conducting business in imperfect markets (Williamson, 1975, 1985; Beamish and Banks, 1987; Bai et al., 2004). Other aspects of Joint Ventures importance are related to the increase of the global environment of an organisation or a company by expanding its business into new international markets. They reduce political risk between countries by allaying and defusing xenophobic reactions. And are used as devices to exchange or pool knowledge helping countries and businesses grow their experience and ability to maximise their wealth and profit (Kogut, 1988, Hennart, 1995).

The partners' strategic behavior in a Joint Venture is one of the important factors to the choice of Joint Ventures as a business mode, whether the underlying form of Joint Ventures achieves the firm's competitive position which affects its profitability and the firm's influence and control over its asset value (Kogut, 1988, Hennart, 1995). The need for a local partner may arise due to several reasons. Beamish (1994 p. 65) has categorised the need of a local partner into: (1) Items readily capitalised: capital and raw materials, (2) Human resources needs: labour, (3) Market access needs: using the local partner experience, (4) Government needs: regulations, (5) knowledge needs: local knowledge. The organisational learning theory states that Joint Ventures are encouraged when (1) both firms desire to acquire the other's know-how and also (2) when one firm wishes to maintain its own knowledge while pertaining and benefiting from the other partners' current knowledge or resources (Kogut, 1988, Glaister, 2004).

The concept of cultivating a business within Joint Ventures arrangement has been refuted by the internalisation theory of the multinational enterprises. Beamish and Banks (1987) argues that Joint Ventures are considered an inferior choice to wholly owned subsidiaries which offer a better business option than Joint Ventures as the firm would establish its own branch of operations, and accordingly have a stronger economic incentive allowing higher returns available on its ownership-specific advantages (Beamish and Banks, 1987). Arguably, the focus of this paper is on non-equity Joint Ventures in the petroleum sector in developing countries. This business is not accessible for investors through the option of wholly owned subsidiaries due to the political, economic, and legal systems of the host countries using petroleum production sharing contracts. Al-Emadi (2010, p. 646) argues that the historical struggle of the host states in their search for a new type of Joint Venture partnership with foreign companies is related to the factors of the advancement of technology and knowledge,

the state of the economy, and the maturity of the political and legal system of those host states. In addition to the increased bargaining power of oil-producing states through the establishment of Organization of Petroleum Exporting Countries (OPEC) and the United Nations (UN) resolutions on permanent sovereignty over natural resources (Al-Emadi, 2010).

Hereby Joint Ventures are an important source of FDI and are the predominant of business by the force of the legal framework of developing countries. Also, investors or companies will be involved in a partnership agreement for large-scale or high-risk ventures in order to diversify and generate profit by accessing or obtaining scarce resources as one of the internal and strategic motives of a Joint Venture entry mode choice (Harriagin, 1985; Vaidya, 2009). Notably that the Joint Ventures between industry partners differs from the government-contractor relationship (Johnston, 1994). In the petroleum business, the state-owned holding company is one of the partners, and the other partner is the investor, the government intervention is commonly referred to as "government participation" (Kogut, 1988; Johnston, 1994, Vaidya, 2009, Al-Emadi, 2010).

3. Equity and Non-Equity Joint Ventures

Generally, Equity Joint Ventures arise whenever partners bring together given assets and are expected to embrace capital commitments to the Joint Venture, consequently partners are paid at the end of a given period according to their contribution from the profits earned by the entity. The foreign direct investment (FDI) in Equity Joint Ventures is directed to minimise transactional costs by pursuing raw materials or components, pooling knowledge, distribution of costs, or loan capital for major projects. (Kogut, 1988; Hennart, 1995). However, in a non-equity based Joint Venture partners are not required to be involved in future decision-making beyond the life of the project or the contract. They involve contractual agreements where the key dimension of the Joint Venture is the exchange of performance within a stipulated contract. Non-equity Joint Ventures usually cover a wide array of contractual agreements. Those agreements form a strategic alliance where contracts provide incentives within underlying contingencies and complexities. Both parties share the residual value of the venture without identifying the performance requirements (Kogut, 1988; Zahra and Elhagrasey 1994; Hennart, 1995).

When forming a Joint Venture, negotiators tend to work out an agreement between the prospective partners with the aim to control future contingencies to the extent where they can be visualised (Parkhe, 1993; Contractor and Reuer, 2014). And regardless of their governance structure, the legally drawn up agreement for organising the joint relationship between partners, would not clearly provide a clear differentiation whether it is an equity or non-equity based Joint Ventures (Vaidya 2009; Contractor and Reuer, 2014). The field has been overly restricted to the generic categorization of international strategic alliances and collaborations such as relational or contractual, equity or non-equity, without probing the specifics of the agreement structure of international alliances or Joint Ventures. Leaving the field without a profoundly detailed dissection of the anomalies or commonalities between its distinct types. (Schilling, 2009).

Additionally, from the reviewed literature, scant attention has been given to the ex-ante details of agreements to identify the difference between the Joint Ventures types, compared to the post formation and governance of a Joint Venture and how it is managed between its partners. Some studies have addressed the agreement details of the contingency planning, specific controls, monitoring, cooperation and coordination mechanisms (Argyres et al., 2007; Faems et al., 2008; Lumineau and Malhotra, 2011). Other studies covered contractual provisions regarding the divisions of decision making between each partner within a Joint Venture, the procedures of making these decisions, and the ways of resolving disagreements or conflicts (Reuer and Ariño, 2007; Robinson and Stuart, 2007; Ryall and Sampson, 2009; Adegbesan and Higgins, 2010; Lumineau and Malhotra, 2011; Ariño et al., 2014).

In sum, most studies haven't exposed a clear distinction between equity and non-equity based Joint Ventures. Accordingly, the following three sections discuss the difference by highlighting numerous factors affecting the potential choice between equity and non-equity Joint Ventures. Those factors are discussed from the governance structure perspective, whether that entails partners' opportunistic behaviour, partners' relationships, knowledge transfer, or the distance between the partners' location.

3.1 The potential opportunistic behaviour between partners.

Originally, the formation of a Joint Venture as a strategic alliance is grounded on the transaction cost theory. Within that theory, the threat of opportunism is affected by the characteristics of the transaction, the partner, and the relationship (Contractor and Reuer, 2014). However, there is a distinction between the consequences and the likelihood of opportunism. Contractor and Ra (2002), Woolthuis et al. (2005), and Shah and Swaminathan (2008) argue that the problem of the consequences of opportunism lies within its impact on the firm's business goals within the Joint Venture. If the consequences are of high impact, then it could be considered a severe one. However, if the partner is not capable of behaving opportunistically or is a trustworthy partner, then opportunism is of less consequence. However, both confidence and trust will negate or minimise the perceived risk of opportunism (Lui and Ngo 2004). Arguably, confidence and trust are not enough if there is no stipulation of an adequate control in place. Therefore, firms have to deal risks that arise from both potentially opportunistic partners and /or uncertain institutional and legal environments (Williamson, 1985; Geringer and Hebert, 1991; Parkhe, 1993; Parkhe, 1998).

In a non-equity or contractual Joint Venture environment, contractual safeguards are a crucial component in strategic alliances business. Opportunism can be curbed through the reduction of monitoring cost by increasing partners' relationship transparency, and by strictly clarifying in contracts the business objects and purview, or by using a pay-off structure with stipulated penalties for opportunistic behaviours (Parkhe, 1993; Reuer and Ariño, 2002). However, non-equity Joint Ventures have weaker control mechanisms than Equity Joint Ventures (Poppo and Zenger, 2002). Firms under Equity Joint Venture usually obtain more alignment of incentives through equity ownership leading to more administrative monitor and control rights rather than non-equity Joint Ventures (Pisano, 1989; Oxley 1997; Reuer and Ariño, 2007).

Another aspect from the control angle, which mitigates opportunism, is the Equity Joint Venture board of directors. It has long been considered as an important management tool in the core theories and applied research based on equity ownership rights (Balakrishnan and Koza, 1993; Bamford et al., 2004; Bamford and Ernst, 2005; Hewitt, 2005). Arguably, in non-equity Joint Ventures, contracts stipulate steering committees derived from legal establishments which are attributed similarly as the Equity Joint Venture board of directors. However, these steering committees have been also criticised as some in the non-equity Joint Ventures can be more hierarchical than others, and as such, there is no fixed form for these committees (Williamson, 1991; Hoetker and Mellewigt, 2009; Reuer and Devarakonda, 2014; Contractor and Reuer, 2014)

3.2 Knowledge transfer, the distance between partners, and partners' relationship and involvement.

From the previous discussion, transaction cost theory and its profound angle of opportunism were the notions of Joint Venture governance structure, probing some insights of the legal or contractual form of the equity and non-equity alliances. However, the formation of the governance structure can also be affected by the partners' relationship and involvement drivers and not only the partners' opportunistic behaviour and the need to control it. A recurring criticism of the transaction cost approach that it fails to acknowledge the role of non-transactional or the relational capital attributes in which they significantly influence the choice of Joint Ventures governance mode whether equity or non-equity (Globerman and Neilsin 2007).

Relational capital encompasses trust, respect, and friendship between partners in a business collaboration. Few studies tried to establish a link between the operations of a relational capital alliance to the perceived risks of opportunism, especially with the environmental attributes of the host country, given the legal and regulatory regimes of the alliance location (Thuy and Quang, 2005; Globerman and Neilsin 2007). In partnerships, contractual complexities based on opportunism risk has been suggested to be detrimental as the safeguarding clauses might negatively hurt the partners' relationship, where trust between partners has been a positive indicator for better governance and alliance performance than contract provisions (Dyer and Singh, 1998; Malhotra and Murnighan, 2002; Woolthuis et al., 2005). However, it was proven through studies that the strength of such relationships is not inconsistent with contract complexity and that some contractual provisions that enhance alliance performance through communication, and joint work could be categorised positively (Mayer and Argyres, 2004; Weber and Mayer, 2011; Ariño et al., 2014).

Partners experience with alliances and their familiarity of the counter-partner enables deep understanding of relevant challenges and contingencies needed to be considered in a Joint Venture, which may allow them to add more contractual details to the governance structure leading to better alliance performance (Kale et al., 2002). It was also found that in more complex and hierarchical alliances, the need for partner's involvement and interaction is highly required, where the process of interaction and intensity of inter-partner involvement is necessary to coordinate operations and to improve efficiency. Accordingly, knowledge can be transferred with the strategic aim to maximise joint synergistic value. (Gulati and Singh 1998, Kale et al., 2000; Contractor et al., 2011). In a relational based strategic alliance with partner's positive involvement and interaction, knowledge and technology transfer are proved to be more efficient (Lee and Cavusgil, 2006; Contractor et al., 2011).

However, in the context of international collaborations, other factors need to be considered. Countries have different legal and institutional foundations; these foundations are classified by foreign investors whether they are strongly or weakly matching their own property rights when taking the decision of investing in those countries. In addition, the decision-making process will take into consideration that monitoring international alliance is more difficult and costly bearing the appropriation hazards within the potential institutional environment. Also, the geographical and cultural distance and difference, thus affecting the quality of information and knowledge transfer flows regardless of the partner's involvement level (Davidson and McFetridge, 1985, Oxley, 1999; Ghemawat 2001; Hagedoorn et al., 2005; Phene et al., 2006).

Accordingly, and based on the country-specific approach, firms tend to use non-equity Joint Ventures with deeper inter-partner involvement in technology-based relationships fostering beneficial control and learning atmosphere, rather than Equity Joint Ventures, to negate the geographical distance cost. However, under weak property rights protection in the country where the Joint Venture business is based, Equity Joint Venture collaboration is preferred given that appropriation hazards are of higher concern regardless of the level of the partners' relationship or involvement (Gulati, 1998; Van Kranenburg et al, 2014).

3.3 The Choice between Equity Vs Non-equity based Joint Venture

Generally, the academic and business wisdom calls for equity-based Joint Ventures rather than non-equity Joint Ventures, the reason behind the choice, is to monitor and control potential opportunistic behavior of partners through ownership rights, and to mitigate the property rights hazards, under the conditions of high investment, market risk, and technological uncertainty (Contractor and Reuer 2014). Studies about the deal-specific alliances which involve intrinsic developed technology and assets specificity showed that partner's relational based involvement and commitment is highly required. Occasionally, firms tend to use Equity Joint Ventures to ensure that partners are committed and to monitor their interests under the condition of weak property rights environment (Contractor and Ra, 2002; Helm and Kloyer, 2004; Parmigiani and Rivera-Santos, 2011).

However, with strong property rights environment, non-equity Joint Ventures might be used, as this choice will reduce the geographical monitoring cost. Firms have recently codified or distilled manuals and procedures in which knowledge can be more readily transferred, rather than being resident in the minds of engineers and analysts (Gulati, 1998; Contractor and Lorange, 2002; Van Kranenburg et al, 2014; Contractor and Reuer, 2014).

There are other environmental or institutional variables closely relate to the country or industry context when studying how Joint Ventures operate. Contractor and Reuer (2014) hypothesised that, based on the changes of the global business environment, the choice of a non-equity Joint Ventures could be favoured over the Equity Joint Ventures alternative. Expropriation hazards have significantly and recently diminished over the past 20 years especially as agreements in the international strategic alliance context includes arbitration clauses, that serves as a protection of the foreign partner assets and investment value.

As such, no escape of the institutional fact that Joint Ventures in the petroleum industry in developing countries are formed as a non-equity Joint Venture where country legal and institutional differences powerfully influence the strategic choice of the type of Joint Ventures (Tong et al., 2008, Al-Emadi, 2010). However, despite globalisation, firms still tend to form Equity Joint Ventures when the property rights or knowledge protection are weaker in the nation or location of the alliance. The lower legal protection and higher expropriation risk, the probabilities of an Equity Joint Venture increase over non-equity Joint Venture (Oxley, 1999; Delios and Henisz, 2000; Hagedoorn et.al, 2005).

4. Non-equity Joint Ventures and the petroleum industry

The petroleum or the oil and energy sector is strategically important, in the sense of maximising the economic wealth and welfare of the country through FDI, oil production, and the optimisation of the natural and hydrocarbons reserves (Pongsiri, 2004). All Joint Ventures in the petroleum industry under PSC are formed as a non-equity Joint Venture partnership and within that form, the investor or the partner in the Joint Venture is mainly seeking profit maximisation part of the business (Johnston 1994; Pongsiri 2004). The government or state-owned company assigns its representatives in the Joint Venture, the investor also assigns counter representatives via a branch office allowed by the host country. That appointment of representatives of both partners equally constitutes the Joint Venture's board of directors or steering committee covering technical operations, financial, and general management areas (Zoubir, 2000; Pongsiri, 2004).

Oil and gas development projects are characterised by large capital investments. Exploration and production operations encompass various activities. The range of activities would be from undertaking geological surveys, identifying hydrocarbon resources, to economically and commercially exploiting them. Companies in this sector are of a high-risk nature in the physical, commercial, and political sense as it is difficult to determine in advance the existence, extent and quality of hydrocarbon resources, as well as production costs and the oil future price in the world market which will be also affected by host country economy considerations (Bindemann, 1999). Owing to difficulties in gaining access to risk capital and lack of expertise needed for resources exploration and development, most developing countries grant development rights to foreign firms which have adequate capital, technology and expertise, including abilities and competencies to manage investment risks towards their diversified portfolios (Pongsiri, 2004).

Basically, there are many petroleum fiscal systems that regulate and organise the petroleum and energy business. There are two main families or systems; (1) PSCs and (2) the concessionary systems (Nichols, 2010). Typical development rights can be addressed into a PSC contractual arrangement. The classical form of such agreements is the concessionary system mostly used in the United States and the United Kingdom. The differences between both systems arise from different attitudes

towards levels of control granted to companies, compensation and reward-sharing schemes, that includes the level of involvement by governments (Johnston, 1994; Bindemann, 1999).

Specifically, PSCs are widely chosen in developing and transitional economies, mineral resources are owned by the state, similar to the concessionary system. The difference here is that the foreign company as a contractor or investor is invited in to provide technical and financial services for exploration and development operations. The foreign contractor or company usually bear the entire exploration cost risk, and receives a specified share of production as a reward of profit and/or cost recoup its initial investment and operating expenses which are referred to as "Profit Oil" and "Cost Oil" respectively (Nichols, 2010).

In strong and active Joint Ventures, both parties benefit from cooperation. The aim of the partnership as a relational contract is to ensure that they both bring different strengths to that joint business relationship. That is achieved by utilising known sources of hydrocarbons in the most economical and effective way (Luo, 2002). However, in PSCs, the rights of the government are superior to the rights of the investor/contractor. It is not surprising that the different objectives of the two partners are most likely to clash (Bindemann, 1999). That often leads to negative outcomes such as loss of interdependent decision-making and information asymmetry. In addition to cultural and institutional differences, further disagreements resulting from any change in the existing legislation consequently affects Joint Venture cooperation and performance (Mikesell, 1975; Provan 1984; Jacobs, 1992).

PSC in the oil and gas sector, as a pervasive fact of economic life in the petroleum industry Joint Ventures, entails rise of conflict of interest between public and private partners, that conflict might also involve subjective interests. This problem may result in one or both parties undertaking actions that are against the interests of the other contracting partner hindering performance and in turn, would impact both parties (Pongsiri, 2004). Joint Ventures break up when partners have different goals, incompatible with one another, or when one or both are renegeing on their promises, and where each partner's managers are unable to work together (Vaidya, 2009).

The appropriate management of business performance is expected to demonstrate the proper future business strategic choices (Vaidya, 2009, Micheli and Manzoni, 2010). Additionally, there are no prescribed models to measure the Joint Venture performance from all aspects, in order to provide and submit enough data to help in decision-making proceeds. That is stemmed from the lack of clarity of what drives performance. The development of key performance indicators receives considerable attention given the potential to be a powerful management tool (Ozorhan et al., 2011; Tyagi and Gupta, 2013).

5. Non-equity Joint Ventures performance management

The management of Joint Venture's performance has been an important research topic for a few decades for different global industries. There is no consensus on an appropriate definition and measurement of Joint Ventures performance, determinants and drivers. The validity of the underlying measures is still questionable, and no attempt has been made to estimate their empirical integrity (Geringer and Hebert, 1991; Arino, 2003; Choi and Beamish 2004; Ren et al., 2009; Ozorhan et al., 2010; Ozorhan et al., 2011). And if researchers could agree on how to conceptualize and measure Joint Venture performance, they are still far from unanimous and a strict consensus about what drives performance (Ren et al., 2009). In addition, there is a major difficulty in evaluating Joint Venture success caused by the confusion of the definition of performance and how to measure it, this controversy stemmed from the lack of clarity about the indicator of performance and what a determinant of performance is? (Ozorhan et al., 2011)

In the conceptualization issue, numerous studies focused on the Joint Venture as an independent entity using the financial output as the ultimate performance indicator (Choi and Beamish, 2004; Dhanaraj et.al, 2004; Lu and Xu, 2006; Luo, 2008; Robins et.al, 2002; Zhang et.al, 2007). Other studies used parents' perspectives only to identify the performance management determinants in a Joint Venture by considering the extent of their satisfaction (Buckley and Glaister, 2002; Ren et al., 2009). Furthermore, various studies have focused on the factors affecting Joint Venture performance, such as survival of the Joint Venture (Dhanaraj and Beamish, 2004; Gaur and Lu, 2007; Kumar, 2005; Lu and Xu, 2006; Makino et.al, 2007;) and the goal achievement factor, using managerial evaluation of the Joint Venture parent's goal achievement (Brouthers and Bamossy, 2006; Child and Yan, 2003; Krishnan et.al, 2006; Luo, 2008; Robson et.al, 2008; Zollo et.al, 2002).

Another recent study addressed the conceptualization issue of Joint Venture performance by grouping them into three perspectives. The perspectives include: (1) Investment-specific factors, covering: ownership distribution, establishment mode, target country uncertainty; (2) Inter-partner relationship specific factors: as management style, control mechanism, commitment and trust, Age of Joint Venture's relationship; and (3) Parent-firm specific factors: Motives of the Joint Venture, FDI and Joint Venture experience, competitive strategy, and parent size (Iarimo and Nguyen, 2015). However, all the mentioned studies were undertaken on equity-based Joint Ventures.

5.1 The development of the conceptual framework

In summary, studies have not reached a consensus or a comprehensive grand theory for Joint Ventures performance management determinants. The reason is stemmed from the angle that different studies were fragmented on distinct factors of performance and carrying out the research approach from different methodological stand points either qualitative or quantitative. In addition to studying the determinants from different viewpoints: ones from the foreign partner's perspective and others from the local partners'. Given the nature of a Joint Venture as a social activity with an economic outcome, it would have different legal, structural and political frameworks within a specific contextual region. Therefore, the structure of the arrangement must be different, and it is recommended to carry on studying those different contexts separately (Hersch and Styles, 2001; Katsioloudes and Isichenko, 2007; Lowen and Pope, 2008; Vaidya, 2009; Bener and Glaister, 2010; Iarimo and Nguyen, 2015).

Nippa et al. (2007) describes Joint Ventures as a separate legal organizational entity held by partner firms from different countries, where in that form of partnerships parent firms might have different strategic objectives, and for that reason collaboration may be used as being a tool for selfish ambitions (Stein and Ginevicius, 2010). This paper offers a conceptual framework of non-equity Joint Ventures in the petroleum industry. Ying (1996) suggests that research on Joint Ventures should adopt a multi-perspective approach to consider the dynamic process of Joint Venture management and the influence of not just economic, legal and political factors, but also social and cultural factors. The concluded conceptual framework is taking into consideration the non-equity Joint Venture management perspective, the inter-partner perspective, the parent to its representative perspective, and the host country perspective along with the industry related conditions.

6. Methodology

This study is offering a conceptual framework of the factors affecting the Petroleum Joint Ventures in Egypt. In reaching that aim, it is important to address the philosophical underpinnings of the study, along with its method and design. A realist ontology and objectivist epistemology from the philosophical stance; considering a qualitative neo-empiricist grounded perspective is adopted. It is claimed that neo-empiricism is used for management researchers who view the collection of qualitative empirical data as capable of ensuring objective truth in a correspondence sense (Alvesson and Deetz, 2000). The development of the study design and the conceptual framework is through interpretation of the literature to develop themes and categories concerning the identification of

performance management determinants of non-equity joint ventures in the context of the Egyptian oil business.

As such the inductive logic is the key to the methodological assumptions as the process of proceeding from particulars to the general or universals (Locke, 2007). This approach in social research means that a theory will be generated or a model will be established at the end of a research. A template analysis (Symon and Cassell, 2012 p. 426) is carried out through multiple readings and interpretations of raw data, and although the findings are influenced by the evaluation objectives or questions outlined by the researcher, they will not arise from a priori expectations or models.

The method of collecting data was a semi-structured in-depth face-to-face interview. It is the researcher's interest to get a detailed picture of the interviewees' understanding of the study themes and aim; qualitative interviews provide means to explore the points of view of the research subjects (Silverman, 1997), allowing the researcher to 'control' the line of questioning (Creswell, 2003), and to fully explore the topic from the respondent's perspective. Another advantage of such method is to insure data cleaning, close reading and continuum revision to texts, categories, and themes (Doole, 2000). The targeted audience was 10 Joint Ventures practitioners out of 50 Petroleum Joint Ventures available in Egypt.

7. Discussions and Conclusions – The conceptual framework

<u>Managerial Perspective</u>	<u>Operational Perspective</u>		<u>Organisational Perspective</u>
	<u>Inter-partner</u>	<u>Parent-Representatives</u>	
Leadership	Partners' relationship	JV Management	Host Country Conditions
Staff Reporting lines	Trust	Autonomy	Host Country Environment
Staff development	Communication	Management Stability	Industry Environment
	Cooperation		Overall satisfaction on JV
	Culture		
	Respect		
	Power		
	Opportunism		
	Conflict		
	Partners' Alignment		
	Targets		
	Partners' Qualifications		

This paper has developed a conceptual framework for non-equity Joint Venture's performance management determinants of the petroleum industry in Egypt as one of the developing countries. The petroleum industry business in Egypt is governed by PSCs. That form of a partnership involves a government-contractor (or foreign investor) relationship within the activity of exploring, developing, and producing oil. There are many disagreements between the Joint Venture partners in operating the business, because of the prevalent rights of the host country partner, as well as the different objectives for each partner. To develop this framework, it was important to shed light on the importance of Joint Ventures. The discussion of Joint Venture's governance structures was the door to identify the commonalities and anomalies between the equity and non-equity based Joint Ventures, the reason behind was to enable the reader understanding the context of the paper relative to non-equity based Joint Ventures.

Identifying how to better manage the performance of that Joint Venture entails conceptualising the internal and external factors affecting the Joint Venture performance. Most studies have addressed performance management determinants of equity-based Joint Venture. And the various conceptualizations in these studies were either focused on parents' overall satisfaction or on the financial output of the Joint Venture. Furthermore, studies have grouped the determinants into Investment-specific factors, Inter-partner relationship specific factors, and parent-firm specific factors to address the conceptualization issue. However, there is a lack of clarity about the indicator of performance and what drives it.

This paper focused on developing the conceptual framework of non-equity Petroleum Joint Ventures from the conceptualization angle of the factors affecting the Joint Venture performance. The developed framework was developed to consider not only the economic, legal, and political factors but also social and cultural factors. It covered three perspectives: (1) the managerial perspective as how both partners' representatives manage the Joint Venture as one entity; (2) the operational perspective considering the inter-partner relationship from one side and the parents-representatives relationship from the other side; and (3) the organizational perspective focusing on host country conditions, environment and the industry conditions. A further study will be performed based on this conceptual framework to identify how to operationalize the framework by using an inductive analytical approach.

References

- Adegbesan, J.A., Higgins, M.J. (2010). The Intra-Alliance Division of Value Created through Collaboration. *Strategic Management Journal*, vol 32, Iss: 2, pp. 187–211.
- Al-Emadi, T. (2010). Joint Venture contracts among current negotiated petroleum contracts; A literature review of JVCs development, concepts and elements. *Georgetown Journal of International Law*, vol 1, pp. 645 – 667.
- Alvesson, M. and Deetz, S. (2008). *Doing critical management research*. Sage
- Argyres, N., Bercovitz, J., Mayer, K. (2007). Complementarity and Evolution of Contractual Provisions: An Empirical Study of Information Technology Services Contracts. *Organisation Science*, vol 18, Iss: 1, pp. 3–19.
- Arino, A. (2003). Measures of Strategic Alliance Performance: An Analysis of Construct Validity. *Journal of International Business Studies*, vol 34, Iss: 1, pp. 66–79.
- Arino, A., Reuer, J.J., Mayer, K.J., Jane, J. (2014). Contracts, Negotiation, and Learning: An Examination of Termination Provisions. *Journal of Management Studies*, vol 51, Iss: 3, pp. 379–405.
- Bai, C., Tao, Z., Wu, C. (2004). Revenue Sharing and Control Rights in Team Production: Theories and Evidence from Joint Ventures. *The Rand Journal of Economics*, vol 32, Iss: 2, pp. 277–305.
- Balakrishnan, S., Koza, M.P. (1993). Information asymmetry, Adverse Selection, and Joint Ventures. *Journal of Economic Behaviour and Organisation*, vol 20, Iss: 1, pp. 99–117.
- Bamford, J., Ernst, D., Fubini, D.G. (2004). Launching a World Class Joint Venture. *Harvard Business Review*, vol 82, Iss: 2, pp. 91–100.
- Bamford, J., Ernst, D. (2005). Governing Joint Ventures. *McKinsey Quarterly*, vol 15, pp. 12–16.
- Beamish, P.W., Banks, J. (1987). Equity Joint Ventures and the Theory of the Multinational Enterprise. *Journal of International Business Studies*, vol 18, Iss: 2, pp. 1–16.
- Beamish, P.W. (1994). Joint Ventures in LDCs: Partner Selection and Performance. *Management International Review*, vol 34, Iss: 2, pp. 60–74.
- Beamish, P.W., Delios, A. (1997). The Incidence and Propensity of Alliance Formation, in *Cooperative Strategies: Asian Pacific Perspective*, Beamish P.W., Killing J.P. ed., New Lexington Press, San Francisco, U.S.
- Bener, M., Glaister, K.W. (2010). Determinants of Performance in International Joint Ventures. *Journal of Strategy and Management*, vol 3, Iss: 3, pp. 188–214.
- Bindemann, K. (1999). Production-sharing Agreements: An Economic Analysis. World Petroleum Market Report 25, Oxford Institute of Energy Studies, Oxford, UK.
- Boatang, A., Glaister, K.W. (2002). Performance of International Joint Ventures: Evidence from West Africa. *International Business Review*, vol 11, pp. 523–541.
- Brouthers, K.D., Bamossy, G. (2006). Post-formation Processes in Eastern and Western European Joint Ventures. *Journal of Management Studies*, vol 43, pp. 203–229.
- Byram, A. (2012). *Social Research Methods*. 4th ed., Oxford University Press.
- Child, J., Yan, Y. (2003) Predicting the Performance of International Joint Ventures: An Investigation in China. *Journal of Management Studies*, vol 40, pp. 283–320.
- Choi, C.B., Beamish, P.W. (2004). Split Management Control and International Joint Venture Performance. *Journal of International Business Studies*, vol 35, Iss: 3, pp. 201–215.

- Contractor, F.J., Lorange, P. (2002). *Cooperative Strategies and Alliances*. Elsevier, Oxford, UK.
- Contractor, F.J., Ra, W. (2002). How Knowledge Attributes Influence Alliance Governance Choices: A Theory Development Note. *Journal of International Management*, vol 8, Iss: 1, pp. 11-27.
- Contractor, F.J., Woodley, J.A., Piepenbrink, A. (2011). How Tight an Embrace? Choosing the Optimal Degree of Partner Interaction in Alliances Based on Risk, Technology Characteristics, and Agreement Provisions. *Global Strategy Journal*, vol 1, pp. 67-85.
- Contractor, F.J., Reuer, J.J. (2014). Structuring and Governing Alliances: New Directions of Research. *Global Strategy Journal*, vol 4, pp. 241-256.
- Creswell, J. W. (2013). *Research Design: Qualitative, Quantitative and Mixed Methods Approaches*. 4th ed., Los Angeles, Sage.
- Davidson, W.H., McFetridge, D.G. (1985). Key Characteristics in the Choice of International Technology Transfer Mode. *Journal of International Business Studies*, vol 16, Iss: 2, pp. 5-21.
- Delios, A., Henisz, W.I. (2000). Japanese Firms' Investment Strategies in Emerging Economies. *Academy of Management Journal*, vol 43, Iss: 3, pp. 305-323.
- Dhanaraj, C., Beamish, P.W. (2004). Effect of Equity Ownership on the survival of International Joint Ventures. *Strategic Management Journal*, vol 25, pp. 295-305.
- Dhanaraj, C., Lyles, M.A., Steensma, H.K., Tihanyi, L. (2004). Managing Tacit and Explicit Knowledge Transfer in IJVs: The Role of Relational Embeddedness and the Impact on Performance. *Journal of International Business Studies*, vol 35, pp. 428-442.
- Dyer, J.H., Singh, H. (1998). The Relational View: Cooperative Strategy and Sources of Interorganisational Competitive Advantage. *Academy of Management Review*, vol 23, Iss: 4, pp. 660-679.
- Faems, D., Janssens, M., Madhock, A., Van Looy, B. (2008). Toward an Integrative Perspective on Alliance Governance: Connecting Contract Design, Trust Dynamics, and Contract Application. *Academy of Management Journal*, vol 51, Iss: 6, pp. 1053-1078.
- Gaur, A.S., Lu, J.W. (2007). Ownership Strategies and Survival of Foreign Subsidiaries: Impacts of Institutional Distance and Experience. *Journal of Management*, vol. 33, pp. 84-110.
- Geringer, J, M., Hebert, L.(1991). Measuring Performance of International Joint Ventures. *Journal of International Business Studies*, vol. 22, Iss: 2, pp. 249-263.
- Ghemawat, P. (2001). Distance Still Matters: The Hard Reality of Global Expansion. *Harvard Business Review*, vol 78, Iss: 8, pp. 137-147.
- Gill, J., Johnson, P., Clark, M. (2011). *Research Methods for Managers*. 4th ed., London Sage
- Glaister, K.W. (2004). The Rationale for International Equity Joint Venture. *European Management Journal*, vol 22, Iss: 5, pp. 493-507.
- Globerman, S., Nielsin, B.B. (2007). Equity Versus Non-Equity International Strategic Alliances Involving Danish Firms: An Empirical Investigation of the Relative Importance of Partner and Host Country Determinants. *Journal of International Management*, vol 13, pp. 449-471.
- Gulati, R., Khana, T., Nohria, N. (1994), Unilateral Commitments and the Importance of Process in Alliances. *Sloan Management Review*, vol 35, Iss: 3, pp. 61-70.
- Gulati, R., Singh, H. (1998). The Architecture of Cooperation: Managing Coordination Cost and Appropriation Concerns in Strategic Alliances. *Administrative Science Quarterly*, vol 43, Iss: 4, pp. 781-814.

- Gulati, R. (1998). Alliances and Networks. *Strategic Management Journal*, vol 19, Iss: 4, pp. 293–317.
- Hagedoorn, J., Cloudt, D., Van Kranenburg, H. (2005). Intellectual Property Rights and the Governance of International R&D Partnerships. *Journal of International Business Studies*, vol 36, Iss: 2, pp. 175–186.
- Harrigan, K. (1985). *Strategies for Joint Ventures*. Lexington Books, Lexington, MA.
- Helm, R., Kloyer, M. (2004). Controlling Contractual Exchange Risks in R&D Interfirm Cooperation: An Empirical Study. *Research Policy*, vol 33, Iss: 8, pp. 1103–1122.
- Hennart, J. (1995). Transaction Costs Theory of Equity Joint Ventures. *Strategic Management Journal*, vol 9, Iss: 4, pp. 361 – 374.
- Hersch, L., Styles, C. (2001). International Joint Ventures: A Political Economy Framework. *Australasian Marketing Journal*, vol 9, Iss: 1, pp. 20–32.
- Hewitt, I. (2005). *Joint Ventures*. Sweet and Maxwell, London, UK.
- Hoetker, G., Mellewigt, T. (2009). Choice and Performance of Governance Mechanisms: Matching Alliance Governance to Alliance Type. *Strategic Management Journal*, vol 30, Iss: 10, pp. 1025–1044.
- Jacobs, J. (1992). *Systems of Survival: A Dialogue on Moral Foundations of Commerce and Politics*, Random House, New York, NY.
- Johnston, D. (1994). *International Petroleum: Fiscal Systems and Production-Sharing Contracts*, PennWell Publishing, Tulsa, OK.
- Kale, P., Singh, H., Perlmutter, H. (2000). Learning and Protection of Proprietary Assets in Strategic Alliances: Building Relational Capital. *Strategic Management Journal*, vol 21, Iss: 3, pp. 217–238.
- Kale, P., Dyer, J.H., Singh, H. (2002). Alliance Capability, Stock Market Response, and Long-term Alliance Success: The Role of the Alliance Function. *Strategic Management Journal*, vol 23, Iss: 8, pp. 747–767.
- Katsioloudes, M.I., Isichenko, D. (2007). International Joint Ventures in Russia: A Recipe for Success. *Management Research News*, vol 30, Iss: 2, pp. 133–152.
- Kogut, B. (1988). Joint Ventures: Theoretical and Empirical Evidence. *Strategic Management Journal*, vol 9, Iss: 4, pp. 319 – 332.
- Krishnan, R., Martin, X., Noordenhaven, N.G. (2006). When Does Trust Matter to Alliance Performance? *Academy of Management Journal*, vol 49, pp. 894–917.
- Kumar, S. (2005) The Value from Acquiring and Divesting: A Joint Venture: A Real Options Approach. *Strategic Management Journal*, vol 26, pp. 321–331.
- Larimo, J.A., Nguyen, H.L. (2015). International Joint Venture Strategies and Performance in Baltic States. *Baltic Journal of Management*, vol 10, Iss: 1, pp. 52–72.
- Lee, Y., Cavusgil, S. (2006). Enhancing Alliance Performance: The Effects of Contractual-based Versus Relational-based Governance. *Journal of Business Research*, vol 59, Iss: 8, pp. 896–905.
- Locke, E. A. (2007). The Case for Inductive Theory Building. *Journal of Management*, vol 33, Iss: 6, pp. 867–890.
- Lowen, A., Pope, J. (2008). Survival Analysis of International Joint Venture Relationships. *Journal of Business and Economics Studies*, vol 14, Iss: 1, pp. 62–80.
- Lu, J.W., Xu, D. (2006). Growth and Survival of International Joint Ventures: An External-Internal Legitimacy Perspective. *Journal of Management*, vol 32, pp. 426–448.

- Lui, S.S., Ngo, H. (2004). The Role of Trust and Contractual Safeguards on Cooperation in Non-Equity Alliances. *Journal of Management*, vol 30, Iss: 4, pp. 471–485.
- Lumineau, F., Malhotra, D. (2011). Shadow of the Contract: How Contracts Structure Shapes Interfirm Dispute Resolution. *Strategic Management Journal*, vol 20, Iss: 8, pp. 865–884.
- Luo, Y. (2002). Contract, Cooperation, and Performance in International Joint Ventures. *Strategic Management Journal*, vol 23, pp. 903–919.
- Luo, Y. (2008). Procedural Fairness and Interfirm Cooperation in Strategic Alliances. *Strategic Management Journal*, vol 29, pp. 27–46.
- Makino, S., Chan, C.M., Isobe, T., Beamish, P.W. (2007). Intended and Unintended Termination of International Joint Ventures. *Strategic Management Journal*, vol 28, pp. 1113–1132.
- Malhotra, D., Murnighan, J.K. (2002). The Effects of Contracts on Interpersonal Trust. *Administrative Science Quarterly*, vol 47, Iss: 3, pp. 534–559.
- Mayer, K.J., Argyres, N.S. (2004). Learning to Contract: Evidence from The Personal Computer Industry. *Organisation Science*, vol 15, Iss: 4, pp. 394–410.
- Marjit, S., Broll, U., Mallick, I. (1995). A theory of overseas Joint Ventures. *Economic Letters*, vol 47, pp. 367–370.
- Micheli, P., Manzoni, J.F. (2010). Strategic performance measurement systems: benefits, limitations and paradoxes. *Long Range Planning*, vol 43, Iss: 4, pp. 465–476.
- Mikesell, R.F. (1975). *Foreign Investment in Copper Mining*, Johns Hopkins University Press, Baltimore, MD and London.
- Nichols, M.L. (2010). Accounting Implications of Production Sharing Contract. *Petroleum Accounting and Financial Management Journal*, vol 29, Iss: 2, pp. 1 – 15.
- Nippa, M., Beechler, S., Klossek, A. (2007). Success factors for managing international Joint Ventures: A review and an integrative framework. *Management and Organisation Review*, vol 3, Iss: 2, pp. 277–310.
- Oxley, J.E. (1997). Appropriability Hazards and Governance in Strategic Alliances: A Transaction Cost Approach. *Journal of Law, Economics, and Organisation*, vol 13, Iss: 2, pp. 387 – 409.
- Oxley, J.E. (1999). Institutional Environment and the Mechanism of Governance: The Impact of Intellectual Property Protection on the Structure of Inter-Firm Alliances. *Journal of Economic Behaviour and Organisation*, vol 38, Iss: 3, pp. 283 – 309.
- Ozorhon, B., Arditi, D., Dikmen, I., Birgonul, M.T. (2010). Performance of International Joint Ventures in Construction. *Journal of Management in Engineering*, vol 26, Iss: 4, pp. 209–222.
- Ozorhon, B., Arditi, D., Dikmen, I., Birgonul, M.T. (2011). Toward a Multinational Performance Measure for International Joint Ventures in Construction. *Journal of Construction Engineering and Management*, vol 137, Iss: 6, pp. 403–411.
- Pan, Y., Tse, D.K. (2000). The Hierarchical Model of Market Entry Modes. *Journal of International Business Studies*, vol 31, Iss: 4, pp. 535 – 554.
- Parkhe, A. (1993). Messy Research, Methodological Predisposition, and Theory Development in International Joint Ventures. *Academy of Management Review*, vol 18, Iss: 2, pp. 227–268.
- Parkhe, A. (1993). Strategic Alliance Structuring: A Game Theoretical and Transaction Cost Examination of Interfirm Cooperation. *Academy of Management Journal*, vol 36, Iss: 4, pp. 794–829.

- Parkhe, A. (1998). Understanding Trust in International Alliances. *Journal of World Business*, vol 33, Iss: 3, pp. 219–240.
- Parmigiani, A., Rivera-Santos, M. (2011). Clearing a Path through the Forest: A Meta-review of Interorganisational Relationships. *Journal of Management*, vol 37, Iss: 4, pp. 1108–1136.
- Phene, A., Fladmoe-Lindquist, K., Marsh, L. (2006). Breakthrough Innovations in the U.S. Biotechnology Industry: The Effects of Technological Space and Geographic Origin. *Strategic Management Journal*, vol 27, Iss: 4, pp. 369–388.
- Poppo, L., Zenger, T. (2002). Do Formal Contracts and Relational Governance Function as Substitutes or Complements? *Strategic Management Journal*, vol 23, pp. 707–725.
- Pisano, G.P. (1989). Using Equity Participation to Support Exchange: Evidence from the Biotechnology Industry. *Journal of Law, Economics, and Organisation*, vol 5, Iss: 1, pp. 109 – 126.
- Pongsiri, N. (2004). Partnerships in oil and gas production-sharing contracts. *International Journal of Public Sector Management*, vol 17, Iss: 5, pp. 431 – 442.
- Purkayastha, D. (1993). Firm-Specific advantages, Multinational Joint Ventures and Host Country Tariff Policy. *Southern Economic Journal*, vol 60, Iss: 1, pp. 89–95.
- Ren, H., Gray, B., Kim, K. (2009). Performance of International Joint Ventures: What Factors Really Make a Difference and How? *Journal of Management*, vol 35, Iss: 3, pp. 805–832.
- Reuer, J.J., Arino, A. (2002). Contractual Renegotiations in Strategic Alliances. *Journal of Management*, vol 28, Iss: 1, pp. 47–68.
- Reuer, J.J., Arino, A. (2007). Strategic Alliance Contracts: Dimensions and Determinants of Contractual Complexity. *Strategic Management Journal*, vol 28, Iss: 3, pp. 313–330.
- Reuer, J.J., Devarakonda, S.V. (2016). Mechanisms of Hybrid Governance: Administrative Committees in Non-Equity Alliances. *Academy of Management Journal*, vol 59, Iss: 2, pp. 510-533.
- Robins, J.A., Tallman, S., Fladmoe-Lindquist, K. (2002). Autonomy and Dependence of International Cooperative Ventures: An Exploration of the Strategic Performance of US Ventures in Mexico. *Strategic Management Journal*, vol 23, pp. 881–901.
- Robinson, D.T., Stuart, T.E. (2007). Financial Contracting in Biotech Strategic Alliances. *Journal of Law and Economics*, vol 50, Iss: 3, pp. 559–595.
- Robson, M.J., Katsikeas, C.S., Bello, D.C. (2008). Drivers and Performance Outcomes of Trust in International Strategic Alliances: The Role of Organisational Complexity. *Organisation Science*, vol 19, pp. 647–665.
- Ryall, M.D., Sampson, R.C. (2009). Formal Contracts in the Presence of Relational Enforcement Mechanisms: Evidence from Technology Development Projects. *Management Science*, vol 55, Iss: 6, pp. 906–925.
- Schilling, M.A. (2009). Understanding the Alliance Data. *Strategic Management Journal*, vol 30, Iss: 3, pp. 233–260.
- Shah, R.H., Swaminathan, V. (2008). Factors Influencing Partner Selection in Strategic Alliances: The Moderating Role of Alliance Context. *Strategic Management Journal*, vol 29, Iss: 5, pp. 474–494.
- Stein, H., Ginevicius, R. (2010). Overview and comparison of profit sharing in different business collaboration forms. *Journal of Business Economics and Management*, vol 11, Iss: 3, pp. 428–443.
- Styles, C., Hersch, L. (2005). Relationship Formation in International Joint Ventures: Insights from Australian-Malaysian International Joint Ventures. *Journal of International Marketing*, vol 13, Iss: 3, pp. 105 – 134.

- Symon, G. and Cassell, C. (2012). *Qualitative Organizational Research*. Sage
- Thuy, L.X., Quang, T. (2005). Relational Capital and Performance of International Joint Ventures in Vietnam. *Asia Pacific Business Review*, vol 11, Iss: 3, pp. 389 – 410.
- Tong, T., Alessandri, T.M., Reuer, J.J., Chintakananda, A. (2008). How Much Does Country Matter? An Analysis of Firms' Growth Options. *Journal of International Business Studies*, vol 39, Iss: 3, pp. 387–405.
- Tyagi, R., Gupta, P. (2013). Gauging performance in the service industry. *Journal of Business Strategy*, vol 34, Iss: 3, pp. 4–15.
- Vaidya, S. (2009). International Joint Ventures: An integrated framework. *Competitiveness Review: An International Business Journal*, vol 19, Iss: 1, pp. 8 – 16.
- Van Kranenburg, H., Hagedoorn, J., Lorenz-Orlean, S. (2014). Distance Costs and the Degree of Inter-Partner Involvement in International Relational-based Technology Alliances. *Global Strategy Journal*, vol 4, pp. 280–291.
- Weber, L., Mayer, K.J. (2011). Designing Effective Contracts: Exploring the Influence of Framing and Expectations. *Academy of Management Review*, Vol 36, Iss: 1, pp. 53-75.
- Williamson, O.E. (1975). *Markets and Hierarchies: Analysis and Antitrust Implications*, Basic Books, New York.
- Williamson, O.E. (1985). *The Economic Institutions of Capitalism*, Free Press, New York.
- Williamson, O.E. (1991). Comparative Economic Organisation: The Analysis of Discrete Structural Alternatives. *Administrative Science Quarterly*, vol 36, Iss: 2, pp. 269–296.
- Woolthuis, R.K., Hillebrand, B., Nooteboom, B. (2005). Trust, Contract and Relationship Development. *Organisation Studies*, vol 26, Iss: 6, pp. 813–840.
- Ying, F. (1996). Research on Joint Ventures in China: Progress and Prognosis, In *International Joint Ventures in East Asia*. Baran, R., et al., eds, International Business Press, New York.
- Zahra, S., Elhagrasey, G. (1994). Strategic Management of International Joint Ventures. *European Management Journal*, Vol 12, Iss: 1, pp. 83-93.
- Zhang, Y., Li, H., Hitt, M.A., Cui, G. (2007). R&D Intensity and International Joint Ventures Performance in an Emerging Market: Moderating Effects of Market Focus and Ownership Structure. *Journal of International Business Studies*, vol 38, pp. 944–960.
- Zhong, L., Lahiri, S. (2010). Profit Share and Partner Choice in International Joint Ventures. *Review of International Economics*, vol 18, Iss: 3, pp. 552–561.
- Zollo, M., Reuer, J.J., Singh, H. (2002). Interorganisational Routines and Performance of Strategic Alliances. *Organisation Science*, vol 13, pp. 701–713.
- Zoubir, Y.H. (2000). Doing Business in Egypt. *Thunderbird International Business Review*, Vol 42, Iss: 2, pp. 329-347.