Front. Bus. Res. China 2015, 9(3): 326–370
DOI 10.3868/s070-004-015-0014-6

RESEARCH ARTICLE

Diego Quer, Enrique Claver, Laura Rienda

Chinese Outward Foreign Direct Investment: A Review of Empirical Research

Abstract In the past decade, Chinese outward foreign direct investment (OFDI) has become a major element of global capital flows. As a consequence, recent years have witnessed an increasing growth in the number of papers focusing on Chinese companies "going global." This paper reviews 112 empirical papers focusing on Chinese OFDI that were published in major scholarly journals between 2002 and 2014. We report on individual and institutional contributions, citations, the theories and methods used and the research topics. We also identify the research gaps and discuss the implications of our literature review for future theory building.

Keywords Chinese outward foreign direct investment (OFDI), literature review, empirical papers

1 Introduction

In recent years, emerging market multinationals (EMNCs) are becoming key global players in many industries, from oil and gas, to banking, food, real estate and even tourism. China is an outstanding case. Outward foreign direct investment (OFDI) from China multiplied by four between 2007 and 2013, so that, in 2013, Chinese OFDI flows reached $101 billion, accounting for 7.2% of the world's total and making China the world's third largest outward investor, after the US and Japan (UNCTAD, 2014). As of the end of 2013, Chinese investors have established about 25,400 overseas enterprises in 184 countries and regions (MOFCOM, 2014).

China's OFDI and Chinese multinational companies (MNCs) are attracting

Received April 22, 2015

Diego Quer[a] (✉), Enrique Claver[b], Laura Rienda[c]
Department of Management, University of Alicante, Alicante 03080, Spain
E-mail: [a]diego.quer@ua.es, [b]enrique.claver@ua.es, [c]laura.rienda@ua.es

increasing attention among international business (IB) scholars (Child and Rodrigues, 2005). As a body of literature develops, it is useful to take inventory of what has been done, and identify challenges for the future, in order to derive the maximum benefits from existing research, and to advance current efforts in this area (Peng, Lu, Shenkar, and Wang, 2001). Thus, it is necessary to answer the question, what do we know so far about China's OFDI and Chinese MNCs? Moreover, following what Li and Tsui (2002) did in a different context, our review is intended to provide scholars with knowledge about the topics that have been studied, the authors and institutions that have made contributions, the journals that have published papers in this area, and the papers that have had the most influence by examining citations. Moreover, our aim is also to analyze implications for future theory building efforts both in the domain of China's OFDI in particular and OFDI in general. Some past literature reviews dealt with research on Chinese OFDI (Berning and Holtbrügge, 2012; Deng, 2012, 2013; Jormanainen and Koveshnikov, 2012; Wei, 2010). Nevertheless, none of them dealt specifically with empirical papers; neither did they provide an analysis of both individual and institutional contributions nor a citation analysis.

Our paper is structured as follows. First, we describe the journals and empirical papers included in our review as well as the research methodologies they used. Individual and institutional contributions, a citation analysis and the main theoretical frameworks used are reported in the next section. After that, we analyze the main research topics and gaps, and we discuss the implications of our content analysis for future research.

2 Methodology

2.1 Journal Selection

Following Deng (2012, 2013), to ensure a comprehensive coverage of the literature, we considered several criteria for choosing the journals to be included in the review. First, we selected international business and management journals as well as general business and management journals that are considered mainstream journals and were included in previous literature reviews on Chinese OFDI (Berning and Holtbrügge, 2012; Deng, 2012, 2013; Jormanainen and Koveshnikov, 2012). Second, given that we focus on OFDI originating from China, a single emerging economy in Asia, we also included outstanding journals related to business and management in Asia, China and emerging markets, most

of them also included in the above-mentioned literature reviews. As a result, 22 outstanding international journals were selected. All of them are either Social Sciences Citation Index (SSCI)-listed academic journals or high-quality academic journals with rigorous review processes and qualified scholars as members of the editorial board.

The journals are organized into five groups. The first group contains nine outlets recognized as leading in the field of international business and management: Journal of International Business Studies (JIBS), Journal of World Business (JWB), Journal of International Management (JIM), International Business Review (IBR), Management International Review (MIR), Global Strategy Journal (GSJ), Multinational Business Review (MBR), Thunderbird International Business Review (TIBR) and International Marketing Review (IMR).

The second group includes seven business and management journals: Academy of Management Journal (AMJ), Administrative Science Quarterly (ASQ), Journal of Management (JM), Journal of Management Studies (JMS), Organization Science (OS), Strategic Management Journal (SMJ) and MIS Quarterly (MISQ). The third group consists of two journals focused on business and management in the Asian context: the Asia Pacific Journal of Management (APJM) and Asian Business & Management (ABM). The fourth group contains three journals dealing with business and management in the Chinese context: Management and Organization Review (MOR), Chinese Management Studies (CMS) and Frontiers of Business Research in China (FBRC). The last group consists of a journal focused on emerging markets: International Journal of Emerging Markets (IJEM).

2.2 Paper Selection

After identifying the journals to be analyzed, the next step was to select the papers to be reviewed. Our review covers all issues published from January 2002 to December 2014 (including advance online publications). This time frame was chosen as it was in 2002 when Chinese firms began to rapidly increase the scale and scope of their international activities. The year 2001 brought a major boost with China's entry into the World Trade Organization (WTO) and, in particular, with the announcement by the Chinese government of the "go out" policy. This

initiative sought to promote the international competitiveness of Chinese companies by reducing obstacles to OFDI.

We carried out a thorough search through all issues and advance online publications of the 22 above-mentioned journals. The keywords included "China," "Chinese," "international," "OFDI," "FDI" and "mergers and acquisitions (M&A)". We only considered papers with an empirical content focusing on OFDI from mainland China. Therefore, conceptual papers and empirical papers only including samples of firms from Hong Kong, Taiwan or Macau were left out. After reviewing their objectives and methodologies, we identified 112 papers which met the criteria for inclusion.

The journal which published the highest number of empirical papers on Chinese OFDI was IBR, with 22 papers, followed by JWB (16 papers), TIBR (11 papers) and JIBS (10 papers). The Appendix reports the distribution of the papers according to the journals in which they were published.

2.3 Research Methodologies

As shown in Table 1, there is a clear prevalence of quantitative studies (83 papers); 60 of them used secondary data, while 23 were based on surveys. Among the 29 qualitative studies, 25 papers were based on multiple case studies, while the remaining four were single case studies.

Table 1 Research Methodology of Empirical Papers on Chinese MNCs (2002–2014)

Methodology	Number of Papers	Main Characteristics
Quantitative (secondary data)	60	Quantitative analysis of information from aggregate official data, firms' annual reports, databases with firm level data, etc.
Quantitative (survey data)	23	Quantitative analysis of information from primary sources (surveys)
Quantitative (subtotal)	83	
Qualitative (multiple case studies)	25	Qualitative analysis of information from a small number of Chinese firms
Qualitative (single case studies)	4	Qualitative analysis of information from a single Chinese firm
Qualitative (subtotal)	29	
Total	112	

Regarding quantitative papers using secondary data, several databases and information sources were used, including: SAFE-State Administration of Foreign Exchange of the People's Republic of China (Blomkvist and Drogendijk, 2013; Buckley, Clegg, Cross, Liu, Voss and Zheng, 2007), Thomson One Banker-Thomson Reuters (Yang, 2009; Yang and Hyland, 2012), MOFCOM-Ministry of Commerce of the People's Republic of China (Duanmu, 2012; Wang, Hong, Kafouros and Boateng, 2012; Wang, Hong, Kafouros and Wright, 2012), firms' annual reports (Lu, Liu, Wright and Filatotchev, 2014; Pangarkar and Yuan, 2009; Ramasamy, Yeung and Laforet, 2012; Yuan and Pangarkar, 2010; Zhou and Guillén, 2014), fDi Markets-Financial Times (Duanmu, 2014), ARIES-Annual Report of Industrial Enterprise Statistics-State Statistical Bureau of China (Wang, Hong, Kafouros and Boateng, 2012; Wang, Hong, Kafouros and Wright, 2012), UNCTAD, World Bank and China Statistical Yearbook (Gao, Liu and Zou, 2013).

With regard to case studies, most of them focused on well-known Chinese companies. Thus, single case studies analyzed companies such as Huawei (Sun, 2009; Xu, Wan and Pei 2008) or Galanz (Ge and Ding, 2008), while multiple case studies include, among others, Huawei and Haier (Wu, Hoon and Zhang, 2011), Haier, Lenovo and TCL (Li, 2007), Lenovo and TCL (Deng, 2010) or TCL, BOE and Lenovo (Deng, 2009).

3 Contributions, Citation Analysis and Theories

3.1 Individual and Institutional Contributions

A total of 209 authors affiliated to 137 institutions appear in the 112 papers published from 2002 to 2014. The majority of institutions are from the US (27), followed by mainland China (26), the UK (21), Australia (14), Germany (7), Canada and Hong Kong, China (6 each). To establish the ranking of authors and institutions, we have used the method employed in other reviews to build total appearances and adjusted appearances (Chan, Fung and Leung, 2006; Inkpen and Beamish, 1994; Kumar and Kundu, 2004; Lahiri and Kumar, 2012; Lu, 2003; Morrison and Inkpen, 1991; Quer, Claver and Rienda, 2007; Xu, Yalcinkaya and Seggie, 2008). To determine which authors and institutions published the most papers, we analyzed the total number of contributions and then adjusted the figures by applying the calculation procedure described below. Regarding total

contributions, every time an author or institution appeared, this counted as one contribution, regardless of the number of authors credited for a paper or the different institutions that appeared. An author's position in the credits of a paper bore no weight on the calculation. However, in the adjusted calculations, only if a paper was by a single author was it considered a complete contribution for that author and for that institution. If two authors were credited, this counted as half a contribution each, a third if there were three authors, and so on..

Table 2 lists the authors that made at least one adjusted contribution in the period analyzed. These authors have been ranked first by the number of adjusted appearances, and then by the number of total appearances. When different authors have the same number of total and adjusted appearances, they are ranked in the same position.

Table 2 Individual Contributions on Chinese MNCs (2002–2014)

Rank	Author	Institution	Total Appearances	Adjusted Appearances
1	Cui, Lin	Australian National University, Australia	8	3.41
2	Jiang, Fuming	Australian National University, Australia / University of South Australia, Australia / Curtin University, Australia	6	2.83
3	Sun, Sunny Li	University of Missouri-Kansas City, US / University of Texas at Dallas, US	6	2.66
4	Deng, Ping	Maryville University of St. Louis, US / Cleveland State University, US	3	2.5
5	Liu, Xiaohui	Loughborough University, UK	7	2.07
6	Yang, Monica	Adelphi University, New York, US	3	2
7	Duanmu, Jing-Lin	University of Surrey, UK	2	2
8	Lu, Jiangyong	Peking University, China	5	1.41
9	Yiu, Daphne W.	Chinese University of Hong Kong, Hong Kong, China	4	1.25
10	Voss, Hinrich	University of Leeds, UK	4	1.19
11	Yang, Xiaohua	Queensland University of Technology, Australia / University of San Francisco, US	4	1.08
12	Boateng, Agyenim	University of Nottingham, UK / University of Nottingham Ningbo, China / Glasgow Caledonian University	3	1.08

(*To be continued*)

(*continued*)

Rank	Author	Institution	Total Appearances	Adjusted Appearances
13	Fan, Di	Monash University, Australia / Deakin University, Australia/Victoria University, Australia	3	1.03
	Zhu, Cherrie Jiuhua	Monash University, Australia	3	1.03
14	Zhou, Chaohong	Utrecht University, The Netherlands / Tilburg University, The Netherlands	3	1
15	Drogendijk, Rian	Uppsala University, Sweden	2	1
	Ge, Gloria L.	Griffith University, Australia	2	1
	Pangarkar, Nitin	National University of Singapore, Singapore	2	1
	Schüler-Zhou, Yun	University of Hamburg, Germany / GIGA Institute of Asian Studies, Hamburg, Germany	2	1
	Schüller, Margot	GIGA Institute of Asian Studies, Hamburg, Germany	2	1
	Tan, Hao	University of Western Sidney, Australia / University of Newcastle, Callaghan, Australia	2	1
	Yuan, Lin	National University of Singapore, Singapore / University of Macau, China	2	1
16	Alon, Titan Michael	Federal Reserve Bank of San Francisco, US	1	1
	Knoerich, Jan	University of London, UK	1	1
	Li, Peter Ping	California State University, US	1	1
	Su, Ning	University of Western Ontario, Canada	1	1
	Tolentino, Paz Estrella	University of London, UK	1	1
	Xie, Qunyong	Wuhan University of Science and Technology, China / University of Agder, Norway	1	1

*Note*s. The complete table of individual contributions can be obtained by request to the authors of this paper.

Lin Cui (with 3.41 adjusted appearances and eight total appearances) heads the ranking. In second place is Fuming Jiang (2.83 adjusted appearances), followed by Sunny Li Sun (2.66 adjusted appearances), Ping Deng (2.5 adjusted appearances), Xiaohui Liu (2.07 adjusted appearances) and Monica Yang and Jing-Lin Duanmu (two adjusted appearances each). Table 3 shows the ranking of

the institutions that have at least one adjusted appearance in the period analyzed. The table has been drawn up using the same criteria that was used to establish the ranking of authors.

Table 3 Institutional Contributions on Chinese MNCs (2002–2014)

Rank	Institution	Country	Total Appearances	Adjusted Appearances
1	Australian National University	Australia	8	5.16
2	University of Leeds	UK	7	3.93
3	Loughborough University	UK	8	3.57
4	University of London	UK	7	3.33
5	Chinese University of Hong Kong	Hong Kong, China	5	3.32
6	Adelphi University, New York	US	3	2.5
7	Sun Yat-sen University, Guangzhou	China	5	2.29
8	Maryville University of St. Louis	US	2	2
	University of Alicante	Spain	2	2
	University of Surrey	UK	2	2
9	Monash University	Australia	3	1.9
10	Tilburg University	The Netherlands	4	1.83
11	Nankai University, Tianjin	China	3	1.83
12	University of Texas at Dallas	US	4	1.75
13	Peking University	China	6	1.74
14	University of Nottingham	UK	5	1.7
15	University of Missouri-Kansas City	US	5	1.66
16	China Europe International Business School, Shanghai	China	4	1.66
17	Simon Fraser University	Canada	3	1.66
18	National University of Singapore	Singapore	3	1.62
19	Fudan University, Shanghai	China	4	1.56
20	GIGA Institute of Asian Studies, Hamburg, Germany	Germany	2	1.5
	University of Macau	China	2	1.5
	Uppsala University	Sweden	2	1.5
21	University of San Francisco	US	2	1.41
22	University of Miami	US	3	1.37
23	Zhejiang University	China	3	1.33

(*To be continued*)

(*continued*)

Rank	Institution	Country	Total Appearances	Adjusted Appearances
24	California State University	US	2	1.25
	Hong Kong Baptist University	Hong Kong, China	2	1.25
25	Xi'an Jiaotong University	China	2	1.16
	Zhejiang University of Technology	China	2	1.16
26	Nyenrode Business University, Breukelen	The Netherlands	3	1.15
27	University of International Business & Economics, Beijing	China	4	1.08
28	Griffith University	Australia	2	1
	Macquarie University	Australia	2	1
29	Chr. Michelsen Institute, Bergen	Norway	1	1
	Federal Reserve Bank of San Francisco	US	1	1
	Nanyang Technological University	Singapore	1	1
	National Taiwan University of Science and Technology	Taiwan, China	1	1
	University of Bath	UK	1	1
	University of Western Ontario	Canada	1	1

Notes. The complete table of institutional contributions can be obtained by request to the authors of this paper.

The ranking is headed by the Australian National University, Australia (with 5.16 adjusted appearances and eight total appearances). The second-highest ranked institution is the University of Leeds, UK (with 3.93 adjusted appearances). The Loughborough University, UK is ranked third (with 3.57 adjusted appearances), followed by the University of London, UK (3.33 adjusted appearances), the Chinese University of Hong Kong, China (3.32 adjusted appearances), and the Adelphi University, New York, US (2.5 adjusted appearances).

3.2 Citation Analysis

To assess the impact of the 112 papers covered by our literature review, we conducted a citation analysis with the SSCI database and Google Scholar website.

Table 4 reports the top-cited papers as of June 18, 2015.

Table 4 Most Cited Empirical Papers on Chinese MNCs (2002–2014)

SSCI			Google Scholar		
Rank	Paper	Total Citations	Rank	Paper	Total Citations
1	Buckley et al. (2007)	343	1	Buckley et al. (2007)	1102
2	Yiu, Lau, and Bruton (2007)	145	2	Yiu, Lau and Bruton (2007)	348
3	Rui and Yip (2008)	118	3	Rui and Yip (2008)	331
4	Deng (2009)	99	4	Deng (2009)	316
5	Li (2007)	73	5	Kolstad and Wiig (2012)	202
6	Liu, Buck, and Shu (2005)	59	6	Liu, Buck and Shu (2005)	181
7	Buckley, Cross, Tan, Xin, and Voss (2008)	54	7	Li (2007)	165
8	Chen and Young (2010)	42	8	Buckley, Cross, Tan, Xin and Voss (2008)	164
8	Cui and Jiang (2009a)	42	9	Ramasamy, Yeung and Laforet (2012)	147
10	Liu, Xiao, and Huang (2008)	40	10	Cui and Jiang (2009a)	124

Buckley et al. (2007), which is cited 343 times (SSCI) and 1102 times (Google Scholar) heads the ranking. The second most cited paper is that of Yiu, Lau and Bruton (2007), which is cited 145 times (SSCI) and 348 times (Google Scholar). The paper by Rui and Yip (2008) ranks third, with 118 citations (SSCI) and 331 citations (Google Scholar). Overall, the top-cited papers in SSCI were published by JWB (three papers), JIBS and IBR (two papers each), and JIM, MIR and APJM (one paper each), while the most cited papers in Google Scholar were published by JWB (five), JIBS (two) and IBR, JIM and MIR (one paper each).

It is worth mentioning that the most cited papers according to both SSCI and Google Scholar were published in the journals with larger numbers of reviewed papers (see Appendix). The exceptions are MIR, with one paper among the top-cited and only four published papers, and TIBR and ABM, with eleven and eight published papers, respectively, none of which are included among the top-cited. However, the citation analysis is biased against more recent publications. Thus, the MIR top-cited paper was published in 2008 (Buckley et al., 2008), whereas seven out of the eleven TIBR papers and six out of the eight ABM papers were published after 2010.

3.3 Theoretical Frameworks

Institutional theory, both alone or in combination with other theories, clearly dominates as the theoretical underpinning of the empirical papers analyzing Chinese OFDI. As Table 5 reports, 51 out of the 112 papers covered by our review use this theoretical framework. By contrast, only four papers build on agency theory or on transaction cost theory (TCT), and only three papers draw upon resource dependence theory.

Table 5 Theoretical frameworks on Chinese MNCs (2002–2014)

Theoretical Framework	Number of Papers	Authors
Institutional theory	51	Alon (2010), Blomkvist and Drogendijk (2013), Buckley et al. (2007), Chen and Tan (2012), Cui and Jiang (2009b, 2010, 2012), Cui, Jiang and Stening (2011), Deng (2009), Drogendijk and Martín (2014), Du and Boateng (2014), Duanmu (2012, 2014), Huang and Renyong (2014), Kang and Jiang (2012), Klossek, Linke and Nippa (2012), Kolstad and Wiig (2012), Lee, Hemmert and Kim (2014), Liang, Ren and Sun (2014), Liu, Lu and Chizema (2014), Lu, Liu and Wang (2011), Lu, Liu, Wright and Filatotchev (2014), Luo, Zhao, Wang and Xi (2011), Malhotra, Zhu and Locander (2010), Meyer, Ding, Li and Zhang (2014), Milelli, Hay and Shi (2010), Pan, Teng, Supapol, Lu, Huang and Wang (2014), Quer, Claver and Rienda (2012a, 2012b), Schüler-Zhou and Schüller (2009, 2013), Sun, Peng, Lee and Tan (2014), Voss, Buckley and Cross (2010), Wang, Hong, Kafouros and Boateng (2012), Wang, Hong, Kafouros and Wright (2012), Wang, Luo, Lu, Sun and Maksimov (2014), Wei, Clegg and Ma (2014), Wei, Zheng, Liu and Lu (2014), Wu and Chen (2014), Xu, Hu and Fan (2011), Yang (2009), Yang and Hyland (2012), Yang, Yang and Doyle (2013), Yang, Yang, Chen and Allen (2014), Yang, Jiang, Kang and Ke (2009), Yiu, Lau and Bruton (2007), Yiu, Ng and Ma (2013), Yuan and Pangarkar (2010), Zhang, Jiang and Zhou (2014), Zhang, Zhou and Ebbers (2011), Zhou and Guillén (2014)
Resource-based view (RBV)/Organizational capabilities perspective	24	Cui and Jiang (2009b, 2010), Cui, Jiang and Stening (2011), Hu and Cui (2014), Jansson and Söderman (2013), Huang and Renyong (2014), Lau, Ngo and Yiu (2010), Liang, Ren and Sun (2012), Lu, Liu and Wang (2011), Luo et al. (2011), Nicholson and Salaber (2013), Pangarkar and Yuan (2009), Quer, Claver and Rienda (2012a), Schüler-Zhou and

(*To be continued*)

(*continued*)

Theoretical Framework	Number of Papers	Authors
		Schüller (2009), Söderman, Jakobsson and Soler (2008), Sun and Liang (2014), Wang, Hong, Kafouros and Boateng (2012), Wang, Hong, Kafouros and Wright (2012), Wei, Zheng, Liu and Lu (2014), Yang, Yang and Doyle (2013), Yang et al. (2014), Yang, Jiang, Kang, and Ke (2009), Yiu, Lau, and Bruton (2007), Zhou, van Witteloostuijn, and Zhang (2014)
Knowledge-based view (KBV)/Organizational learning perspective	10	Cui, Li, Meyer and Li (2014), Deng (2010), Kubny and Voss (2014), Li, Li and Shapiro (2012), Liu and Woywode (2013), Lu, Liu, Filatotchev and Wright (2014), Lu, Liu, Wright and Filatotchev (2014), Lyles, Li and Yan (2014), Wang, Feng, Freeman, Fan, and Zhu (2014), Zhao, Liu and Zhao (2010)
Industry-based view	9	Cui, Jiang and Stening (2011), Gaur, Malhotra and Zhu (2013), Lu, Liu and Wang (2011), Quer, Claver and Rienda (2012a), Yang, Jiang, Kang and Ke (2009), Wang, Hong, Kafouros and Boateng (2012), Wei, Zheng, Liu and Lu (2014), Yang et al. (2014), Zhou, van Witteloostuijn and Zhang (2014)
Uppsala model/ Internationalization process model	8	Cui, Li, Meyer, and Li (2014), Drogendijk and Martín (2014), Jansson and Söderman (2013), Liu, Xiao, and Huang (2008), Su (2013), Sun (2009), Wei, Clegg and Ma (2014), Zou and Ghauri (2010)
Ownership-location-internalization (OLI) model	6	Ge and Ding (2008), Li (2007), Li-Ying, Stucchi, Visholm, and Jansen (2013), Sun (2009), Sun, Peng, Ren, and Yan (2012), Tan and Mathews (2014)
Entrepreneurship/International new ventures (INV)	6	Liu, Li and Xue (2011), Liu, Xiao, and Huang (2008), Su (2013), Sun (2009), Sun and Liang (2014), Zou and Ghauri (2010)
Economics	5	Chen and Tan (2012), Duanmu (2012), Kang and Jiang (2012), Kolstad and Wiig (2012), Tolentino (2010)
Strategic intent	4	Cui, Meyer and Hu (2014), Duanmu (2012), Ramasamy, Yeung and Laforet (2012), Rui and Yip (2008)
Investment development path (IDP)	4	Gao, Liu and Zou (2013), Goldstein and Pusterla (2010), Liu, Buck, and Shu (2005), Milelli, Hay, and Shi (2010)
Agency theory	4	Chen and Young (2010), Hu and Cui (2014), Liu, Lu and Chizema (2014), Ning, Kuo, Strange and Wang (2014)
Linkage-leverage-learning (LLL) model	4	Ge and Ding (2008), Li (2007), Luo and Wang (2012), Tan and Mathews (2014)
Transaction cost theory (TCT)	4	Cui and Jiang (2009b), Liang, Lu and Chizema (2014), Pan et al. (2014), Xu, Hu and Fan (2009)
Resource dependence theory	3	Deng and Yang (2014), Schüler-Zhou and Schüller (2013), Xia, Ma, Lu, and Yiu (2014)

(*To be continued*)

(*continued*)

Theoretical Framework	Number of Papers	Authors
Cross-cultural perspective	2	Liu and Woywode (2013), Wang, Feng, Freeman, Fan and Zhu (2014)
Strategic behavior	2	Cui and Jiang (2009a), Cui and Jiang (2009b)
Strategic management	2	Knoerich (2010), Liu, Li, and Xue (2011)
Competitive strategy perspective	2	Fan and Zhu (2014), Fan, Zhu and Nyland (2012)
Bargaining power theory	1	Li, Newenham-Kahindi, Shapiro and Chen (2013)
Upper echelon theory	1	Xie (2014)
Organizational control theory	1	Shieh and Wu (2012)
Ecology theory	1	Yuan and Pangarkar (2010)
Comparative advantage theory	1	Sun et al. (2012)
Diamond model	1	Yang, Lim, Sakurai, and Seo (2009)
Springboard perspective	1	Luo and Wang (2012)
Network perspective	1	Ge and Wang (2013)
Productivity heterogeneity theory	1	Wei, Zheng, Liu and Lu (2014)
Strategic decision-making process	1	Ji and Dimitratos (2013)
International risk model	1	Xu, Wan, and Pei (2008)
Growth accounting theory	1	Zhang, Alon, and Chen (2014)
Crossvergence perspective	1	Xing, Liu, Tarba, and Cooper (2014)
N/A	6	Boateng, Qian and Tianle (2008), Buckley et al. (2008), Kothari, Kotabe and Murphy (2013), Ning and Sutherland (2012), Sun, Zhang and Chen (2013), Wu, Hoon and Zhang (2011)

This institutional bias is also evident when analyzing the main categories of research topics: OFDI drivers (17 out of 31 papers), entry modes (16 out of 30 papers) and location decisions (14 out of 17).

Institutional theory is a broad scope of theory which contains many sub areas, e.g. institutional distance, legitimacy or isomorphism. This theory has been used for analyzing some specific issues. Regarding OFDI drivers, many papers highlight the positive role of Chinese government involvement and support (Lu, Liu and Wang, 2011; Wang, Hong, Kafouros and Boateng, 2012; Wang, Hong, Kafouros and Wright, 2012; Wei, Clegg and Ma, 2014; Wei, Zheng, Liu and Lu, 2014). More precisely, some papers report advantages for Chinese SOEs (Alon, 2010; Liang, Ren and Sun, 2014) as well as for those companies headquartered

in more developed Chinese regions (Sun et al., 2014; Voss, Buckley and Cross, 2010).

With regard to entry modes, the institutional perspective has been used for analyzing the impact of several institutional factors on entry mode choice: home regulatory and host government restrictions (Cui and Jiang, 2009b, 2012; Lee, Hemmert and Kim, 2014), host country risk and cultural distance (Cui, Jiang and Stening, 2011; Quer, Claver and Rienda, 2012a; Xu, Hu and Fan, 2011), host country institutional development (Meyer et al., 2014; Zhang, Zhou and Ebbers, 2011), isomorphism (Yang, 2009; Yang and Hyland, 2012), a firm's level of government ownership and legislative connections (Pan et al., 2014), pressures to conform to the home country institutional environment (Deng, 2009) or to attain institutional legitimacy in the host country (Cui and Jiang, 2010).

Institutional theory has also been extensively used in papers focusing on the location decisions of Chinese MNCs, with the main institutional factors considered including: cultural distance and political risk (Blomkvist and Drogendijk, 2013; Buckley et al., 2007; Duanmu, 2012; Quer, Claver and Rienda, 2012b), host country institutional development (Kolstad and Wiig, 2012; Lu, Liu, Wright and Filatotchev, 2014; Malhotra, Zhu and Locander, 2010), level of institutional development in the home Chinese region (Wu and Chen, 2014), political relations between China and the host country (Duanmu, 2014), behavioral inertia and isomorphism (Yuan and Pangarkar, 2010).

Although the internationalization patterns and strategies of Chinese MNCs are institutionally embedded, in particular because of home country factors, our literature review reveals that empirical research overemphasizes institutional arguments. Thus, our findings are in line with those of the literature review by Deng (2013), suggesting that a closer integration between institutional theory and other theoretical frameworks is needed for advancing further research on Chinese OFDI.

There are only a few examples of this integration in our review: with TCT (Liang, Ren and Sun, 2014; Pan et al., 2014), with the knowledge-based view of the firm (KBV) (Lu, Liu, Wright and Filatotchev, 2014), with resource dependence theory (Schüler-Zhou and Schüller, 2013), with ecology theory (Yuan and Pangarkar, 2010), with the resource-based view of the firm (RBV) (Cui and Jiang, 2010; Schüler-Zhou and Schüller, 2009; Yang, Yang and Doyle (2013), Yang et al. (2014) or with the RBV and the industry-based view within

the strategy tripod (Cui, Jiang and Stening, 2011; Lu, Liu and Wang, 2011; Quer, Claver and Rienda, 2012a; Wang, Hong, Kafouros, and Boateng, 2012; Wei, Zheng, Liu and Lu, 2014; Yang, Jiang, Kang and Ke, 2009). In the next section, we provide some suggestions for this integration derived from the discussion of the findings of some papers included in our review.

4 Research Topics: Main Findings and Gaps

In order to analyze the research topics, the 112 reviewed papers have been grouped into nine broad categories. These were created ex post, after having examined each paper included in this review. Table 6 reports the different categories, the research topics included in each one, and the authors who made the contribution.

OFDI drivers (31 papers), entry modes (30) and location decisions (17) are the categories with the most papers, accounting for 70 percent of the total. They are followed by papers analyzing the applicability of FDI and MNC models to China (ten) and those comparing China's OFDI and that of other countries (eight). Parent-subsidiary relationships, international business strategy and the benefits of Chinese OFDI for host countries are less represented, with only two papers each. The last category includes ten papers dealing with other topics not covered by the above-mentioned categories.

Next we report the main findings and research gaps identified in our review and we highlight the implications of our content analysis for future theory building efforts in the domain of Chinese OFDI in particular and OFDI in general. In doing so, we focus on the specific research topics that include a sufficient number of papers to allow a comparison.

4.1 OFDI Drivers

4.1.1 Main Findings on Chinese OFDI Drivers

By focusing on firm-specific factors, we find empirical evidence suggesting that certain firm resources and capabilities have a positive impact on Chinese OFDI: production, sales, operations and finance (Lau, Ngo, and Yiu, 2010), resource endowment advantages and organizing capabilities (Liang, Lu, and Wang, 2012),

Table 6 Categories and Research Topics on Chinese MNCs (2002–2014)

Category	Topic	Authors
OFDI drivers (31 papers)	Firm capabilities	Lau, Ngo and Yiu (2010), Liang, Lu and Wang (2012), Lu, Liu, Filatotchev and Wright (2014), Söderman, Jakobsson, and Soler (2008)
	Firm capabilities and industry factors	Luo et al. (2011), Yang et al. (2014), Yiu, Lau, and Bruton (2007)
	Firm capabilities and institutional factors	Huang and Renyong (2014), Wang, Hong, Kafouros, and Wright (2012)
	Firm capabilities, industry and institutional factors	Lu, Liu and Wang (2011), Wang, Hong, Kafouros, and Boateng (2012), Wei, Zheng, Liu and Lu (2014)
	Home country effects	Alon (2010), Liang, Ren and Sun (2014), Luo and Wang (2012), Sun et al. (2014), Voss, Buckley and Cross (2010), Wei, Clegg, and Ma (2014), Xia et al. (2014), Yang, Lim, Sakurai and Seo (2009)
	Home country effects and top executive compensation	Liu, Lu, and Chizema (2014)
	Strategic intent	Cui, Meyer, and Hu (2014), Ning and Sutherland (2012)
	Entrepreneurial and market orientations	Liu, Li, and Xue (2011)
	Business group attributes	Yiu, Ng, and Ma (2013)
	Business and personal networks	Ge and Wang (2013)
	Corporate governance factors	Hu and Cui (2014)
	Human mobility	Gao, Liu, and Zou (2013)
	Returnee managers' experience	Cui, Li, Meyer, and Li (2014)
	Private equity	Sun and Liang (2014)

(*To be continued*)

(*Continued*)

Category	Topic	Authors
	Bilateral diplomatic activities	Zhang, Jiang, and Zhou (2014)
Entry modes (30 papers)	Determinants of entry mode choice	Cui and Jiang (2009a, 2009b, 2010, 2012), Cui, Jiang and Stening (2011), Lee, Hemmert, and Kim (2014), Meyer et al. (2014), Pan et al. (2014), Quer, Claver, and Rienda (2012a), Shieh and Wu (2012), Xie (2014), Xu, Hu, and Fan (2009, 2011)
	Entry mode decision-making effectiveness	Ji and Dimitratos (2013)
	Establishment mode and liability of foreignness	Klossek, Linke, and Nippa (2012)
	Chinese cross-border M&As drivers	Deng (2009), Rui and Yip (2008), Yang (2009), Yang and Hyland (2012), Zhou, van Witteloostuijn, and Zhang (2014)
	Performance of Chinese cross-border M&As	Boateng, Qian, and Tianle (2008), Chen and Young (2010), Deng (2010), Du and Boateng (2014), Gaur, Malhotra, and Zhu (2013), Ning et al. (2014)
	Completion of cross-border M&As	Zhang, Zhou, and Ebbers (2011)
	Post-acquisition integration of cross-border M&As	Liu and Woywode (2013)
	Factors affecting the sale of firms from advanced economies	Knoerich (2010)
	Critical perspective on Chinese cross-border M&As	Schüler-Zhou and Schüller (2009)
Location decisions (17 papers)	Institutional and economic factors	Kang and Jiang (2012), Kolstad and Wiig (2012)
	Institutional factors and international experience	Lu, Liu, Wright and Filatotchev (2014), Zhou and Guillén (2014)
	Institutional factors and government ownership	Wu and Chen (2014)

(*To be continued*)

(*Continued*)

Category	Topic	Authors
	Capital market imperfections, ownership advantages and institutional factors	Buckley et al. (2007)
	Political risk and cultural distance	Quer, Claver, and Rienda (2012b)
	Psychic distance	Blomkvist and Drogendijk (2013)
	Host-country corruption	Malhotra, Zhu, and Locander (2010)
	Differences between state-owned enterprises (SOEs) and private firms	Duanmu (2012, 2014), Ramasamy, Yeung and Laforet (2012)
	Inertia and mimicry	Yuan and Pangarkar (2010)
	Firm-specific advantages and performance	Pangarkar and Yuan (2009)
	Host country technology advantage and inward FDI	Li, Li and Shapiro (2012)
	Location and performance	Chen and Tan (2012), Yang, Yang and Doyle (2013)
Applicability of FDI and MNC models (10 papers)	OLI model	Li-Ying et al. (2013)
	OLI model/LLL model	Ge and Ding (2008), Li (2007), Tan and Mathews (2014)
	OLI model/ Uppsala model/INV/ Entrepreneurship	Sun (2009)
	Uppsala model/INV/ Entrepreneurship	Liu, Xiao and Huang (2008), Zou and Ghauri (2010), Lyles, Li and Yan (2014)
	IDP	Goldstein and Pusterla (2010), Liu, Buck and Shu (2005)
Comparison with other countries (8 papers)	Chinese and Indian MNCs	Kothari, Kotabe and Murphy (2013), Milelli, Hay and Shi (2010), Nicholson and Salaber (2013), Sun et al. (2012), Tolentino (2010)
	Chinese and other emerging economies OFDI	Deng and Yang (2014)

(*To be continued*)

(*Continued*)

	Chinese and Japanese MNCs	Yang, Jiang, Kang and Ke (2009)
	Chinese and Spanish OFDI	Drogendijk and Martín (2014)
Parent-subsidiary relationships (2 papers)	Foreign subsidiary autonomy	Schüler-Zhou and Schüller (2013), Wang, Luo, Lu, Sun, and Maksimov (2014)
International business strategy (2 papers)	Global integration and local responsiveness	Fan, Zhu, and Nyland (2012), Fan and Zhu (2014)
Chinese OFDI and host countries (2 papers)	Benefits of Chinese OFDI for host countries	Kubny and Voss (2014), Zhang, Alon, and Chen (2014)
Other topics (10 papers)	Chinese OFDI and productivity within China	Zhao, Liu, and Zhao (2010)
	International competitiveness	Jansson and Söderman (2013)
	Chinese government and bargaining model	Li et al. (2013)
	International risk perception	Xu, Wan and Pei (2008)
	Internationalization behavior and decision rationale	Su (2013)
	Chinese expatriate managers	Wang, Feng, Freeman, Fan and Zhu (2014)
	Human resource management of local employees	Xing et al. (2014)
	Descriptive studies	Buckley et al. (2008), Sun, Zhang, and Chen (2013), Wu, Hoon, and Zhang (2011)

and domestic industrial and regional diversification (Lu, Liu, Filatotchev, and Wright, 2014). Moreover, Söderman, Jakobsson and Soler (2008) report that Chinese companies adopting the prevalent high-volume/low-price position are driven by efficiency, innovation, service and volume.

However, the influence of firm capabilities is also affected by industry factors. Luo et al. (2011) report that industry structure uncertainty and firm-specific advantages (derived from corporate governance, M&As of SOEs, and inward internationalization) increase the level of Chinese OFDI. Yiu, Lau and Bruton (2007) find that Chinese firms with higher technological capabilities pursue more international venturing when home industry competition is stronger, and those with close home country network ties pursue more international venturing when their export intensity is higher. Finally, Yang et al. (2014) report that increased absorptive capacity and increased industry openness make Chinese MNCs more likely to engage in strategic-asset-seeking OFDI.

Similarly, firm-specific factors seem to be also related to institutional factors. Wang, Hong, Kafouros and Wright (2012) suggest that government involvement influences the level of OFDI, although not all firms possess equal abilities to internalize government-related advantages. Huang and Renyong (2014) report that Chinese private firms are increasingly active in market- and strategic asset-seeking OFDI because of the unfavorable environment they face at home and the different resources they possess.

The interdependence between institutional, industry and firm-specific factors is more evident in some papers that adopt the so-called strategy tripod perspective. Thus, Lu, Liu and Wang (2011) suggest that supportive government policies are important motivators for both strategic asset- and market-seeking OFDI; however, firms' technology advantages and R&D industry intensity tend to motivate strategic asset-seeking OFDI, whereas firms' export experience and high domestic industry competition tend to induce market-seeking OFDI. Wei, Zheng, Liu and Lu (2014) find that productivity, technology capability, export experience, industry entry barriers, subnational institutions and intermediary institutional support affect Chinese firms' OFDI decisions. Wang, Hong, Kafouros and Boateng (2012) report that government support and the industrial structure of the home country play a more important role than firms' technological and advertising resources.

The role of home country factors on Chinese OFDI is also reported in other

empirical papers: Chinese governmental support creates relative advantages for Chinese SOEs (Alon, 2010; Liang, Ren and Sun, 2014; Wei, Clegg and Ma, 2014), well-developed China's regional institutions have a positive effect on Chinese OFDI (Liu, Lu and Chizema, 2014; Sun et al., 2014), inward internationalization and the level of interdependence between Chinese and foreign companies in China is positively associated with Chinese OFDI (Luo and Wang, 2012; Xia et al., 2014), large and well-connected Chinese companies benefit from institutional advantages, but smaller companies internationalize because of institutional constraints (Voss, Buckley and Cross, 2010), and the absence or deficiency of one or more Porter's Diamond attributes in the home market may propel Chinese companies to go abroad (Yang, Lim, Sakurai and Seo, 2009).

Finally, some papers report other Chinese OFDI drivers, such as entrepreneurial and market orientation (Liu, Li and Xue, 2011), business and personal networks (Ge and Wang, 2013), corporate governance (Hu and Cui, 2014), the international mobility of highly skilled Chinese students and scholars (Gao, Liu and Zou, 2013), returnee managers' international leadership experience (Cui, Li, Meyer and Li, 2014), private equity investments received by Chinese firms (Sun and Liang, 2014), bilateral diplomatic activities (Zhang, Jiang and Zhou, 2014) or some specific factors affecting strategic-asset seeking or market-seeking OFDI (Cui, Meyer and Hu, 2014; Ning and Sutherland, 2012; Yiu, Ng and Ma, 2013).

Figure 1 summarizes the main findings regarding OFDI drivers of Chinese firms.

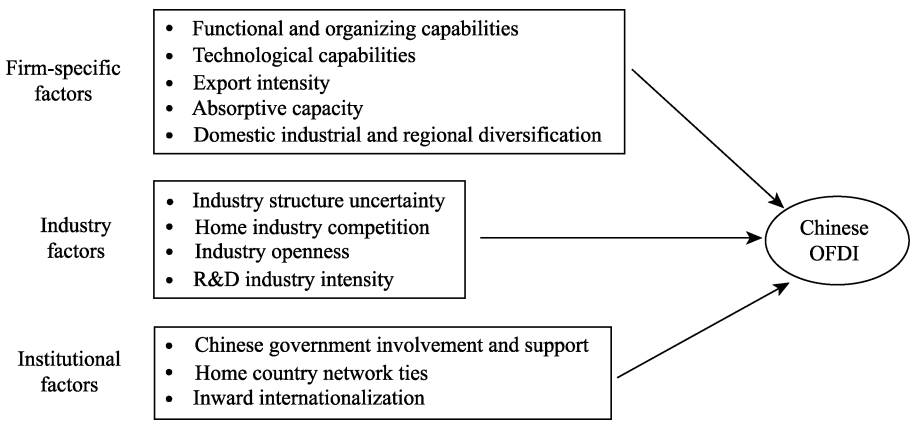

Figure 1 Main Findings on Chinese OFDI Drivers

4.1.2 Chinese OFDI Drivers: Discussion and Research Gaps

Although it is difficult to make a comparison among papers because of the quite diverse and heterogeneous OFDI drivers analyzed, our literature review shows a distinctive characteristic of the Chinese MNC internationalization process: the role of the above-mentioned inward internationalization. Since 1978, China has been one of the largest recipients of FDI inflows. Thus, interdependence or links between Chinese and foreign firms in China have provided Chinese firms with resources and capabilities at home, such as international experience or know-how, that are very useful for outward internationalization (Luo et al., 2011; Luo and Wang, 2012; Ning and Sutherland, 2012; Xia et al., 2014). This may bring new insights for the development of both the RBV and the KBV as well as for their integration with institutional theory.

Furthermore, we identified two research gaps regarding OFDI drivers. First is the differences among Chinese regions in terms of institutional development, a research topic only addressed by Liu, Lu and Chizema (2014), Luo and Wang (2012), Sun et al. (2014) and Wei, Zheng, Liu and Lu (2014). From the institutional perspective, this opens an avenue for future research in order to analyze the impact of different home country institutional factors in the case of firms from the same country of origin. Second, only the papers by Chen and Young (2010), Hu and Cui (2014) and Luo et al. (2011) focus on the role of corporate governance in Chinese firms. This is another promising future research topic from the RBV or the agency theory perspectives, again integrating them with institutional theory.

4.2 Entry Modes

4.2.1 Main Findings on Entry Modes

The determinants of entry mode choice between wholly-owned subsidiaries (WOS) and joint ventures (JV) is the most researched topic within this category. Empirical evidence reports that the following factors are positively related to the likelihood that Chinese firms will choose WOS: a firm's size, level of asset specificity and partner opportunism (Cui and Jiang, 2009b), adopting a global strategy and asset-seeking purposes (Cui and Jiang, 2009a; 2009b), a firm's cost

advantage and learning opportunities in the host country (Cui, Jiang and Stening, 2011), host country risk and cultural distance (Shieh and Wu, 2012), competitive intensity (Cui and Jiang, 2009b; Shieh and Wu, 2012), industry technological intensity (Quer, Claver and Rienda, 2012a), and the number of years a manager has been in the CEO position (Xie, 2014). On the contrary, some factors are reported to have a negative effect on the likelihood of choosing WOS: a firm's size (Quer, Claver and Rienda, 2012a), host market attractiveness (Cui, Jiang and Stening, 2011), host government restrictions, host country cultural barriers and restrictiveness of Chinese government approval procedures (Cui and Jiang, 2009b).

Moreover, Cui and Jiang (2012) find that the effects of home and host regulatory pressures on a Chinese firm to choose a JV are stronger for SOEs. Finally, Cui and Jiang (2010) develop a conceptual framework that integrates the RBV and institutional theory. On the resource side, Chinese OFDI is both asset exploiting and asset augmenting, and accordingly, both transaction costs and strategic intent have an impact on OFDI ownership decisions between WOS and JV. On the institution side, Chinese firms adjust their entry strategies to attain regulative and normative institutional legitimacy in host countries. Meanwhile, they also need to comply with the rules set by the Chinese government.

Other papers analyzed factors affecting the level of Chinese firms' ownership equity, reporting the positive influence of cultural and geographical distance (Lee, Hemmert and Kim, 2014) but the negative impact of administrative and regulative distance (Lee, Hemmert and Kim, 2014), host country risk and cultural distance (Xu, Hu and Fan, 2009). Furthermore, Pan et al. (2014) find that the level of subsidiary ownership is less affected by the heterogeneity of foreign institutional environments in Chinese firms with a higher level of government ownership and legislative connections.

With regards to the choice between non-ownership-based and ownership-based entry modes, Xu, Hu and Fan (2011) report that as host country risk or cultural distance increases, Chinese firms prefer non-ownership-based entry modes such as trade or licensing; however, when cultural distance and country risk are both high, they tend to choose high-involvement entry modes. Regarding establishment mode choice, Meyer et al. (2014) find that Chinese SOEs prefer acquisitions rather than greenfield investments to enter a foreign country more than their private counterparts, with this propensity being reduced in host

countries with strong technological and institutional development.

Two papers focus on other issues different from the determinants of entry mode choice. First, Ji and Dimitratos (2013) suggest that decision rationality has a positive influence on entry mode decision-making effectiveness of Chinese firms, while hierarchical centralization has a negative influence. Second, Klossek, Linke and Nippa (2012) describe how entry mode choice impacts the strategies adopted by Chinese firms to cope with the specific institutional hurdles of a developed country.

The remaining papers included in this category deal specifically with several Chinese cross-border M&A issues, such as drivers (Deng, 2009; Rui and Yip, 2008; Yang, 2009; Yang and Hyland, 2012; Zhou, van Witteloostuijn and Zhang, 2014), performance (Boateng, Qian and Tianle, 2008; Chen and Young, 2010; Deng, 2010; Du and Boateng, 2014; Gaur, Malhotra and Zhu, 2013; Ning et al., 2014), factors affecting the completion of Chinese overseas acquisitions (Zhang, Zhou and Ebbers, 2011), post-acquisition integration (Liu and Woywode, 2013), reasons for selling firms from advanced economies (Knoerich, 2010) and critical perspectives on China's official OFDI data (Schüler-Zhou and Schüller, 2009).

Figure 2 summarizes the main findings regarding entry modes of Chinese MNCs.

4.2.2 Entry Modes: Discussion and Research Gaps

We identified inconclusive findings regarding the influence of two host country institutional factors on entry mode choice: cultural distance and host country risk. While some papers report that cultural distance between China and the host country has a negative impact on the level of ownership equity (Cui and Jiang, 2009b; Cui, Jiang and Stening, 2011; Xu, Hu and Fan, 2009), there are also papers reporting a positive effect (Lee, Hemmert and Kim, 2014; Shieh and Wu, 2012) or finding no impact on the choice between WOS and JV (Quer, Claver and Rienda, 2012a). Similarly, there are papers reporting a negative impact of host country risk on ownership equity (Cui and Jiang, 2009b, 2012; Xu, Hu and Fan, 2009), a positive impact (Shieh and Wu, 2012) or no effect (Quer, Claver and Rienda, 2012a). Moreover, Xu, Hu and Fan (2011) find that ownership-based entry modes are used only when both factors (cultural distance and host country risk) are simultaneously high. In addition, although few papers draw on the RBV

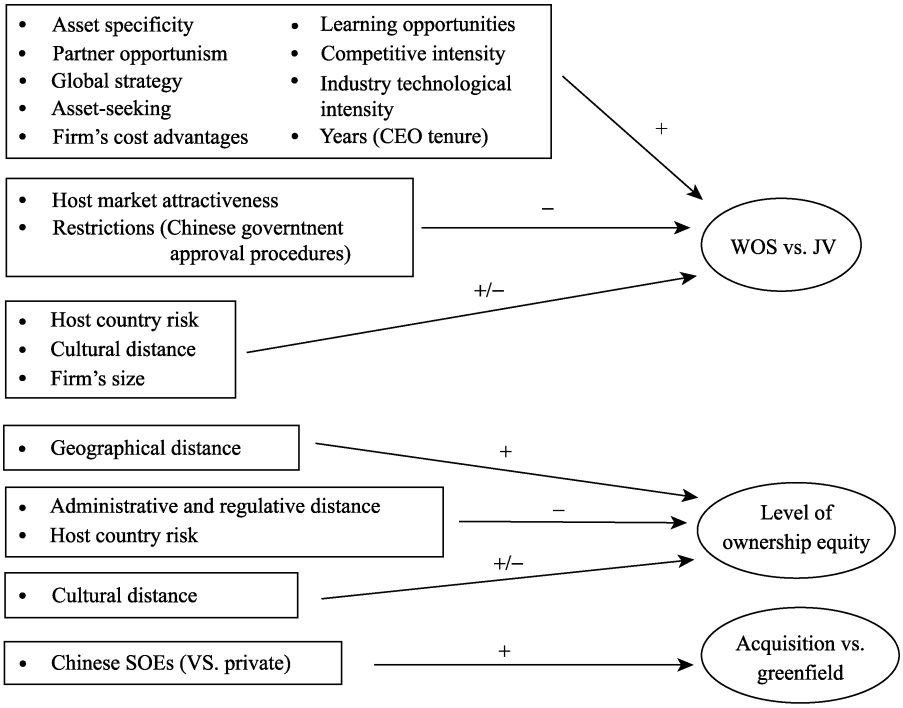

Figure 2 Main Findings on Entry Modes of Chinese MNCs

for analyzing entry mode choice of Chinese MNCs, empirical evidence is also not conclusive regarding firm size. While Cui and Jiang (2009b) report that firm size has a positive impact on the choice of WOS (instead of JV), Quer, Claver and Rienda (2012a) find the opposite.

In any case, more work is needed in order to explore if these conflicting findings regarding institutional theory and the RBV are derived from the unique characteristics of Chinese MNCs and may represent a challenge to conventional wisdom or if they are caused by the heterogeneity of firms analyzed in each paper: SOEs or private firms. Indeed, as Cui and Jiang (2009b) point out, the positive impact of firm size on the choice of a WOS is weaker when the firm receives financial support from the Chinese government. Similarly, Pan et al. (2014), when analyzing the level of ownership in a foreign subsidiary, report that the heterogeneity of foreign institutional environments matters more to Chinese firms with a low level of government ownership. Furthermore, most of the reviewed papers focus on the choice between WOS and JV. Only Meyer et al. (2014) analyze the choice between acquisitions and greenfield investments. This

is a research gap that also needs to be addressed.

We have also identified inconclusive findings with regard to other topics related to entry modes from an institutional perspective. Yang (2009) examines whether isomorphism and mimetic, coercive, and normative mechanisms apply to Chinese cross-border M&As. Her results show that not all decisions on cross-border M&As react to forces of conformity in the same way. Moreover, she reports that the overall degree of conformity in cross-border M&As decreases over time. Yang and Hyland (2012) find that mimetic isomorphism is partially supported by Chinese firms because not all Chinese cross-border M&As are influenced by mimetic isomorphism.

Future research should explore if these findings regarding isomorphism are due to the fact that Chinese cross-border M&As are still at an early development stage or whether Chinese firms show special characteristics that make it necessary to extend the institutional perspective. For instance, since Chinese SOEs enjoy privileges from the Chinese government, they may be less dependent on other firms' prior experience compared to their private counterparts. There are other issues that need further research, such as the factors that determine the success or failure of Chinese cross-border M&As. Only Zhang, Zhou and Ebbers (2011) deal specifically with this topic. Similarly, only Liu and Woywode (2013) focus on the post-acquisition phase. Thus, problems arising from the integration of the acquired company still remain underexplored, in particular the attitude of host country employees who work for a Chinese company.

4.3 Location Decisions

4.3.1 Main Findings on Location Decisions

Kang and Jiang (2012) suggest that institutional factors demonstrate a higher level of significance, complexity and diversity in determining Chinese OFDI location choice in comparison with economic factors. We find extensive empirical evidence supporting this view, focusing on both home and host country institutional factors. Lu, Liu, Wright and Filatotchev (2014) report that home government support and well-developed host country institutions reduce the importance of Chinese firms' international experience and increase the likelihood of entry into a given country. Zhou and Guillén (2014) conclude that the location

strategy of Chinese MNCs is influenced more by the characteristics of the home base (countries in which the Chinese firm already operates) than by those of the home country. Wu and Chen (2014) find that the level of institutional development in the home Chinese region has a positive effect on Chinese firms' propensity for expansion to advanced foreign markets. Moreover, Blomkvist and Drogendijk (2013), Buckley et al. (2007) and Quer, Claver and Rienda (2012b) show that the larger the cultural distance between China and the host country, the less Chinese companies invest in that country.

Despite these conventional findings, some papers also report unconventional findings regarding the influence of host country institutional factors on location decisions: Chinese MNCs may find easier to deal with corrupt conditions in host countries (Malhotra, Zhu and Locander, 2010), a high political risk in the host country does not discourage Chinese MNCs (Quer, Claver and Rienda, 2012b), Chinese OFDI is attracted to countries with a combination of large natural resources and poor institutions (Kolstad and Wiig, 2012) and Chinese OFDI is attracted, rather than deterred, by political risk (Buckley et al., 2007).

As we will discuss later, the ownership structure of Chinese firms may be one of the reasons behind this less conventional behavior, as the findings of some papers suggest: Chinese SOEs, compared to their peers without controlling state equity, are less concerned about host country political risk (Duanmu, 2012) or even attracted to countries with large sources of natural resources and risky political environments (Ramasamy, Yeung and Laforet, 2012). Actually, Duanmu (2014) shows that political relations between China and the host country may mitigate Chinese SOEs' exposure to expropriation risk.

Other factors affecting location decisions of Chinese OFDI that have received empirical support include industry-technology advantages in the host country (Li, Li and Shapiro, 2012), behavioral inertia and mimicry (Yuan and Pangarkar, 2010). Furthermore, Pangarkar and Yuan (2009) find that two firm-specific ownership advantages (size and degree of diversification) are positively associated with the location of Chinese MNCs in developed countries. Lastly, two papers analyze the relationship between location and performance (Chen and Tan, 2012; Yang, Yang and Doyle, 2013).

Figure 3 summarizes the main findings regarding location decisions of Chinese MNCs.

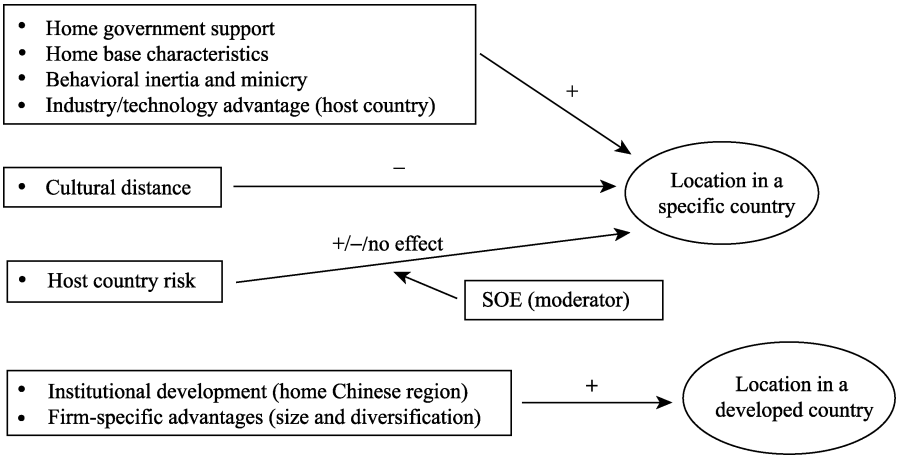

Figure 3 Main Findings on Location Decisions of Chinese MNCs

4.3.2 Location Decisions: Discussion and Research Gaps

As pointed out before, the vast majority of papers dealing with location decisions draw on institutional theory. Some interesting findings arise from this theoretical perspective. From a conventional viewpoint, cultural distance between China and the host country has a negative impact on location decisions (Blomkvist and Drogendijk, 2013; Buckley et al., 2007; Quer, Claver and Rienda, 2012b). However, the same does not apply to the other traditional host country institutional factor: host country risk. Although Lu, Liu, Wright and Filatotchev (2014) report that well-developed institutions in the host country increase the likelihood of entry into that country, other papers find that risky political environments do not deterred Chinese OFDI (Buckley et al., 2007; Duanmu, 2012, 2014; Kolstad and Wiig, 2012; Quer, Claver and Rienda, 2012b; Ramasamy, Yeung and Laforet, 2012). The latter papers offer some arguments to justify this less conventional finding. High-risk countries may be an opportunity to acquire cheaper assets or they may not be highly exploited by large MNCs. Some Chinese firms enjoy a low cost of capital as a consequence of home country capital market imperfections. Moreover, they have gained experience by operating in a highly regulated domestic environment that may have provided them with special ownership advantages needed to be competitive in other emerging economies. This opens other future research opportunities for integration between institutional theory and other theoretical frameworks such as

the KVB or the RBV.

In any case, there are other issues to consider, since they may also explain these findings. First, behavioral differences between Chinese SOEs and private firms (Alon, 2010; Cui, Meyer and Hu, 2014; Liang, Lu and Wang, 2012; Wang, Hong, Kafouros and Wright, 2012). Indeed, Duanmu (2012, 2014) and Ramasamy, Yeung and Laforet (2012) find empirical evidence supporting the hypothesis that Chinese SOEs are less influenced by host country political risk, compared to their private counterparts. Second, bilateral diplomatic relations between China and the host country may also play a role (Zhang, Jiang and Zhou, 2014), since they serve as a risk-reduction device, especially for SOEs (Duanmu, 2014). Future research should explore the moderating influence of these two factors in order to analyze the unconventional behavior of Chinese firms toward political risk, thus extending institutional theory.

There are other research gaps regarding location decisions, since only two papers deal with two of the above-mentioned factors that may also play a role: inward internationalization and regional differences in China. First, Li, Li and Shapiro (2012) report that inward FDI in China generates knowledge spillovers, thus decreasing Chinese firms' propensity for knowledge-seeking OFDI. Second, Wu and Chen (2014) find a positive relationship between institutional development of the home Chinese region and location in advanced countries. Thus, further research is needed here from both the KBV and the institutional perspective.

4.4 Applicability of FDI and MNC Models

4.4.1 Main Findings on the Applicability of FDI and MNC Models

Papers included in this category analyze the applicability of several theoretical frameworks on FDI and MNCs in the case of Chinese firms. Most papers focus on the ownership-location-internalization (OLI) model (Dunning, 1981b) either alone or in combination with other theories. First, Li-Ying et al. (2013) find that Chinese firms looking for resources have high levels of asset-based and institutional ownership advantages; resource-related location advantages are also appreciated, whereas internalization advantages are dependent on prior institutional ownership advantages such as networking or *guanxi*.

Li (2007) suggests that the traditional OLI model and the newly proposed linkage-leverage-learning (LLL) model (Mathews, 2006) can be readily integrated within a framework so as to better explain all types of MNCs from both developed and developing countries. Ge and Ding (2008) present a case study of one of the most successful manufacturers in China, the Galanz Group. Their findings suggest that the LLL model provides a robust explanation for the catching-up strategies of latecomer MNCs. The essence of Galanz's model lies in the linkage with foreign MNCs via the original equipment manufacturing route, initially producing microwaves for many different international brands. This strategy allowed Galanz to access advanced technologies and knowledge. By analyzing cases from the Chinese wind turbine manufacturing industry, Tan and Mathews (2014) also provide empirical evidence for the LLL model, illustrating how accelerated internationalization is a strategy through which emerging market multinationals (EMNCs) can quickly become global players.

By combining the OLI model, the Uppsala Model (Johanson and Vahlne, 1977) and international new ventures (INVs) theory (Oviatt and McDougall, 1994), Sun (2009) analyzes the case of Huawei, reporting that this Chinese firm nurtures its capability in the home market, prefers to enter markets with fewer barriers to accumulate experience, and uses inward and outward linkages to complement its strengths and offset its weaknesses. Liu, Xiao and Huang (2008) argue that the international behavior of Chinese private firms can only be partially explained by the Uppsala Model and the theory of INVs. Instead, so-called "bounded entrepreneurship" may be a key factor: Chinese entrepreneurs are bounded by their low education and experience and by unfavorable institutional arrangements; thus, some of them carried out inward-oriented international activities to learn technological and managerial knowledge before they started outward-oriented activities.

Zou and Ghauri (2010) find that the gradual internationalization proposed by the Uppsala Model is still valid for Chinese high-tech firms, although they may start their early international entries into rather culturally different countries, which entails high levels of risk. Furthermore, Lyles, Li and Yan (2014) report that a significant portion of Chinese private firms deviate from the Uppsala Model step-by-step process and follow a "Chinese way" of experimental-learning-oriented internationalization by setting up high-commitment OFDI at their initial internationalization.

Finally, two papers focus on the Investment Development Path (IDP) model (Dunning, 1981a; Dunning and Narula, 1996), reporting that the patterns of Chinese OFDI are quite consistent with the IDP hypothesis (Liu, Buck and Shu, 2005) and that China is moving toward the third stage of the path (Goldstein and Pusterla, 2010).

Figure 4 summarizes the main findings regarding the applicability of FDI and MNC models in the case of Chinese MNCs.

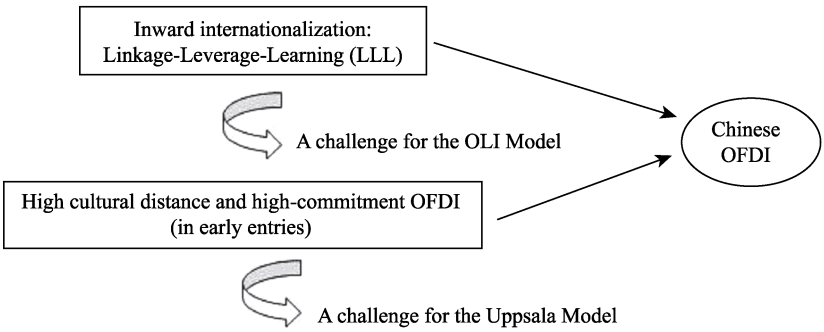

Figure 4 Main Findings on the Applicability of FDI and MNC Models

4.4.2 Applicability of FDI and MNC Models: Discussion and Research Gaps

The interest in EMNCs and Chinese MNCs has raised a debate on the applicability of extant theories. Some scholars argue that the analysis of EMNCs requires new theory (Mathews, 2006) whereas others argue that no new theory is required (Rugman, 2010). A third view suggests that EMNCs can be used to extend theory (Cuervo-Cazurra, 2012). In the case of Chinese MNCs, Child and Marinova (2014) argue that what is theoretically relevant is to take into account the diversity among relevant contexts, in particular, the degree of political stability and institutional maturity in the home and host countries.

The OLI model is one of the theoretical perspectives that has been subject of debate among international business researchers (Hennart, 2012; Narula, 2012). In our review, we find empirical evidence regarding the role of inward internationalization: prior linkages with foreign MNCs in China for catching-up strategies (Ge and Ding, 2008), inward linkages to complement firms' strengths and offset firms' weaknesses (Sun, 2009) or prior inward-oriented activities to obtain technological and managerial knowledge because of bounded

entrepreneurship (Liu, Xiao, and Huang, 2008). Apart from contributing to the RBV, the KBV or entrepreneurship theory, these findings provide empirical support for the so-called LLL model proposed by Mathews (2006) as an alternative framework to the OLI paradigm for explaining the internationalization of newcomer and latecomer EMNCs.

With regard to the Uppsala Model, we also find some empirical evidence suggesting that Chinese firms do not follow all the ideas of an internationalization process of increasing resource commitment, since some of them enter culturally distant countries (Zou and Ghauri, 2010) and set up high-commitment OFDI (Lyles, Li, and Yan, 2014) in the early stages of their internationalization process.

It is worth mentioning that we only identified ten empirical papers in our review that address specifically the question of whether extant FDI theories can or cannot explain the current pattern of Chinese OFDI and if it differs from the typical OFDI pattern. Their findings should be interpreted with caution since most of the papers dealing with the applicability of FDI and MNC models (seven out of ten) are based on case studies, with some of them analyzing only a single Chinese firm. Thus, more work is needed in order to fully understand the applicability of FDI and MNC models in the case of Chinese firms.

4.5 Other Findings and Research Gaps

The remaining categories include only a few papers dealing with similar research topics. Thus, a comprehensive comparison is difficult. We have identified some under-researched issues and suggest potential avenues for future research. First, empirical evidence regarding the international business strategies of Chinese MNCs is still scant and narrowed to operations in Australia (Fan, Zhu, and Nyland, 2012; Fan and Zhu, 2014). Therefore, many research questions remain to be addressed. For example, how do Chinese MNCs compete against local firms or MNCs from other countries? Are there differences among the international competitive strategies followed by Chinese SOEs and their private counterparts or by Chinese firms belonging to different industries? What are the resources and capabilities leading to a sustainable competitive advantage in Chinese firms? Does the transnational approach apply to Chinese MNCs?

Similarly, only two empirical papers focus on the benefits of Chinese OFDI

for host countries, again narrowed to a particular location: Vietnam (Kubny and Voss, 2014) or Sub-Saharan Africa (Zhang, Alon, and Chen, 2014). Therefore, numerous opportunities are open for empirical research on this topic, in particular for analyzing the potential spillovers of Chinese OFDI in developed economies in terms of job creation or even the bailout of bankrupt companies.

Other issues remain underexplored, especially those related to organizational factors and human resource management. Thus, only two of the papers covered by our review focus on human resource management in Chinese MNCs, one dealing with Chinese expatriate managers (Wang, Feng, Freeman, Fan and Zhu, 2014) and the other dealing with local employees of Chinese firms in Africa (Xing et al., 2014). Again, several questions require further research: How do Chinese MNCs choose between native or expatriate staff for their foreign subsidiaries? What are the main obstacles for knowledge transfer? What role do cultural factors play on the relationships between local employees and Chinese expatriate managers?

5 Conclusion

This paper has systematically reviewed the empirical research on Chinese OFDI published in 22 outstanding journals between 2002 and 2014. Our results indicate that quantitative papers prevail; IBR and JWB published the most papers during this period; Lin Cui, Fuming Jiang, Sunny Li Sun and Ping Deng were the most prolific authors; the Australian National University contributed the most papers; the most cited papers were those of Buckley et al. (2007), Yiu, Lau and Bruton (2007) and Rui and Yip (2008); the most commonly applied theoretical framework was the institutional perspective; and the most frequent research topics were those related to OFDI drivers and entry modes.

5.1 Contributions

This study has made a number of interesting contributions. We have provided an overview of the current state of empirical research on Chinese OFDI and Chinese MNCs. Thus, this literature review enhances the knowledge of a phenomenon that is gaining increasing importance in the international business field. Although there are other reviews on Chinese OFDI, none of them dealt specifically with

empirical papers; neither did they provide an analysis of both individual and institutional contributions nor a citation analysis.

We also contribute to the literature on Chinese MNCs by summarizing and discussing some non-conclusive findings of previous empirical research. Factors such as the technological lag, the increasing deregulation of industries in China, the huge size of the Chinese market or the role of institutional and cultural issues affect the internationalization of Chinese firms. More precisely, our review suggests some differences between Chinese OFDI and Western OFDI which offers the possibility of extending the extant theory in three ways, by examining: first, the accelerated internationalization process of Chinese MNCs in an attempt to catch up with incumbent MNCs from developed countries; second, the role played by previous inward internationalization of Chinese firms in China before their outward internationalization; and third, the role of Chinese SOEs and the Chinese government in explaining the unconventional behavior of Chinese firms when facing host country risk.

5.2 Limitations and Future Research

There are some limitations to this study. First, the limitation inherent to any literature review: the journal selection. All of the ones included in this study are major scholarly journals either indexed in the SSCI or are high quality outlets with a rigorous review process. However, empirical contributions appearing in other journals have not been considered. The second limitation refers to the classification of research topics, since some papers could have been included in an alternate category.

With regard to future research, we consider that more work is needed in order to analyze if the globalization of Chinese firms as EMNCs represents a challenge to conventional wisdom, which has been mainly based on developed-country MNCs. Apart from the research gaps mentioned above, future work might also focus on under-researched topics such as how Chinese MNCs deal with environmental and social responsibility issues, or the relationships between strategy, structure and performance in Chinese MNCs. In doing so, more empirical research using firm-level data becomes necessary. Many extant studies are based either on aggregate official data lacking reliability or on case studies limiting the generalization of findings. Thus, disaggregated firm-level data on

industry, destination, target country, entry mode chosen or OFDI motives may help to shed light on our understanding of some of the contradictory findings on the international behavior of Chinese MNCs, since they are largely influenced by the underlying data sources (Amighini, Cozza, Rabellotti and Sanfilippo, 2014). Figure 5 illustrates the main avenues for future research that we propose after this literature review on Chinese MNCs.

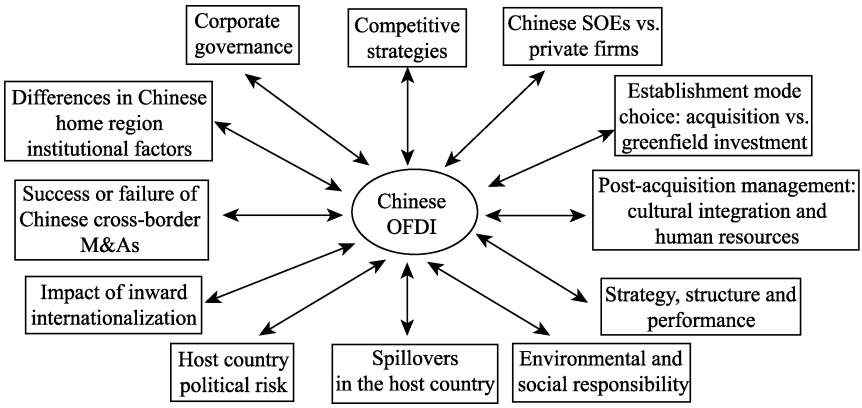

Figure 5 Avenues for Future Research on Chinese MNCs

References

Alon, T. M. 2010. Institutional analysis and the determinants of Chinese FDI. *Multinational Business Review*, 18(3): 1–24.

Amighini, A., Cozza, C., Rabellotti, R. & Sanfilippo. M. 2014. Investigating Chinese outward foreign direct investments: How can firm-level data help? *China & World Economy*, 22(6): 44–63.

Berning, S. C., & Holtbrügge, D. 2012. Chinese outward foreign direct investment—a challenge for traditional internationalization theories? *Journal für Betriebswirtschaft*, 62(3-4): 169–224.

Blomkvist, K., & Drogendijk, R. 2013. The impact of psychic distance on Chinese outward foreign direct investments. *Management International Review*, 53(5): 659–686.

Boateng, A., Qian, W., & Tianle, Y. 2008. Cross-border M&As by Chinese firms: An analysis of strategic motives and performance. *Thunderbird International Business Review*, 50(4): 259–270.

Buckley, P. J., Clegg, L. J., Cross, A. R., Liu, X., Voss, H., & Zheng, P. 2007. The determinants of Chinese outward foreign direct investment. *Journal of International Business Studies*, 38(4): 499–518.

Buckley, P. J., Cross, A. R., Tan, H., Xin, L., & Voss, H. 2008. Historic and emergent trends in Chinese outward direct investment. *Management International Review*, 48(6): 715–748.

Chan, K. C., Fung, H. G., & Leung, W. K. 2006. International business research: trends and school rankings. *International Business Review*, 15(4): 317–338.

Chen, S., & Tan, H. 2012. Region effects in the internationalization-performance relationship in Chinese firms. *Journal of World Business*, 47(1): 73–80.

Chen, Y. Y., & Young, M. N. 2010. Cross-border mergers and acquisitions by Chinese listed companies: A principal-principal perspective. *Asia Pacific Journal of Management*, 27(3): 523–539.

Child, J., & Marinova, S. 2014. The role of contextual combinations in the globalization of Chinese firms. *Management and Organization Review*, 10(3): 347–371.

Child, J., & Rodrigues, S. B. 2005. The internationalization of Chinese firms: A case for theoretical extension? *Management and Organization Review*, 1(3): 381–410.

Cuervo-Cazurra, A. 2012. Extending theory by analyzing developing country multinational companies: Solving the Goldilocks debate. *Global Strategy Journal*, 2(3): 153–167.

Cui, L., & Jiang, F. 2009a. FDI entry mode choice of Chinese firms: A strategic behavior perspective. *Journal of World Business*, 44(4): 434–444.

Cui, L., & Jiang, F. 2009b. Ownership decisions in Chinese outward FDI: An integrated conceptual framework and research agenda. *Asian Business and Management*, 8(3): 301–324.

Cui, L., & Jiang, F. 2010. Behind ownership decision of Chinese outward FDI: Resources and institutions. *Asia Pacific Journal of Management*, 27(4): 751–774.

Cui, L., & Jiang, F. 2012. State ownership effect on firms' FDI ownership decisions under institutional pressure: A study of Chinese outward-investing firms. *Journal of International Business Studies*, 43(3): 264–284.

Cui, L., Jiang, F., & Stening, B. 2011. The entry-mode decision of Chinese outward FDI: Firm resources, industry conditions, and institutional forces. *Thunderbird International Business Review*, 53(4): 483–499.

Cui, L., Li, Y., Meyer, K. E., & Li, Z. J.. 2014. Leadership experience meets ownership structure: Returnee managers and internationalization of emerging economy firms. *Management International Review*, advance online publication, September 4, 2014. DOI: 10.1007/s11575-014-0221-8

Cui, L., Meyer, K. E., & Hu, H. W. 2014. What drives firms' intent to seek strategic assets by foreign direct investment? A study of emerging economy firms. *Journal of World Business*, 49(4): 488–501.

Deng, P. 2009. Why do Chinese firms tend to acquire strategic assets in international expansion? *Journal of World Business,* 44(1): 74–84.

Deng, P. 2010. What determines performance of cross-border M&As by Chinese companies? An absorptive capacity perspective. *Thunderbird International Business Review*, 52(6): 509–524.

Deng, P. 2012. The internationalization of Chinese firms: A critical review and future research. *International Journal of Management Reviews,* 14(4): 408–427.

Deng, P. 2013. Chinese outward direct investment research: Theoretical integration and recommendations. *Management Organization Review*, 9(3): 513–539.

Deng, P., & Yang, M. 2014. Cross-border mergers and acquisitions by emerging market firms: A comparative investigation. *International Business Review*, advance online publication, July 24, 2014. DOI: dx.doi.org/10.1016/j.ibusrev.2014.07.005

Drogendijk, R., & Martín, O. 2014. Relevant dimensions and contextual weights of distance in international business decisions: Evidence from Spanish and Chinese outward FDI. *International Business Review*, advance online publication, July 29, 2014. DOI: dx.doi.org/10.1016/j.ibusrev.2014.07.003

Du, M., & Boateng, A. 2014. State ownership, institutional effects and value creation in cross-border mergers & acquisitions by Chinese firms. *International Business Review*, advance online publication, October 30, 2014. DOI: doi:10.1016/j.ibusrev.2014.10.002

Duanmu, J. L. 2012. Firm heterogeneity and location choice of Chinese Multinational Enterprises (MNEs). *Journal of World Business*, 47(1): 64−72.

Duanmu, J. L. 2014. State-owned MNCs and host country expropriation risk: The role of home state soft power and economic gunboat diplomacy. *Journal of International Business Studies*, 45(8): 1044−1060.

Dunning, J. 1981a. Explaining the international direct investment position of countries: Toward a dynamic and development approach. *Weltwirtschaftliches Archiv*, 117(5): 30−64.

Dunning, J. 1981b. *International Production and the Multinational Enterprise.* London, UK: George Allen & Unwin.

Dunning, J., & Narula, R. 1996. The investment development path revisited: Some emerging issues. In J. Dunning & R. Narula (Eds.), *Foreign direct investment and governments: Catalysts for economic restructuring*: 1−33. London: Routledge.

Fan, D., & Zhu, C. J. 2014. How do Chinese multinationals perceive factors affecting the integration-responsiveness framework? *International Journal of Emerging Markets*, 9(2): 181−204.

Fan, D., Zhu, C. J., & Nyland, C. 2012. Factors affecting global integration of Chinese multinationals in Australia: A qualitative analysis. *International Business Review*, 21(1): 13−26.

Gao, L., Liu, X., & Zou, H. 2013. The role of human mobility in promoting Chinese outward FDI: A neglected factor? *International Business Review*, 22(2): 437−49.

Gaur, A.S., Malhotra, S., & Zhu, P. 2013. Acquisition announcements and stock market valuations of acquiring firms' rivals: A test of the growth probability hypothesis in China. *Strategic Management Journal*, 34(2): 215−232.

Ge, G. L., & Ding, D. Z. 2008. A strategic analysis of surging Chinese manufacturers: The case of Galanz. *Asia Pacific Journal of Management*, 25(4): 667−683.

Ge, G. L., & Wang, H. Q. 2013. The impact of network relationships on internationalization process: An empirical study of Chinese private enterprises. *Asia Pacific Journal of Management*, 30(4): 1169−1189.

Goldstein, A., & Pusterla, F. 2010. Emerging economies' multinationals: General features and specificities of the Brazilian and Chinese cases. *International Journal of Emerging Markets*, 5(3-4): 289−306.

Hennart, J. F. 2012. Emerging market multinationals and the theory of the multinational enterprise. *Global Strategy Journal*, 2(3): 168−187.

Hu, H. W., & Cui, L. 2014. Outward foreign direct investment of publicly listed firms from China: A corporate governance perspective. *International Business Review*, 23(4): 750−760.

Huang, X., & Renyong, C. 2014. Chinese private firms' outward foreign direct investment: Does firm ownership and size matter? *Thunderbird International Business Review*, 56(5): 393−406.

Inkpen, A. C., & Beamish, P. W. 1994. An analysis of twenty-five years of research in the Journal of International Business Studies. *Journal of International Business Studies*, 25(4): 703−713.

Jansson, H., & Söderman, S. 2013. How large Chinese companies establish international competitiveness in other BRICS: The case of Brazil. *Asian Business and Management*, 12(5): 539−563.

Ji, J., & Dimitratos, P. 2013. An empirical investigation into international entry mode decision-making effectiveness. *International Business Review*, 22(6): 994−1007.

Johanson, J., & Vahlne, J. E. 1977. The internationalization process of the firm. A model of knowledge development and increasing foreign market commitments. *Journal of International Business Studies*, 8(1): 23−32.

Jormanainen, I., & Koveshnikov, A. 2012. International activities of emerging market firms: A critical assessment of research in top international management journals. *Management International Review*, 52(5): 691−725.

Kang, Y., & Jiang, F. 2012. FDI location choice of Chinese multinationals in East and Southeast Asia: Traditional economic factors and institutional perspective. *Journal of World Business*, 47(1): 45−53.

Klossek, A., Linke, B. M., & Nippa, M. 2012. Chinese enterprises in Germany: Establishment modes and strategies to mitigate the liability of foreignness. *Journal of World Business*, 47(1): 35−44.

Knoerich, J. 2010. Gaining from the global ambitions of emerging economy enterprises: An analysis of the decision to sell a German firm to a Chinese acquirer. *Journal of International Management,* 16(2): 177−191.

Kolstad, I., & Wiig, A. 2012. What determines Chinese outward FDI? *Journal of World Business*, 47(1): 26−34.

Kothari,T., Kotabe, M., & Murphy, P. 2013. Rules of the game for emerging market multinational companies from China and India. *Journal of International Management*, 19(3): 276−299.

Kubny, J., & Voss, H. 2014. Benefitting from Chinese FDI? An assessment of vertical linkages with Vietnamese manufacturing firms. *International Business Review*, 23(4): 731−740.

Kumar, S., & Kundu, S. K. 2004. Ranking the international business schools: Faculty publication as the measure. *Management International Review*, 44(2): 213−228.

Lahiri, S., & Kumar, V. 2012. Ranking international business institutions and faculty members using research publication as the measure: Update and extension of prior research. *Management International Review*, 52(3): 317−340.

Lau, C. M., Ngo, H. Y., & Yiu, D. W. 2010. Internationalization and organizational resources of Chinese firms. *Chinese Management Studies*, 4(3): 258−272.

Lee, Y., Hemmert, M., & Kim, J. 2014. What drives the international ownership strategies of Chinese firms? The role of distance and home-country institutional factors in outward acquisitions. *Asian Business and Management,* 13(3): 197−225.

Li, J., Li, Y., & Shapiro, D. 2012. Knowledge seeking and outward FDI of emerging market firms: The moderating effect of inward FDI. *Global Strategy Journal*, 2(4): 277−295.

Li, J., Newenham-Kahindi, A., Shapiro, D. M., & Chen, V. Z. 2013. The two-tier bargaining model revisited: Theory and evidence from China's natural resource investments in Africa. *Global Strategy Journal*, 3(4): 300−321.

Li, J. T., & Tsui, A. S. 2002. A citation analysis of management and organization research in the Chinese context: 1984-1999. *Asia Pacific Journal of Management*, 19(1): 87–107.

Li, P. P. 2007. Toward an integrated theory of multinational evolution: The evidence of Chinese multinational enterprises as latecomers. *Journal of International Management*, 13(3): 296–318.

Liang, H., Ren, B., & Sun, S. L. 2014. An anatomy of state control in the globalization of state-owned enterprises, *Journal of International Business Studies*, advance online publication, July 17, 2014. DOI: 10.1057/jibs.2014.35

Liang, X., Lu, X., & Wang, L. 2012. Outward internationalization of private enterprises in China: The effect of competitive advantages and disadvantages compared to home market rivals. *Journal of World Business*, 47(1): 134–144.

Liu, X., Buck, T., & Shu, C. 2005. Chinese economic development, the next stage: Outward FDI? *International Business Review*, 14(1): 97–115.

Liu, X., Lu, J., & Chizema, A. 2014. Top executive compensation, regional institutions and Chinese OFDI. *Journal of World Business*, 49(1): 143–155.

Liu, X., Xiao, W., & Huang, X. 2008. Bounded entrepreneurship and internationalisation of indigenous Chinese private-owned firms. *International Business Review*, 17(4): 488–508.

Liu, Y., & Woywode, M. 2013. Light-touch integration of Chinese cross-border M&A: The influences of culture and absorptive capacity. *Thunderbird International Business Review*, 55(4): 469–483.

Liu, Y., Li, Y., & Xue, J. 2011. Ownership, strategic orientation and internationalization in emerging markets. *Journal of World Business*, 46(3): 381–393.

Li-Ying, J., Stucchi, T., Visholm, A., & Jansen, J.S. 2013. Chinese multinationals in Denmark: Testing the eclectic framework and internalization theory. *Multinational Business Review*, 21(1): 65–86.

Lu, J., Liu, X., & Wang, H. 2011. Motives for outward FDI of Chinese private firms: Firm resources, industry dynamics, and government policies. *Management and Organization Review*, 7(2): 223–248.

Lu, J., Liu, X., Filatotchev, I., & Wright, M. 2014. The impact of domestic diversification and top management teams on the international diversification of Chinese firms. *International Business Review*, 23(2): 455–467.

Lu, J., Liu, X., Wright, M., & Filatotchev, I. 2014. International experience and FDI location choices of Chinese firms: The moderating effects of home country government support and host country institutions. *Journal of International Business Studies*, 45(4): 428–449.

Lu, J. W. 2003. The evolving contributions in international strategic management research. *Journal of International Management*, 9(2): 193–213.

Luo, Y., & Wang, S. L. 2012. Foreign direct investment strategies by developing country multinationals: A diagnostic model for home country effects. *Global Strategy Journal*, 2(3): 244–261.

Luo, Y., Zhao, H., Wang, Y., & Xi, Y. 2011. Venturing abroad by emerging market enterprises. A test of dual strategic intents. *Management International Review*, 51(4): 433–459.

Lyles, M., Li, D., & Yan, H. 2014. Chinese outward foreign direct investment performance: The role of learning. *Management and Organization Review*, 10(3): 411–437.

Malhotra, S., Zhu, P., & Locander, W. 2010. Impact of host-country corruption on U.S. and Chinese cross-border acquisitions. *Thunderbird International Business Review*, 52(6): 491–507.

Mathews, J. A. 2006. Dragon multinationals: New players in 21st century globalization. *Asia Pacific Journal of Management*, 23(1): 5–27.

Meyer, K. E., Ding, Y., Li, J., & Zhang, H. 2014. Overcoming distrust: How state-owned enterprises adapt their foreign entries to institutional pressures abroad. *Journal of International Business Studies*, 45(8): 1005–1028.

Milelli, C., Hay, F., & Shi, Y. 2010. Chinese and Indian firms in Europe: characteristics, impacts and policy implications. *International Journal of Emerging Markets*, 5(3-4): 377–397.

MOFCOM. 2014. *2013 Statistical Bulletin of China's Outward Foreign Direct Investment.* Beijing: China Statistics Press. Ministry of Commerce (MOFCOM) of People's Republic of China.

Morrison, A. J., & Inkpen, A. C. 1991. An analysis of significant contributions to the international business literature. *Journal of International Business Studies*, 22(1): 143–153.

Narula, R. 2012. Do we need different frameworks to explain infant MNES from developing countries? *Global Strategy Journal*, 2(3): 188–204.

Nicholson, R. R., & Salaber, J. 2013. The motives and performance of cross-border acquirers from emerging economies: Comparison between Chinese and Indian firms. *International Business Review*, 22(6): 963–980.

Ning, L., & Sutherland, D. 2012. Internationalization of China's private-sector MNEs: An analysis of the motivations for foreign affiliate formation. *Thunderbird International Business Review*, 54(2): 169–182.

Ning, L., Kuo, J. M., Strange, R., & Wang, B. 2014. International investors' reactions to cross-border acquisitions by emerging market multinationals. *International Business Review*, 23(4): 811–823.

Oviatt, B., & McDougall, P. 1994. Toward a theory of international new ventures. *Journal of International Business Studies*, 25(1): 45–64.

Pan, Y. Teng, L., Supapol, A.B., Lu, X., Huang, D., & Wang, Z. 2014. Firms' FDI ownership: The influence of government ownership and legislative connections. *Journal of International Business Studies*, 45(8): 1029–1043.

Pangarkar, N., & Yuan, L. 2009. Location in internationalization strategy: Determinants and consequences. *Multinational Business Review*, 17(2): 37–68.

Peng, M. W., Lu, Y., Shenkar, O., & Wang, D. Y. L. 2001. Treasures in the China house: A review of management and organizational research on Greater China. *Journal of Business Research*, 52(2): 95–110.

Quer, D., Claver, E., & Rienda, L. 2007. Business and management in China: a review of empirical research in leading international journals. *Asia Pacific Journal of Management*, 24(3): 359–384.

Quer, D., Claver., E., & Rienda, L. 2012a. Chinese multinationals and entry mode choice: Institutional, transaction and firm-specific factors. *Frontiers of Business Research in China*, 6(1): 1–24.

Quer, D., Claver, E., & Rienda, L. 2012b. Political risk, cultural distance, and outward foreign direct investment: Empirical evidence from large Chinese firms. *Asia Pacific Journal of Management*, 29(4): 1089–1104.

Ramasamy, B., Yeung, M., & Laforet, S. 2012. China's outward foreign direct investment: Location choice and firm ownership. *Journal of World Business*, 47(1): 17–25.

Rugman, A. M. 2010. Book review: Globalization of Chinese enterprises. *The International Trade Journal*, 24(3): 352–354.

Rui, H., & Yip, G. S. 2008. Foreign acquisitions by Chinese firms: A strategic intent perspective. *Journal of World Business,* 43(2): 213–226.

Schüler-Zhou, Y., & Schüller, M. 2009. The internationalization of Chinese companies: What do official statistics tell us about Chinese outward foreign direct investment? *Chinese Management Studies*, 3(1): 25–42.

Schüler-Zhou, Y., & Schüller, M. 2013. An empirical study of Chinese subsidiaries' decision-making autonomy in Germany. *Asian Business and Management*, 12(3): 321–350.

Shieh, B. L., & Wu, T. C. 2012. Equity-based entry modes of the Greater Chinese Economic Areas's foreign direct investments in Vietnam. *International Business Review*, 21(3): 508–517.

Söderman, S., Jakobsson, A., & Soler, L. 2008. A quest for repositioning: The emerging internationalization of Chinese companies. *Asian Business and Management*, 7(1): 115–142.

Su, N. 2013. Internationalization strategies of Chinese IT service suppliers. *MIS Quarterly*, 37(1): 175–200.

Sun, S. L. 2009. Internationalization strategy of MNEs from emerging economies: The case of Huawei. *Multinational Business Review*, 17(2): 129–156.

Sun, S. L., & Liang, H. 2014. Morphing: The linkage of inward private equity and outward ventures. *Thunderbird International Business Review*, 56(5): 421–438.

Sun, S. L., Peng, M. W., Lee, R. P., & Tan, W. 2014. Institutional open access at home and outward internationalization. *Journal of World Business*, advance online publication, June 12, 2014. DOI: dx.doi.org/10.1016/j.jwb.2014.04.003

Sun, S. L., Peng, M. W., Ren, B., & Yan, D. 2012. A comparative ownership advantage framework for cross-border M&As: The rise of Chinese and Indian MNEs. *Journal of World Business*, 47(1): 4–16.

Sun, S. L., Zhang, Y., & Chen, Z. 2013. The challenges of Chinese outward investment in developed countries: The case of CITIC Pacific's Sino iron project in Australia. *Thunderbird International Business Review*, 55(3): 313–322.

Tan, H., & Mathews, J. A. 2014. Accelerated internationalization and resource leverage strategizing: The case of Chinese wind turbine manufacturers. *Journal of World Business*, advance online publication, June 11, 2014. DOI: dx.doi.org/10.1016/j.jwb.2014.05.005

Tolentino, P. E. 2010. Home country macroeconomic factors and outward FDI of China and India. *Journal of International Management*, 16(2): 102–120.

UNCTAD. 2014. *World Investment Report 2014. Investing in the SDGs: An Action Plan*. New York and Geneva: United Nations Conference on Trade and Development.

Voss, H., Buckley, P. J., & Cross, A. R. 2010. The impact of home country institutional effects on the internationalization strategy of Chinese firms. *Multinational Business Review*, 18(3): 25–48.

Wang, C., Hong, J., Kafouros, M., & Boateng, A. 2012. What drives outward FDI of Chinese firms? Testing the explanatory power of three theoretical frameworks. *International Business Review*, 21(3): 425–438.

Wang, C., Hong, J., Kafouros, M., & Wright, M. 2012. Exploring the role of government involvement in outward FDI from emerging economies. *Journal of International Business Studies*, 43(7): 655–676.

Wang, D., Feng, T., Freeman, S., Fan, D., & Zhu, C.J. 2014. Unpacking the "skill – cross-cultural competence" mechanisms: Empirical evidence from Chinese expatriate managers. *International Business Review*, 23(3): 530–541.

Wang, S. L., Luo, Y., Lu, X., Sun, J., & Maksimov, V. 2014. Autonomy delegation to foreign subsidiaries: An enabling mechanism for emerging-market multinationals. *Journal of International Business Studies*, 45(2): 111–130.

Wei, T., Clegg, J., & Ma, L. 2014. The conscious and unconscious facilitating role of the Chinese government in shaping the internationalization of Chinese MNCs. *International Business Review*, advance online publication, September 8, 2014. DOI: dx.doi.org/10.1016/j.ibusrev.2014.08.008

Wei, Y., Zheng, N., Liu, X., & Lu, J. 2014. Expanding to outward foreign direct investment or not? A multi-dimensional analysis of entry mode transformation of Chinese private exporting firms. *International Business Review*, 23(2): 356–370.

Wei, Z. 2010. The literature on Chinese outward FDI. *Multinational Business Review*, 18(3): 73–112.

Wu, F., Hoon, L. S., & Zhang, Y. Z. 2011. Dos and don'ts for Chinese companies investing in the United States: Lessons from Huawei and Haier. *Thunderbird International Business Review*, 53(4): 501–515.

Wu, J., & Chen, X. 2014. Home country institutional environments and foreign expansion of emerging market firms. *International Business Review*, 23(5): 862–872.

Xia, J., Ma, X., Lu, J. W., & Yiu, D. W. 2014. Outward foreign direct investment by emerging market firms: A resource dependence logic. *Strategic Management Journal*, 35(9): 1343–1363.

Xie, Q. 2014. CEO tenure and ownership mode choice of Chinese firms: The moderating roles of managerial discretion. *International Business Review*, 23(5): 910–919.

Xing, Y., Liu, Y., Tarba, S. Y., & Cooper, C. L. 2014. Intercultural influences on managing African employees of Chinese firms in Africa: Chinese managers' HRM practices. *International Business Review*, advance online publication, June 25, 2014. DOI: dx.doi.org/10.1016/j.ibusrev.2014.05.003

Xu, H., Wan, Y., & Pei, D. 2008. A study on risk perception and risk identification in the internationalization process of Chinese hi-tech enterprises—A case study of Huawei technologies. *Frontiers of Business Research in China*, 2(3): 458–481.

Xu, S., Yalcinkaya, G., & Seggie, S.H. 2008. Prolific authors and institutions in leading international business journals. *Asia Pacific Journal of Management*, 25(2): 189–207.

Xu, Y., Hu, S., & Fan, X. 2009. The impacts of country risk and cultural distance on transnational equity investments. Empirical evidence of Chinese enterprises' shareholdings in overseas listed companies. *Chinese Management Studies*, 3(3): 235–248.

Xu, Y., Hu, S., & Fan, X. 2011. Entry mode choice of Chinese enterprises: The impacts of country risk, cultural distance and their interactions. *Frontiers of Business Research in China*, 5(1): 63−78.

Yang, M. 2009. Isomorphic or not? Examining cross-border mergers and acquisitions by Chinese firms, 1985-2006. *Chinese Management Studies*, 3(1): 43−57.

Yang, M., & Hyland, M. 2012. Similarity in cross-border mergers and acquisitions: Imitation, uncertainty and experience among Chinese firms, 1985−2006. *Journal of International Management*, 18(4): 352−365.

Yang, X., Jiang, Y., Kang, R., & Ke, Y. 2009. A comparative analysis of the internationalization of Chinese and Japanese firms. *Asia Pacific Journal of Management*, 26(1): 141−162.

Yang, X., Lim, Y.T., Sakurai, Y., & Seo, S.Y. 2009. Internationalization of Chinese and Korean firms. *Thunderbird International Business Review*, 51(1): 37−51.

Yang, Y., Yang, X., & Doyle, B. W. 2013. The location strategy and firm value creation of Chinese multinationals. *Multinational Business Review*, 21(3): 232−256.

Yang, Y., Yang, X., Chen, R., & Allen, J. P. 2014. What drives emerging-economy outbound FDI decisions to obtain strategic assets. *Asian Business & Management*, 13(5): 379−410.

Yiu, D. W., Lau, C. M., & Bruton, G. D. 2007. International venturing by emerging economy firms: The effects of firm capabilities, home country networks, and corporate entrepreneurship. *Journal of International Business Studies*, 38(4): 519−540.

Yiu, D. W., Ng, F. W., & Ma, X. 2013. Business group attributes and internationalization strategy in China. *Asian Business & Management*, 12(1): 14−36.

Yuan, L., & Pangarkar, N. 2010. Inertia versus mimicry in location choices by Chinese multinationals. *International Marketing Review*, 27(3): 295−315.

Zhang, J., Alon, I., & Chen, Y. 2014. Does Chinese investment affect Sub-Saharan African growth? *International Journal of Emerging Markets*, 9(2): 257−275.

Zhang, J., Jiang, J., & Zhou, C. 2014. Diplomacy and investment – the case of China. *International Journal of Emerging Markets,* 9(2): 216−235.

Zhang, J., Zhou, C., & Ebbers, H. 2011. Completion of Chinese overseas acquisitions: Institutional perspectives and evidence. *International Business Review*, 20(2): 226−238.

Zhao, W., Liu, L., & Zhao, T. 2010. The contribution of outward direct investment to productivity changes within China, 1991-2007. *Journal of International Management*, 16(2): 121−130.

Zhou, C., van Witteloostuijn, A., & Zhang, J. 2014. The internationalization of Chinese industries: Overseas acquisition activity in Chinese mining and manufacturing industries. *Asian Business and Management,* 13(2): 89−116.

Zhou, N., & Guillén, M.F. 2014. From home country to home base: A dynamic approach to the liability of foreignness. *Strategic Management Journal*, advance online publication, April 1, 2014. DOI: 10.1002/smj.2242

Zou, H, & Ghauri, P.N. 2010. Internationalizing by learning: the case of Chinese high-tech new ventures. *International Marketing Review*, 27(2): 223−244.

Appendix

Table A1 Journals Publishing Empirical Papers on Chinese MNCs (2002–2014)

Journal	Number of papers	Papers
International Business Review (IBR)	22	Deng and Yang (2014); Drogendijk and Martín (2014); Du and Boateng (2014); Fan, Zhu, and Nyland (2012); Gao, Liu, and Zou (2013); Hu and Cui (2014); Ji and Dimitratos (2013); Kubny and Voss (2014); Liu, Buck, and Shu (2005); Liu, Xiao and Huang (2008); Lu, Liu, Filatotchev, and Wright (2014); Nicholson and Salaber (2013); Ning, Kuo, Strange, and Wang (2014); Shieh and Wu (2012); Wang, Feng, Freeman, Fan and Zhu (2014); Wang, Hong, Kafouros, and Boateng (2012); Wei, Clegg and Ma (2014); Wei, Zheng, Liu, and Lu (2014); Wu and Chen (2014); Xie (2014); Xing, Liu, Tarba and Cooper (2014); Zhang, Zhou, and Ebbers (2011)
Journal of World Business (JWB)	16	Chen and Tan (2012); Cui and Jiang (2009a); Cui, Meyer and Hu (2014); Deng (2009); Duanmu (2012); Kang and Jiang (2012); Klossek, Linke, and Nippa (2012); Kolstad and Wiig (2012); Liang, Lu and Wang, (2012); Liu, Li, and Xue (2011); Liu, Lu and Chizema (2014); Ramasamy, Yeung, and Laforet (2012); Rui and Yip (2008); Sun, Peng, Ren, and Yan (2012); Sun, Peng, Lee and Tan (2014); Tan and Mathews (2014)
Thunderbird International Business Review (TIBR)	11	Boateng, Qian, and Tianle (2008); Cui, Jiang, and Stening (2011); Deng (2010); Huang and Renyong (2014); Liu and Woywode (2013); Malhotra, Zhu, and Locander (2010); Ning and Sutherland (2012); Sun, Zhang, and Chen (2013); Sun and Liang (2014); Wu, Hoon, and Zhang (2011); Yang, Lim, Sakurai, and Seo (2009)
Journal of International Business Studies (JIBS)	10	Buckley, Clegg, Cross, Liu, Voss, and Zheng (2007); Cui and Jiang (2012); Duanmu (2014); Liang, Ren, and Sun (2014); Lu, Liu, Wright and Filatotchev (2014); Meyer, Ding, Li, and Zhang (2014); Pan, Teng, Supapol, Lu, Huang, and Wang (2014); Wang, Hong, Kafouros, and Wright (2012); Wang, Luo, Lu, Sun, and Maksimov (2014); Yiu, Lau and Bruton (2007)
Asian Business & Management (ABM)	8	Cui and Jiang (2009b); Jansson and Söderman (2013); Lee, Hemmert, and Kim (2014); Schüler-Zhou and Schüller (2013); Söderman, Jakobsson, and Soler (2008); Yang, Yang, Chen, and Allen (2014); Yiu, Ng and Ma (2013); Zhou, van Witteloostuijn, and Zhang (2014)

(*To be continued*)

(*continued*)

Journal	Number of papers	Papers
Asia Pacific Journal of Management (APJM)	6	Chen and Young (2010); Cui and Jiang (2010); Ge and Ding (2008); Ge and Wang (2013); Quer, Claver and Rienda (2012b); Yang, Jiang, Kang, and Ge (2009)
Journal of International Management (JIM)	6	Kothari, Kotabe, and Murphy (2013); Knoerich (2010); Li (2007); Tolentino (2010); Yang and Hyland (2012); Zhao, Liu, and Zhao (2010)
Multinational Business Review (MBR)	6	Alon (2010); Li-Ying, Stucchi, Visholm and Jansen (2013); Pangarkar and Yuan (2009); Sun (2009); Voss, Buckley, and Cross (2010); Yang, Yang and Doyle (2013)
International Journal of Emerging Markets (IJEM)	5	Fan and Zhu (2014); Goldstein and Pusterla (2010); Milelli, Hay, and Shi (2010); Zhang, Alon, and Chen (2014), Zhang, Jiang, and Zhou (2014)
Chinese Management Studies (CMS)	4	Lau, Ngo and Yiu (2010); Schüler-Zhou and Schüller (2009); Xu, Hu, and Fan (2009); Yang (2009)
Management International Review (MIR)	4	Blomkvist and Drogendijk (2013); Buckley, Cross, Tan, Xin, and Voss (2008); Cui, Li, Meyer and Li (2014); Luo, Zhao, Wang, and Xi (2011)
Strategic Management Journal (SMJ)	3	Gaur, Malhotra, and Zhu (2013); Xia, Ma, Lu and Yiu (2014); Zhou and Guillén (2014)
Global Strategy Journal (GSJ)	3	Li, Li, and Shapiro (2012); Li, Newenham-Kahindi, Shapiro and Chen (2013); Luo and Wang (2012)
Frontiers of Business Research in China (FBRC)	3	Quer, Claver, and Rienda (2012a); Xu, Wan and Pei (2008); Xu, Hu, and Fan (2011)
International Marketing Review (IMR)	2	Yuan and Pangarkar (2010); Zou and Ghauri (2010)
Management and Organization Review (MOR)	2	Lu, Liu, and Wang (2011); Lyles, Li, and Yan (2014)
MIS Quarterly (MISQ)	1	Su (2013)
Total	112	