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Abstract

The goal of this study is to explore and gain knowledge about switching international operation modes with emphasis to de-internationalization in the context of Finnish companies in China. This can be achieved by studying the challenges faced by Finnish companies entering and doing business in China and by seeing how well the target companies' operations correspond to theory. To facilitate this, a theoretical framework was created. Several theories dealing with switching international operation modes were studied to construct a model depicting the process of internationalization change. Furthermore eight companies were interviewed to gain information about the switching of operation modes in China. The sub-problems of the thesis consisted of following:

- What kind of switching of operation modes has taken place since the entry into China?
- What are the reasons for the changes of operation modes?

By addressing these sub-problems it was possible to gain a better understanding of the Finnish companies' operations in China with emphasis on the de-internationalization activities. By using these sub-problems it was possible to approach the main research of problem of the study.

- What kind of development do the operation modes of Finnish companies manifest in China?

The results of the interviews complied with the theories of switching operation modes. The special characteristics of the Chinese market were also studied to see whether the special characteristics of the market might have influence over the Finnish operations. The model of internationalization change was modified according to the information received from the interviews. The resulting model integrates special characteristics of the Chinese market with the theory of switching internationalization modes in case of Finnish companies in China. The study managed to shed some light on the current circumstances and developments of the Chinese market. Additionally, some light were able to be shed on the strategies, motives and problems encountered by Finnish companies in the market along with some general guidelines on conducting successful business in China. The study proceeded with hopes of increasing the common awareness of de-internationalization activities as an integral part of company strategy to sustain or improve the viability of its foreign operations.

Key words	De-internationalization, switching operation modes, Finnish companies, China
Further information	