A portfolios country exposure management

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The episode of modern-globalizationis one characterized by new sources of global funds flow. Multinational enterprises from developing countries are now starting to make investments from other developing countries. This has produced positive effects both for the private sector and policy makers in a given developed together with developing countries.

The theoretical framework adopted by these developing countries is that based on the ownership/location/internationalization (OLI) theory. This paper deals with the issues of export expansion and prolific capacity creation in developing countries.

It tends to provide an analytical framework to help in understanding the internationalization process of enterprises in the developing countries. It further applies this framework to analyze the experiences of such enterprises. House-hold appliances producers are also moving towards rising economies either by use of the off-shore practices from OECD-based companies or by use of the coming out and fast internationalization of innovative brand producers in up coming countries themselves (Rodriguez, 2007).

This paper helps us understand the diversities of corporate strategies and those at the back of the internationalization process. An astounding and typical feature of this new wave of internationalization process is its speed and the capacity of the latecomers companies to leverage on the prospect for learning presented by a more unified economy.

These latecomer companies were able to leverage their strategic partnership with recognized MNEs to improve their operations and hence were able to move from production of simple goods into products lines made using their own design, branding and marketing. They always take global competition as an opening to build on their capacities and shift into further cost-effective industry fragments.

The latecomer companies are mainly able to internationalize and to take hold of resources and have a competitive advantage over other firms. This is a producer-driven global value chain marked by advancetechnologyand speedy delocalization to developing countries, where not only production costs are lower but demand growth rates are higher. It is expected that the established growth in developing countries tend to determinate and recompense for the slow demand in OECD countries, where market infiltration rate is higher and the market is driven strictly by demand for substitutes.

Their experience has shown throughout that there are still many strategies and ways for going global. The good example of firms which were able to successfully improve their operations consists of the Mabe in Mexico, Arcelik in Turkey and Haier in China.

The latecomer's firms have found innovate new ways of harmonizing their strategies which involved providing contract services, licensing new technology and forming joint ventures and strategic alliances. Through implementation of these strategies, latecomers firms were able to secure a place which is developing in global economy as they were able to leverage resources from the strength of others (Rodriguez, 2007).

These internationalization strategies formed a basis for exit from the traditional view on globalization as it was intended to enhance the firm's resource base as opposed to exploitation of existing asset a view highly held by traditional firms. The sources of corporate strength have changed from the capacity to control cost for a given product to been able to learn how to mingle and remerge assets to create new business and concentrate on new markets.