THEORIES & TYPES OF FIRMS

GLOBAL BUSINESS STRATEGY

4 & 3: THEORIES OF THE FIRM & TYPES OF FIRMS

- THEORIES
  - NEO-CLASSICAL
  - AGENCY
  - TRANSACTION COST
  - EVOLUTIONARY
- TYPES
  - SHAREHOLDER RIGHTS
  - SOCIAL (NATIONAL) WELFARE
  - EMPLOYEE WELFARE

SUSTAINING COMPETITIVE ADVANTAGE

- REQUIRES TRADE-OFFS
- RESULTS IN INCONSISTENCIES IN IMAGE, REPUTATION, RESOURCES & CAPABILITIES
- GAINING & DEFENDING DIFFERENT POSITIONS REQUIRES DIFFERENT SETS OF ACTIVITIES & INVESTMENTS
- LIMITS ON INTERNAL CONTROL & COORDINATION