



Implications to Redevelopment of FDI Inflows

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Abstract

Although the economic development of its noted, repeatedly in discussions of the FDI field, predominated models of globalization generated by a variety of fields, focus on linear stages, phases, characteristics and assessment. Descriptive models of FDI help interested ones in economic development identify expertise but do not necessarily help us to understand the complexities of FDI in ever changing globalization settings. Expert inflows of FDI, a domain has also been found to lead to superior recall for information relevant to the domain but not for other types of information. Despite the liberalization over the last 25 years in the area of FDI that spans across disciplines, it is difficult to translate the research on FDI acquisition and novice comparisons into globalization practices. It is argued that examining the dynamic nature of FDI, it essential for advancing and understanding of FDI flows both in its initial development and over time. The value of the MFDIR over current approached to examination FDI is its ability to expand globalisation scholarship and improve the work of practitioners. By expanding current understandings of FDI and challenging existing stage models, we are able to offer an alternative that is useful to globalisation research. Toward this end, several implications are proposed for global researchers and practitioners based on the new conceptual model.

Key words: Globalisation, economic expertise, territorial factors, meta-cognitive and FDI inflows.

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1. INTRODUCTION

The concept of FDI is central in comprehensive model of globalization and must be seen as a highly influential characteristic of economic development. (Ahluwalia, M.S., 2002). It is commented on the importance of national FDI efforts focusing on developing economic expertise for the improved wealth, health and well being of each and every country in the global village. Interestingly, although the economic development of it is noted, repeatedly in discussions of the FDI field, predominated models of globalization generated by a variety of fields, focus on linear stages, phases, characteristics and assessment. Descriptive models of FDI help interested ones in economic development identify expertise but do not necessarily help us to understand the complexities of FDI in ever changing globalization settings.

Much of the research on FDI from a variety of disciplines provides insight into key distinctions of inflows and what differentiates inflows from other practices. Stenberg (1997) describe expertise as a multi-dimensional prototype that includes, to varying digress, seven attributes, (i) advanced problem solving processes, (ii) a great amount of knowledge, (iii) advanced knowledge of organization, (iv) an ability to use knowledge effectively, (v) creative ability that involves creating new knowledge on the basis of knowledge that one already has, (vi) automatic actions, and (vii) practical ability that involves knowledge how to get ahead in one's field.

Another area garnering attention is the notion that the attainment of FDI inflows is a result of years of acquiring experience in a domain resulting in the construction of vast amounts of knowledge and the ability to perform pattern based cognitive retrieval (Turner, 2001).

Expert inflows of FDI, a domain has also been found to lead to superior recall for information relevant to the domain but not for other types of information. Burman Rachna, (2002) found FDI reasoning to be domain specific. Specifically, their findings demonstrated that FDI working within domain of social sciences lacked necessary knowledge and strategies to successfully analyze a problem in political science. Similarly, Schraagen (1983) studied highly experienced scientists who, in their own research area, could easily generate research designs for familiar problems but could not do the same for problems in an unfamiliar area. The work of Voss Greene et al. (1983) provides some explanation for why some experts fail to succeed when faced with situations outside their scope of knowledge and skill. Such research is significant for those helping to support and coach experienced employees who transition to new roles within organizations, and is foundational to a renewed discussion of FDI inflows and redevelopment of economy of the country.

2. A EMERGENT MODEL

Despite the liberalization over the last 25 years in the area of FDI that spans across disciplines, it has difficult to translate the research on FDI acquisition and novice comparisons into globalization practices. Research in the area of FDI flows is only beginning, and a strong need remain for theories and models that are applicable to the real life context of FDI. Contrary to traditional static, linear models is the premise that FDI requires redevelopment because of changes in domain. If countries embrace a stage model approach to FDI, they will remain ignorant to the obstacles that must be overcome to maintain FDI (Government of India, 2013). Moreover, whereas the field of FDI recognized the necessity for cultivating the expertise of globalization, what remains untapped is to know how to retain and reinvent FDI in global village

given continuously changing job. Development FDI leads to states of FDI flows, characterised by three strata of independence, dependence and transcendence territories of FDI include content, constituency and environment of economic development and globalization. The constituents of the territories influence the three states of FDI, simultaneously. However, the strata of the states influenced by the territories of FDI which have a comprehensive inter connectedness among the pre existing FDI.

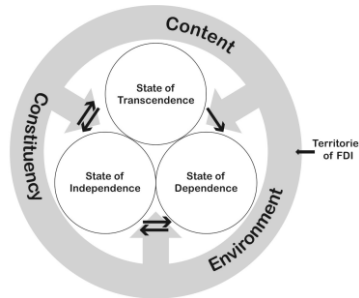


FIGURE 1 : The State of FDI Redevelopment flows and the Territories Working on the States

The model of FDI redevelopment (MFDIR) in figure-1 depicts the complexities of FDI flows in which economic functions including motivational factors and socio-cultural as well as political factors influence and how those complexities influence the economy, enactment and adaptation of FDI. There is interconnectedness among the three factors- content, constituency and environment of territories of FDI in an economy. Further the three development states of dependence, independence and transcendence are also influenced by the territorial factors of content, constituency and environment.

The MFDIR can generate future research and discussion on FDI, but also expand our understanding of FDI research. The model we propose attempts to represent the process of FDI redevelopment in a way that accounts for both conventional and adaptive forms of FDI and generates ideas how to support the continuous inflows and development of FDI. Second, existing research on the subject of FDI development is often isolated from contextual factors and no argument is made for FDI redevelopment or for the understanding or one's territory which is critical to identifying and supporting the redevelopment of FDI. The model we present in this article addresses the work of FDI and serves to represent how FDI is affected by the stability or instability of one's territory. The MFDIR also raises the issue of how best to meet the needs of redeveloping FDI. Day-to-day learning as social and economic activities, the availability of situational provided tools which influence thinking and learning, and thinking structured in relation to a setting, lead to questions about how FDI redevelopment can be nurtured.

3. IMPLICATIONS

It is argued that examining the dynamic nature of FDI, it essential for advancing and understanding of FDI flows both in its initial development and over time. The value of the MFDIR over current approached to examination FDI is its ability to expand globalisation scholarship and improve the work of practitioners. By expanding current understandings of FDI and challenging existing stage models, we are able to offer an alternative that is useful to

globalisation research. Toward this end, several implications are proposed for globalized researchers and practitioners based on the new conceptual model.

As studies of FDI continue, scholars must redirect their focus from a limited perspective on domain to a multidimensional perspective of territory. If, as Yang (2003) proposed, the different facets of knowledge include aspects of the way an individual knows the physical, social, emotional and spiritual world, then recognizing the impact of territory on FDI is critical if we are to assume that FDI is not a final level of achievement but a process of maintenance through adaptation and redevelopment. A shift from research conducted in contrived setting or contexts to inquiry grounded in the work done by globalized organizations can only strengthen the applicability of the finding to FDI. The nature of previous studies of FDI, although useful in illustrating processes do little to demonstrate the fluid nature FDI in complex settings.

The MFDIR addresses the broader nature of FDI in relation to a current territory and what happens after a country has reached substantial FDI level moves to a new territory. Such an understanding requires a reconceptualization of FDI domain. Using FDI territory offers a more comprehensive explanation of FDI performance and globalized development. Broadening current definitions from a single domain to a territory of content, constituency and environment provides researchers studying FDI a greater likelihood of pinpointing the effect of each factor on the performance of globalized economic development.

Additionally, viewing FDI as a dynamic, cyclical process involving redevelopment provides a second implication for the study of FDI. The MFDIR does not simply acknowledge that when outside the territory of FDI, inflows perform the same as non experts. This model helps to answer the question: If FDI perform the same as non experts outside the territory of FDI, how do they redevelop FDI in a new territory? The proposed model provides a view of what an FDI experiences in response to changes with a territory of FDI and has implications for existing models of FDI that characterize FDI as easily maintained. Third, the model has implications for the study of FDI and globalized learning. Adult learners move in the direction of a level of cognitive differentiation requiring a greater awareness of context including psychological factors and goals of both the individual and collective, additional investigation of place, and incorporation of one's feelings and logic. This being the case, further study is necessary to explain how the right experience, prior knowledge as material to facilitate critical reflection and one's ability to apply previous FDI affects FDI redevelopment. It cannot be assumed that FDI simply transfers with a country instead, focus must be placed on studying and developing learning opportunities within a new culture to broaden knowledge creation and new understanding. This includes allowing countries to retain critical control over their FDI through meta-cognitive and self-reflective strategies. The MFDIR challenges globalized scholars to study FDI in the context of dynamic organizations to provide a more accurate picture of how and to what extent territory influence approaches to developing and redeveloping of FDI.

Moreover, the model provides a springboard for examining support mechanisms for countries as they continually transition through various states of FDI. Consequently, appropriate support is necessary for FDI to reach transcendence in a current or new territory. Furthermore, given the right conditions, FDI may drop to a state of dependence necessitating the need for appropriate supports and resources. A study of the phenomenon of redevelopment would create

opportunities for exploring country's ability to effectively respond to changes and to manage the knowledge and skills necessary to acquire process and effectively use new information. Countries need encouragement to develop a process-oriented and critical approach to FDI development, yet without a clear understating of FDI redevelopment and the significance of territory, the field is left with models of FDI that are limited by context. The MFDIR provides a way to examine the complexity of FDI and serves as a springboard for critically examining notions of FDI and how it is advanced and developed in the globalization. To do that, we offer the questions: To what extent is FDI expected and measured in a country? How is FDI managed and cultivated? What formal and informal opportunities exist for the redevelopment of FDI for experiencing significantly? How does a country foster the development and retention of FDI?

5. CONCLUSION

This article presents a conceptual model of FDI flows, introducing the concept of redevelopment of FDI and the influence of territory on individuals as they move from a state of dependence to a transcendent state. By examining the major characteristics of existing research on FDI development it establishes the need for broad understanding of FDI development within the parameters of content, environment and constituency. It further argues that FDI is not a terminal level to be achieved, but instead FDI expands and contracts. The majority of research on FDI is limited by controlled settings and economic based processes; therefore, new approaches are necessary for understanding FDI development in globalised economics.

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