TACKLING WITH REVIEWER'S COMMENTS:

<u>Comment (a)</u>: The abstract of the research paper does not provide a bird's eye view (snapshot view) of what is being discussed throughout the paper. The reader is likely to be clueless and confused about the contents after reading abstract cited by the authors. The authors are requested to go through the below cited version of the suggested abstract for this research paper. The authors may also design any other format similar to the one cited by the reviewer.

Text of the Suggested Abstract:

Globally, Multinational Enterprises (MNEs) are increasingly focusing on devising strategies in order to balance between the local responsiveness at the subsidiary level and the international integration of operations for global competitiveness. It is against this background, the research studies focusing on the need for evolving effective coordination functions within the multinational network are gaining importance. The present research study makes an attempt to investigate the prevalence of the specific coordination mechanisms in the management of MNEs' activities in the Greece context, and relates them to the underlying corporate culture, relevant IT mechanisms and the intrinsic organizational architectures so as to serve as valuable tool for managing the interdependencies among the MNE subunits. A survey instrument (questionnaire) with 27 statements was administered to a sample size of 317 foreign firms in Greece to gain insights in to the various factors that determined the use of the appropriate coordination mechanisms and interdependencies between HQs and subsidiaries.Muliple Regression method was used for analysis of the study and the results supported the hypotheses put forward in the research design. The results further demonstrated that MNEs in Greece, managed coordination by tailoring the appropriate instruments to the specific mandates assigned to their subsidiaries thereof.

How we have tackled with the comment:

Indeed, the suggested abstract is much more representative in explaining the purpose and basic findings of our research. Such being the case, we have decided to include it in the revised version of our paper and replace the previous one. The suggested abstract has been included with very minor changes.

<u>Comment (b)</u>: There is too much of information in the literature review cited for the current research article. The entire information cited in the literature review is not directly related to the research situation cited in the paper and therefore, the authors are requested to truncate at least 50% the information, so that the reader gets an overview of the end conclusions.

How we have tackled with the comment:

That was a very useful comment from the reviewer that would improve a lot the clarity and the focus of our paper. As a result, we had modified the theoretical section, including only the material which is directly related to our research purposes and truncate the overall length of literature review. In that sense, the readability of the paper has much improved and the text is more coherent and relevant to our research design.

<u>Comment (c)</u>: Information cited in Table 1 titled as "A Framework for the Classification of Coordination Mechanisms" can be deleted.

How we have tackled with the comment:

Agreed. Table 1 is not included in the revised version of the manuscript.

<u>Comment (d)</u>: Methodology used for the study is acceptable but yet suffers from the following minor limitations. The authors have not added the questionnaire along with the research paper.

How we have tackled with the comment:

The questionnaire has been included in the revised version of the paper (Appendix I).

<u>Comment (e):</u> It does not include the justification part of the multiple regression models.

How we have tackled with the comment:

In pages 11 and 12 we present analytical information concerning the data analysis method. Specifically, in page 11 we explain explicitly why we have chosen this particular method (...ordered logit was applied as an econometric technique since the dependent variable is a qualitative one, ascribed with ascending degrees of importance... it is unhindered by large numbers of ties and it circumvents problems associated with heterogeneity).

<u>Comment (f)</u>. All hypotheses can be stated together without any explanation below the hypotheses. Discussion on issues like Establishment of R&D Activities, Size of Subsidiary, Age of Subsidiary, Export intensity, Subsidiary's Sector and HQs Home Country, Country of Origin and Industry may be omitted.

How we have tackled with the comment:

We believe that the structure of this specific part is in accordance with the well accepted style of presenting the hypotheses (see for example International Business Review, 2007). We have chosen to support our hypothesis by being referred to relevant literature because this will put our

research outcomes against the relevant findings of well established scholars. However, in line with reviewer's suggestion we have truncated the discussion below the hypotheses and we were focused only to the absolutely relevant previous findings.

<u>Comment (g):</u> Title needs to be modified. Please consider this option." "THE COORDINATION IMPERATIVE FOR MNES: EMPIRICAL EVIDENCE FROM FOREIGN OPERATIONS IN GREECE."

How we have tackled with the comment:

Agreed. The title in the revised version of the m/s is the one suggested by the reviewer.

<u>Comment (h):</u> Key words are missing. The following are the key words which need to be included in this research paper.

Multi National Enterprises (MNE's)...Please consider the same format for the following as well. EU (), R&D (), IS (), TMR (), PM (), RPS/RSP (), ICAP () and LM ().

How we have tackled with the comment:

Done. All changes have been made in accordance with the comment.

<u>Comment (i)</u>. Objectives of the study are missing. Please include them. This will clear the semantic confusion arising from the text of the article.

How we have tackled with the comment:

In order to deal with the comment concerning the objectives of the research, in the introductory section of the revised version of the paper (p.2), we explicitly state that "...the primary objective of this research is to provide insights upon this identified gap in the literature and determine the basic coordination patterns existing in the management of Headquarters (HQs) – subsidiary relationships. In particular, we attempt to identify the mechanisms through which coordination is occurred and investigate the impact of specific contingency factors (subsidiaries' strategic and organizational characteristics) in determining the coordination models adopted for the efficient integration and control of foreign operations." Moreover, we mention our initiative for conducting the current research throughout other sections of the paper (research design, conclusions). In that way the reader is continuously familiar with our research purpose.

Comment (j): Limitations of the study are also missing.

How we have tackled with the comment:

Limitations of the study, as well as suggestions for further research are included in the concluding section of the revised version of the paper.

<u>Comment (k)</u>. The following paragraph cited in this research paper may be deleted as it is creating semantic confusion.

"None of these t-tests for differences between the sample and the population means was statistically significant at the level of 0.05 (t-test in order to evaluate the potential non response bias was used by many authors; see for example Luo, 2001). To furthermore test the non-response bias, five personal interviews with managers of five non-respondent firms (according to the classification of country of origin) was arranged. Results were quite similar with those of the sample."

How we have tackled with the comment:

Agreed. The paragraph is not included in the revised version of the m/s

<u>Comment (I):</u> The following paragraph cited in this research paper is not in tune with the accepted research format. This paragraph needs to be revised.

"In line with existing evidence, no statistical important relationship has found between the age of the subsidiary and the use of specific coordination mechanisms at the significance level 0.10. Even though, if we relax the criterion for statistical significance to 0.20 it seems that subsidiary age looks like to contribute to the use of social mechanisms. The results also suggest that there is a positive relationship between export propensity of subsidiaries and the use of formal impersonal, social and IS mechanisms (although not significant). In other words, when subsidiaries act as exporters they tend to be closely directed by the parent HQs directives, and with little autonomy or capabilities to undertake more sophisticated and creative strategies. may be deleted as it is creating semantic confusion."

How we have tackled with the comment:

Agreed. The paragraph is not included in the revised version of the m/s

<u>Comment (m)</u>: Absence of the questionnaire for reviewing is a serious lapse and the same may be pushed in to a separate Appendix. The editorial board may use their discretion for publishing/deleting this Appendix.

How we have tackled with the comment:

The questionnaire is included in Appendix I. It is at the Editor's discretion to publish it or delete it.

Comment (n): Authors are requested to state the findings of the pilot study conducted for this research. The basis for arriving at the stated 27 questions in the questionnaire needs to be explained.

How we have tackled with the comment:

As stated in the research design section this research is a part of a wider survey exploring the strategic bases for MNEs expansion in Greece. The number of corporations comprises the **total** number of officially enlisted subsidiaries. All the appropriate statistical tests have been performed so as to investigate potential bias between respondent and non-respondents. The quality of the questionnaire was tested throughout three different procedures. Other parts of the questionnaire have been presented in international conferences (Academy of International Business, European International Business Academy) and thoroughly discussed with academics. Some other parts of the survey have already been presented in international referred journals (International Business Review, International Journal of Human Resource Management) or have been accepted for publication (Management International Review).

Comment (o): Authors are requested to add the following sub headings in the research method heading. The suggested sub headings are 1.QUESTIONNAIRE DEISGN AND TARGET SAMPLE, 2. SAMPLE SIZE AND DATA COLLECTION METHODS, etc.

How we have tackled with the comment:

Agreed. In the revised version of the paper, the section "Sampling, data and methods" has the suggested structure (p. 10).

Comment (p): Conclusion is highly unacceptable and it does not focus on the empirical findings of the stated research methodology. Authors are requested to narrate their findings (at least 2 pages) from multiple regressions model with a focus on the relationship between the various variables cited in the research design.

How we have tackled with the comment:

That is an excellent comment made by both reviewers that may add substantially to the quality of the paper. To deal with that, we have completely reformed conclusions in line with reviewer's suggestions. Our empirical findings are grouped in three major implications for both theory and practice. Regression results are more analytical explained and the discussion in the concluding section is more comprehensive.

Comment (q): Implications for future research may also be included in the conclusion at the end. This research has article has created a lively discussion on so many issues that were hitherto unheard of and not addressed.

How we have tackled with the comment:

See comments: j and p