

**Developing Controlling and Performance Evaluation
Of Multinational Companies
Operating in Egypt**

Dissertation

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Dedication To

My Father

Soul of my Mother

My Wife

My Daughters: Heba, Esraa, and Roaa

1 Introduction.....	1
1.1 Nature of the Research Problem	1
1.2 The Research Assumption.....	4
1.3 The Research Objectives	4
1.4 The Research Plan and Structure.....	4
1.5 Innovation Contribution of the Research.....	7
2 Multinational Companies (MNCs).....	8
2.1 Definition of the MNCs	8
2.2 Characteristics of the MNCs	10
2.3 Objectives of the MNCs	12
2.4 Strategies of the MNCs	13
2.5 Challenges of the MNCs	27
2.6 Criticisms and praise (disadvantage and advantages) of MNCs	30
3 Performance Evaluation of Multinational Companies	32
3.1 Definition of the Performance Evaluation	32
3.2 Responsibility Accounting and Performance Evaluation in MNCs	33
3.3 Separating Managerial and Subsidiary Performance	36
3.4 The measures used for evaluating subsidiaries	37
3.5 The past researches and studies on performance evaluation of MNCs	40
3.6 The Main Problems of Performance Evaluation of MNCS	52
4 Environmental Factors Affecting the Performance of Foreign Subsidiaries.....	54
4.1 Economic Factors	54
4.2 Legal Factors	62
4.3 Cultural Factors	67
4.4 Social Factors	73
4.5 Political Factors	76
4.6 Other Factors and Variables	77

5. Transfer Pricing and Performance Evaluation of Multinational Companies.....	78
5.1 The nature of transfer pricing problem	78
5.2 The Causes and Effects of Transfer Pricing	71
5.3 Transfer Pricing Practices and Economic Theory	86
5.4 Transfer Pricing Practices and Accounting Theory	88
5.5 Transfer Pricing Practices and Management Theory	90
5.6 Objectives of Domestic Transfer Pricing System	91
5.7 Objectives of International Transfer Pricing System	92
5.8 Methods of Transfer Pricing	96
5.9 Selecting a Transfer Price	99
5.10 The International Revenue Code (IRC) and Transfer Pricing	100
5.11 Transfer Pricing and the Arm's length Principle	101
6 Inflation and its Effect on the Performance Evaluation of Multinational Companies.....	102
6.1 Definition of Inflation	102
6.2 The Impact of Inflation on the Company	103
6.3 Ways to Account for Inflation	104
6.4 International Approaches to Account for Inflation.....	107
6.5 The Relevant Method to account for Inflation to Measure and Evaluate the Real Performance of Subsidiaries in Multinational companies	114
6.6 Restate – Translate or Translate – Restate Approach	115
7 Foreign currency exchange rates and its effect on the performance measurement and evaluation of the foreign subsidiaries	119
7.1 The Problem of Translating the Accounts of the Foreign Subsidiaries	119
7.2 Methods of Translating the Accounts of the Foreign Subsidiaries	121
7.3 International Efforts to Translate the Financial Statements of Foreign Subsidiaries.....	124
7.4 The Relevant Translation Method for Measuring and Evaluating the Performance of Foreign Subsidiaries.....	128

8	Developing the performance evaluation of Multinational Companies operating in Egypt	135
8.1	Measuring the Effect of the Environmental Factors on the Performance of MNCs Operating in Egypt (an Empirical Study)	136
8.2	Developing the Performance Evaluation of MNCs Operating in Egypt	145
9.	Conclusion	155
9.1	Summary of the Research	155
9.2	The Results	156
9.3	The Recommendations	158
	Literature	159
	Appendixes	175

List of Figures

Figure (1-1): Classification of the Environmental Factors and Variables affecting the Performance of Subsidiary and	1
Figure (2-1): Organization Structure with being International Division	18
Figure (2-2): Organization Structure by Product Lines	19
Figure (2-3): Organization Structure by Functions	19
Figure (2-4): Organization Structure by Geographic Areas	20
Figure (2-5): The Global Matrix Organization (Mixed Structure)	21
Figure (5-1): Caused and Effects of Transfer Pricing	82
Figure (5-2): Relationship between Strategy and Transfer Pricing Policy	83
Figure (5-3): Economic Theory's Definition of the Transfer Pricing Problem	88
Figure (5-4): Accounting Theory's Definition of the Transfer Pricing Problem	89
Figure (5-5): Management Theory's Definition of the Transfer Pricing Problem	91
Figure (6-1): Options of Restate and Translation of the Financial Statements of the Foreign Subsidiaries	117
Figure (7-1): The Exchange Rate of the Egyptian Pound (EGP) against the American Dollar (USD)	119
Figure (7-2): The Exchange Rate of the Egyptian Pound (EGP) against the Euro	120

List of Tables

Table (3-1): Non-financial measures used to evaluate the performance of the subsidiaries and their managers	40
Table (7-1): The translated balance sheet of a subsidiary under constancy of the exchange rate of the Egyptian Pound against US Dollar (EGP / USD).....	129
Table (7-2): The translated income statement of a subsidiary under constancy of the exchange rate of the Egyptian Pound against US Dollar (EGP / USD).....	130
Table (7-3): The translated balance sheet of a subsidiary under increase of the exchange rate of the Egyptian Pound against US Dollar (EGP / USD).....	130
Table (7-4): The translated income statement of a subsidiary under increase of the exchange rate of the Egyptian Pound against US Dollar (EGP / USD).....	131
Table (7-5): The translated balance sheet of a subsidiary under decrease of the exchange rate of the Egyptian Pound against US Dollar (EGP / USD).....	131
Table (7-6): The translated income statement of a subsidiary under decrease of the exchange rate of the Egyptian Pound against US Dollar (EGP / USD).....	132
Table (7-7): Return on Investment (ROI) of a subsidiary under the three possibilities (Constancy, increase, and decrease)	132
Table (8-1): The selected sample of the multinational companies operating in Egypt .	139
Table (8-2): The effect of the environmental factors on the performance of the multinational companies operating in Egypt	144
Table (8-3): Models of Multiple-regression analysis of the relationship between ROI and the effect of the environmental factors	151

Abbreviation

AAA: American Accounting Association

AICPA: American Institute of Chartered Public Accounts

APB: Accounting Principle Board

ASC: Accounting Standards Committee

ASR: Accounting Series Release

CC: Current Cost

CCA: Current Cost Accounting

ED: Exposure Draft

CEO: Chief Executive Officer

EAT: Earnings After Taxes

EPS: Earnings Per Share

EEC: European Economic Committee

EGP: Egyptian Pound

EICA: English Institute of Chartered Accounts

EU: European Union

FAS: Financial Accounting Standards

FASB: Financial Accounting Standards Board

GAFI: General Authority for investment & Free Zones

FERF: Financial Executives Research Foundation

GNP: Gross National Product

GPP: General Purchasing Power

GPPA: General Purchasing Power Accounting

HC: Historical Cost

H.Q: Headquarters

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- IAS: International Accounting Standards
- IASC: International Accounting Standards Committee
- ICI: Imperial Chemical Industries
- IRC: Internal Revenue Code
- IRR: Internal Rate of Return
- IRS: Internal Revenue Service
- MBR: Management By Result
- MNC: Multinational Company
- MNCs: Multinational Companies
- MNE: Multinational Enterprise
- MNEs: Multinational Enterprises
- OECD: Organisation for Economic Co-operation and Development
- QIZ: Qualified Industrial Zones
- RC: Replacement Cost
- RI: Residual Income
- R&D: Research and Development
- ROA: Return on Total Assets
- ROI: Return on Investment
- SE: Standard Error
- SEC: The Securities and Exchange Commission
- SPSS: Statistical Package for Social Sciences
- SSAP: Statement of Standard Accounting Practice
- USD: American United States Dollar

1 Introduction

1.1 Nature of the research problem

Multinational company is a business organisation operating in more than one country. Each host country has a different environment from the other countries. According to the concept of the systems approach, multinational company is considered 'open system'; it affects and is affected with the surrounded environment. The environment of host country has some factors and variables which affect the company performance. The environmental factors and variables can be classified into economic, legal, cultural, social, technological and political factors. These environmental factors affect the performance of subsidiary during the operating, and they are out of control of the subsidiary management.

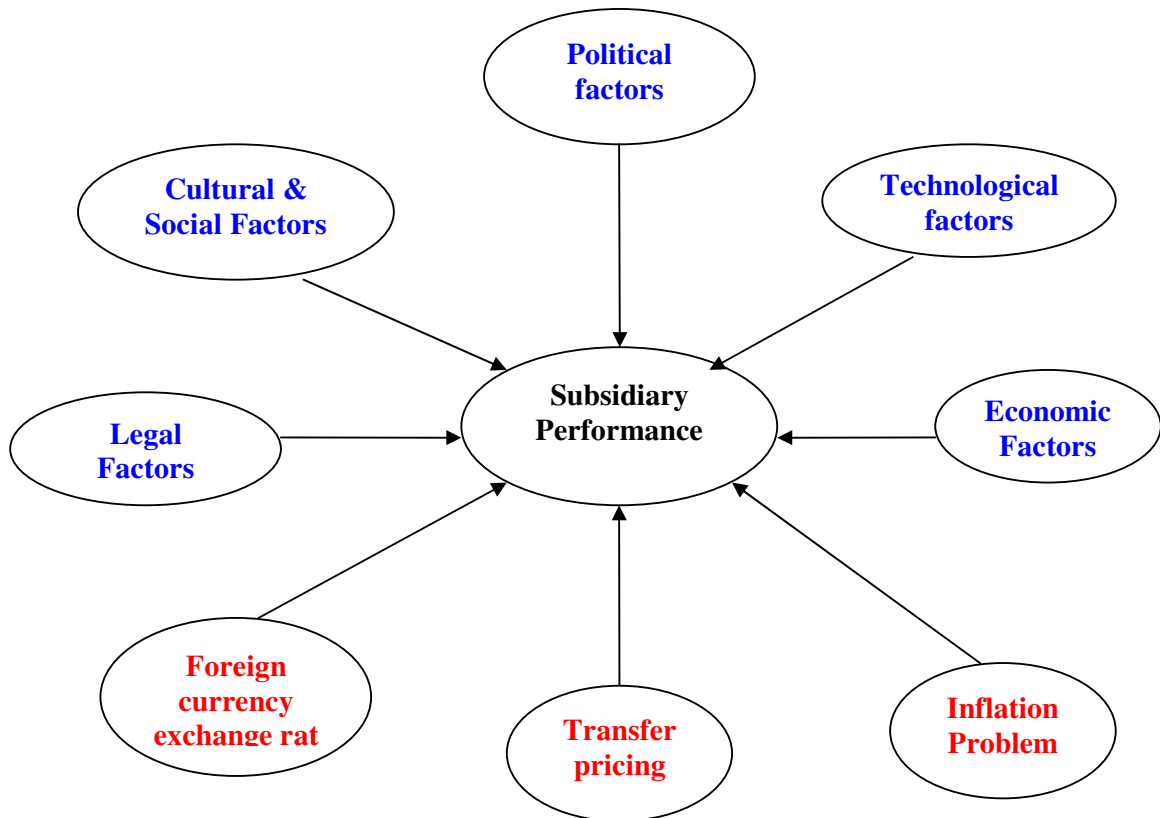


Figure (1-1): The environmental factors and variables affecting Subsidiary performance.

