ABSTRACT

In an increasingly volatile business environment, new product introduction is no longer a strategic option but a necessity for companies to sustain competitive advantage and for countries to achieve national economic prosperity. This is particularly true in such emerging economies as People’s Republic of China, where traditional manufacturing enterprises are striving to achieve the move from ‘Made in China’ to ‘Created in China’. Focusing on the issue of new product introduction by strategic alliances, I propose a theoretical model on the relationship between procedural justice, cross-functional integration and new product introduction. Albeit the notion that cross-functional integration can greatly facilitate the successful implementation of projects is widely acknowledged, contemporary research on cross-functional integration and new product introduction has paid insufficient attention to the issue of procedural justice. Research on whether, how and when cross-functional integration and new product development could be facilitated or promoted from a justice perspective is still in its infancy.

Based on the findings of my field study in 2015-2016, I consider it necessary to take into account the effect of procedural justice in current streams of research on cross-functional integration and new product introduction. I argue firms that establish strategic alliances should pay greater attention to the issue of procedural justice in new product introduction. Moreover, I posit that the relationship between procedural justice and new product introduction is mediated by cross-functional integration. Finally, to address the discrepancies in previous research regarding the relationship between cross-functional integration and new product development, I test the effect of an insufficiently tested moderator, i.e., actual new product introduction strategy, on that relationship. Analyzing data from multiple sources in China, I obtain evidence in support of these arguments, finding procedural justice to exert a positive effect on new product introduction, and cross-functional integration and new product introduction strategy to exert a partial mediating effect and moderating effect, respectively.
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