

# **FACTORS AFFECTING MALAYSIA-CHINA CONSTRUCTION JOINT VENTURE (MCCJV) PROJECTS**

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## **Abstract**

With the economic globalization growing at a rapid pace over the past years, the international joint ventures (IJVs) have become popular increasingly in a large number of countries, as well as many industries. For the purposes of sharing risk, complementing or integrating resources, authority regulatory etc., the IJVs have been widely utilized as a competitive form by the multinational enterprises and other organization entering into global competition. Therefore IJV has long been drawing attention by so many scholars, a few of whom found that more than half of the past IJVs performed unsatisfactorily or poorly, even failed. Differentiating from the majority of previous literatures that focused on the IJVs between developed and developing nations, this study conducts the research on the integrated IJVs in Malaysia's construction industry created by two emerging countries, Malaysia and China. The main aim of this paper is to identify the factors that have negative effects on the performance of Malaysia-China construction joint venture (MCCJV) projects. Quantitative and qualitative approaches were deployed to carry out this study. As results, it is found that the MCCJV projects are badly influenced mainly by the incomplete JV contract, lack of effective dispute resolution method, inappropriate JV form, financial and human resources management, cultural distance etc. Additionally, the Chinese partners' status as strategic ally was downgraded, instead performing like their partners' sub-contractors.

**Keywords:** Joint Venture; Factors; Malaysia; China; Construction  
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