Considering that the OFDI of emerging economics (EEs) has emerged as an increasingly significant phenomenon in global markets. China is the most active internationalizing economy among EEs after its entry into WTO in 2001, while Chinese state-owned enterprises (SOEs) and private-owned enterprises (POEs) show the difference of OFDI motives, which reflect the eclectic paradigm and Uppsala model in the context of China’s OFDI in the UK. Using in-depth interviews for the chosen experimental Chinese firms, the researcher compares the difference between SOEs and POEs in terms of motives, entry mode, guanxi, etc. Subsequently, using macro level data to unravel these factors that push Chinese firms to go abroad, the researcher attempts to merge these two studies to investigate the determinants through firm level. As guanxi is an Eastern term for social networking, and it is also treated as the key factor to promote the development of China’s OFDI in western countries, the study focuses on how to utilize guanxi in the UK. In addition, ego-centric network is a Western term for single focal individual who have special properties in the whole network. Therefore, the deeper research that integrating guanxi dimensions into ego network metrics should be undertaken in order to analyze the utility of guanxi and thus influence OFDI performance.

**Objectives**

1) To dig OFDI motives of selected Chinese SOEs and POEs investing in the UK and relevant facilitating factors meeting the extent to reflect Eclectic paradigm/Uppsala model;

2) To test the determinants of China’s OFDI in the UK since China’s entry into WTO in firm level, which is treated as an extension pushing Chinese multinational enterprises (MNEs) to go abroad.

3) To do an in-depth research that analyzing the utility of guanxi of central individuals in Chinese MNEs, and analyze the size, attributes and structure of the focal person’s ego-centric network that integrates into guanxi dimensions.

**Research Methods**

1) Case study, the researcher conducts case interviews for selected Chinese MNEs in order to mainly investigate the OFDI motives of four Chines SOEs and four Chinese POEs, which reflects eclectic paradigm/Uppsala model in the context of China;

2) Econometric Approach- OLS regression model, the researcher tests the determinants of OFDI through OLS regression model;

3) Ego network analysis, the researcher conducts ego network analysis through designing the questionnaire for selected focal persons who meet the selection criterion.

**Abstract**

**The Trend of China’s Net OFDI**

![Graph 1](chart1.png)

**Interview Questions**

1. Can you tell me about the characteristics of the people you like to do business with?
2. Please name the people with whom you discussed a significant personal decision during the last 6 months.
3. How many hours do you spend with them per week?
4. How many times have you had contacts with them during the last year?
5.3. How many of them are in your social networks?
6. Which degree of the following describes the similarity of business partners and friends? (1) Completely different, (2) Moderately different, (3) Similarly important, (4) Very different.

**Questionnaires**

1. Can you tell me about the characteristics of the people you like to do business with?
2. Please name the people with whom you discussed a significant personal decision during the last 6 months.
3. How many hours do you spend with them per week?
4. How many times have you had contacts with them during the last year?
5.3. How many of them are in your social networks?
6. Which degree of the following describes the similarity of business partners and friends? (1) Completely different, (2) Moderately different, (3) Similarly important, (4) Very different.

**The Region Patterns of Chinese Top Firms in the UK from 2012 to 2015**

![Graph 2](chart2.png)

1) Chinese MNEs may have motives that are inconsistent with OLI framework, such as patent-seeking, guanxi, etc.
2) British institutions, natural resources and market size are positively associated with China’s OFDI.
3) British unemployment rate and inflation rate are negatively associated with China’s OFDI.
4) The utility of Chinese guanxi positively influences the OFDI performance.
5) The attributes of ego-centric network are capable of explaining guanxi dimensions.
6) Guanxi employs ego-centric network analysis to be the precise quantitative measurement measuring the quality of guanxi.
7) The internationalization process not only focuses on knowledge learning and resource commitment, but also builds guanxi in different foreign cultures.