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DIVERSIFICATION AND EXPANSION IN  
LARGE DIVERSIFIED NEW ZEALAND COMPANIES

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ABSTRACT

Diversification and spatial expansion are investigated in relation to eight Type III companies in New Zealand. The case companies are delimited on the basis of a three stage classification of corporate growth and organisation. The conceptual background to the thesis also includes an examination of more general aspects of corporate decision making, strategy, and the expansion and impact of firms in space.

Two areas of research are examined - (a) the incidence and nature of diversification in the eight companies, and (b) spatial aspects associated with diversification and expansion.

A case study approach is used to outline the diversification and spatial expansion of the companies over time. A three-fold classification of diversification is proposed: diversification within and between activity groups and diversification function. Diversification is then viewed in relation to the respective growth developments of the case companies. On the basis of these accounts, a number of conclusions are drawn on the temporal development of diversification in the spatial expansion of the eight companies.

Diversification was found to be an important component in the corporate growth and geographic expansion of the case companies. Furthermore, a review of the geographic distribution of their activities suggests the companies have an important contribution to national and regional development in New Zealand.

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