

Front-End Activities Promote Front-End Performance?-The Moderating Effect of Front-End Uncertainty

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Abstract

This study selected Chinese manufacturing parts industry employees as the research object, through questionnaire investigation, empirical analysis of fuzzy front end (FFE) of new product development (NPD) performance mechanism, and focus on the front end performance intermediary role between the two. The FFE activity has a positive effect on the front-end performance; uncertainty between Learning Strategic and front end performance has a negative moderating effect; uncertainty has a negative moderating effect between Stakeholders and involvement front end performance. Uncertainty has a negative moderating effect between Information collection and front-end performance. The research results not only have theoretical implications for the in-depth study of the management of fuzzy front-end activities, but also have important practical significance for the development of the new product development in china.

Index terms— fuzzy front end; new product development; front-end activities; uncertainty; moderating role.

1 Introduction

economic globalization promotes the development of technology and business competition, innovation is the basis of long-term survival and development of enterprises, and a steady stream of creative sources is an important guarantee to maintain long-term competitive advantage. Fuzzy front end (FFE) is an important stage in the generation and screening of creativity, which has an important impact on innovation success and reducing R & D costs ??Kien et al., 2001). Cooper and Kleinschmidt (1994) studies show that the implementation of quality front-end activities and entered the development stage of the product before the project full definition and planning in enterprise new product development (NPD) play a crucial role in the process of. Therefore, the enterprise should effectively develop, cultivate and manage the front-end innovation activities to achieve good front-end performance. The existing researches on FFE mainly focus on the FFE and new product development performance, based on specific industries and products. The definition and characteristics of FFE is the basis for the follow-up study of FFE; the front-end performance is the direct result of changing the front-end activities through various management methods; NPD performance is affected by the front-end performance ??Zhai, 2014). The key point of NPD's success lies in the "front-end activity", especially in the early development of the market related activities, the success rate of the NPD project is proportional to the time spent in the FFE phase (Cooper, 1988). However, FFE is the weakest link in the process of product innovation, the implementation of the front-end of the project innovation plays a decisive role, and affect the level of product quality, cost and time limit of the length to a great extent (Khurana and Rosenthal, 1997). Markham (2013) believes that most of the value of the new product is created in the front-end stage, the more mature the front-end program, NPD will be more successful. At the present stage, many managers in China are not fully aware of the concept and process of the fuzzy front end, and the front-end activities and their management have not been paid much attention to in the practice of NPD. What are the important effects of front-end activities on the performance of the front end, and whether the effective management of front-end activities directly affects the NPD performance is an important

4 B) FRONT-END ACTIVITIES

44 issue in the research field. This study is based on the theory of open innovation, from the creative source
45 perspective, the front ends is divided into internal and external activities, focus on the relationship between the
46 front and front end performance, and discusses the uncertainty in the regulatory role between front-end activities
47 and front end performance for the first time. Under the background of building an innovation oriented country in
48 China, it is more forward-looking, theoretical and practical value to select the front-end activities management
49 of NPD project in manufacturing enterprises. The research results not only have theoretical implications for the
50 promotion of front-end performance, but also have important practical significance for Chinese manufacturing
51 enterprises to effectively manage NPD front-end activities.

52 2 E

53 following four aspects: the definition and characteristics of FFE, the front-end performance and its mechanism,

54 3 Literature Review and Hypothesis a) Fuzzy front end

55 The new product development process is usually divided into three stages: fuzzy front end, project implementation
56 and commercialization. The fuzzy front end refers to the early stage of New Product Development, roughly covers
57 the idea generation project business plan is approved or termination of the development period, including the
58 product idea generation and selection, concept development and definition, business plan and design (Khurana
59 and Rosenthal, 1997). FFE stage management plays a decisive role in the successful implementation of new
60 product development projects. Uncertainty refers to the difference between the amounts of information that
61 an organization needs to perform a specific task. In order to reduce the uncertainty of FFE, it is necessary
62 to collect a large amount of relevant information in the process of new product development. Research
63 shows that, more reduction in the front-end stage of specifications is uncertain and product definition phase
64 deviation followup projects are smaller, and the greater success rate of New Product Development ??Souder and
65 Moenaert et, 1992;al., 1995). In addition, Cooper (1988) points out that after the implementation of project,
66 the commercialization of the new product will be successful and the mechanism of the fuzzy front-end stage
67 technology and market uncertainty reduction needs to be further studied.

68 The fuzzy front end of uncertainty, the existing research has not yet formed a unified definition of standards.
69 Different scholars from the perspective of division of the front stage of uncertainty, such as Lynn and Akgun
70 (1998) pointed out that the uncertainty mainly comes from two aspects of market and technology. Kim and
71 Wilemon (2002) think that this uncertainty comes from technology, market demand, resources and organization
72 ability. ??run (2009) from the "theme" and "source" two aspects of division of uncertainty, the "theme", including
73 product market, process and resources, on the other hand "source" mainly includes multiple meanings, novelty,
74 effective and reliability. ??ouder and Moenaert (1992)

75 4 b) Front-end activities

76 The strategic planning and opportunity recognize are the input of FFE and the specific project plan are the
77 output by the FFE. This construct the FFE input and output model, pointed out that the front-end activities
78 including task processing, concept formation, concept selection, concept definition, business analysis and project
79 plan. ??Nobelius and Trygg, 2002). ??u et al (2004) said that there are two main types of front-end activities:
80 one is planning, including with product planning and project planning; the other one is related to creativity,
81 including with creative production, creative development and creative assessment. According to Chen and Gao
82 (2005) suggested about improving the front-end activities from the six aspects of development strategy such
83 as new ideas, organizational activities, supplier involvement, customer participation, feasibility analysis and
84 to reduce the ambiguity level as per the front end theory. It improves the performance of complex product
85 significantly. In addition, the innovation of enterprise culture or atmosphere will affect the enterprise for creative
86 collection or the degree of attention between NPD project team communication level and creativity will affect the
87 project team and other departments of the enterprises are also affected. Markham (2013) believed that the front
88 series of activities include the effects of preparation process, front-end resource supply and the front lead user
89 has completed. The sequence of activities such as consensus on the front end performance was made and then
90 found that the implementation of front-end control cost and eliminate the formal process of project. Although
91 the literature suggests some front-end activities but without considering the various activities of the interaction,
92 there is no scholars or managers pointed out what major activities have a positive impact on the performance
93 of the front. On the basis of the existing research, including the actual China manufacturing enterprises mainly
94 involved for the both main supplier and customer participation. The main front end activities are at the same
95 time choosing internal subjects including learning strategy and information collection. Although there have been
96 studies on these activities, but not at any analyzing the influencing factors of front end performance and NPD
97 performance. The present study focused on the two points as followed. We will focus on the learning strategy,
98 stakeholder participation and information gathering effect on front end performance. Whether uncertain have a
99 moderating role on the relationships between the front end and front end performance play.

100 This study will study influence of the front-end activities on front-end performance and exploring the
101 moderating effect of front-end uncertainty. The front-end activities include learning strategic ?? The strategic
102 orientation determines the learning activities of search scope, standard and integrated use of knowledge. The

103 limited scope of attention will lead to inertia and cognitive basis will be conducive to the development of diversified
104 exploration activities (Hsieh et al., 2016). Therefore, the strategic orientation of enterprise may be an important
105 factor in determining the choice of learning methods. Companies with different strategic orientations may choose
106 and promote different types of learning activities to achieve innovation. The enterprise's strategic orientation
107 can be reflected in the use of resources, selection of competitive strategy and understanding of how to gain
108 competitive advantage (Bacciotti et al., 2016). Different enterprises orientation will have different strategies,
109 define different business scopes and adopt different resources and competitive strategies. There is a big gap
110 among the knowledge technology and ability of a product innovation and existing technology of the enterprise.
111 In order to realize independent innovation enterprise, we often need to learn new knowledge and skills (Moon
112 and Han, 2016). Therefore, in the process of product innovation, it is often necessary to make a tentative
113 study in unknown field. Exploratory learning helps to enterprises to collect new opportunities, new business
114 development, new technology and the ability of exploring learning plan. Many scholars define new product
115 development as an uncertainty reduction process (Lievens and Moenaert, 2000; ??ester and Priore, 2004). Because
116 uncertainty can lead to both positive and negative outcomes, refinements in this initial definition are required
117 for application to project management. Perminova et al. ??2008) defined "uncertainty as a context for risks as
118 events having a negative impact on projects outcomes or opportunities". Those events have beneficial impact
119 on project performance because the fuzzy front end involves high levels of uncertainty, the transformation of
120 FFE to formal projects results from the coverage of different sources and overcoming uncertainties. The limited
121 level of resources available during the FFE makes personal networks because they provide informal access to
122 resources and expertise (Stevens 2014). Although rationality is difficult to achieve when uncertainty is exists.
123 Learning strategies can contribute to issue identification and then to the adoption of options with the highest
124 probability of success. Knowledge creation processes such as gathering more information, comparing it with
125 existing knowledge, exchanging intensively with other members of team and creating scenarios can contribute to
126 the optimization of choices for development teams ??Matinheikki et al., 2016). Therefore, this study proposes
127 the following hypotheses: Hypothesis1: Learning strategic has a positive impact on front-end performance.

128 ii. Stakeholders involvement and FFE performance If uncertainty reflects difference between the amounts
129 of knowledge to perform a task and the amount of knowledge available in company ??Galbraith, 1973) then
130 development managers can overcome this gap by increasing available knowledge such as: empirical experience,
131 recruitment of new expertise or processing of information in different ways. From this perspective, collecting
132 enough information during go/no-gostages until rational decisions can be made will reduce the level of uncertainty
133 (Cooper and Kleinschmidt, 1994;Verworn et al., 2008). For example: research has recommended increased
134 communication between departments, specifically research and development and marketing, or even improvements
135 in company information systems to gather, process, and structure the information ??Moenaert et al., 1995;
136 ??ontoya and Driscoll, 2000).

137 Reliable information can effectively reduce the uncertainty and risk, continue to collect relevant technical
138 innovation, market development, internal organization and external development and competition and other
139 aspects of the information, pay attention to historical data, experience and intuition, so as to keep the channels
140 for the flow of information in new product

141 5 B

142 iii

143 6 . Information collection and FFE Performance

144 The ability of an enterprise to collect information determines resources that an enterprise can utilize in the FFE
145 (Olausson and Berggren, 2012;Pentina and Strutton 2007). More information sources, greater the heterogeneity
146 of information, diversity of information on the front-end innovation inspired more. Suppliers and users take
147 participate in front-end activities, which can provide more information about product requirements, product
148 specifications, product performance, part cost in the front end (Schemmann et al., 2016). Other stakeholders
149 take participate in the front end, which can provide more information about market and price. Enterprise
150 integrates information from stakeholders effectively to the front end of innovation, which ultimately may be
151 integrated into RD project (Schoenherr and Wagner 2016; ??ong et al. 2011). The empirical study shows that
152 the knowledge sharing of customers, suppliers, competitors and internal subjects has a significant positive impact
153 on the performance of frontend, and that measured by the degree of strategic matching ??Hong et al., 2007;Reid
154 et al., 2016). Jeppesen and Laursen (2009) found that will have a positive effect on the development of knowledge
155 sharing leading users; with external related knowledge and full integration of different sources of lead user has
156 a certain regulating effect. Supplier involvement on both sides of interactive relationship between the fuzzy
157 front end (manufacturers and suppliers) has a significant positive impact on technological innovation ability of
158 manufacturing industry. Manufacturing technology learning has a significant positive impact on technological
159 innovation capability. Supplier participation positively influences the breakthrough in the fuzzy front end of
160 innovation. An empirical study shows that supplier involvement in fuzzy front-end can significantly improve
161 customer value (Hong et al., 2007). Li et al. (??013) and other research also shows that supplier involvement in
162 NPD process has a significant positive impact on knowledge creation and innovation ability. The research shows

8 RESEARCH DESIGN A) AN EMPIRICAL STUDY BASED ON CHINA'S MANUFACTURING ENTERPRISE I. QUESTIONNAIRE DESIGN AND STATISTICAL METHODS

163 that customer participation in enterprise incremental innovation is conducive to improve NPD performance, and
164 suppliers to participate in incremental innovation and breakthrough innovation can improve NPD performance
165 ??Menguc et al., 2013). Customer participation in new products development can enable enterprises to shorten
166 the development time, create competitive advantage and increase sales success.

167 Hypothesis 3: Information collection has a positive impact on front-end performance.

168 7 iv. The moderating effect of front-end uncertainty

169 Front-end uncertainty under environmental such as changing market conditions, emerging technological developments and evolving competition can cause confusion about project targets and how tradeoff decisions should
170 be made ??Zhang and Doll, 2001). High-tech industries also face these environment conditions. Front-end
171 uncertainty implies vague and imprecise exogenous causes (i.e. environmental uncertainty) as well as the internal
172 consequences of uncertainty ??Zhang & Doll, 2001). The FFE itself is uncertain; a firm's competence and
173 activities must reflect an innovative procedure to succeed in an environment full of uncertainties (Danneels
174 & Kleinschmidt, 2001; ??oskela and Martinsuo,2009). Customer's ambiguity, uncertainty technology and
175 competition challenge the organization's ability to function solely on a rational basis. Customer uncertainty
176 defined as lacking an understanding of customers and market leads to product development difficulties and failure
177 based on uncertainty regarding: the demand for the kinds of products offered, appropriate product characteristics,
178 and length of product life cycle. Technology uncertainty is defined as a lack of understanding regarding technology
179 and manufacturing requirements for production based on uncertainty regarding: process functions or input
180 characteristics specifications, suppliers' design, manufacturing capability, and meeting raw material standards.
181 Such uncertainty may lead to launch delay and increased development costs. Competitor uncertainty is defined
182 as a lack of understanding regarding actions undertaken by competitor's product development and technology
183 adoption and so on. This may result in missed launch timing and directly undermine the focal firm's product
184 market ??Zhang and Doll, 2001).Contingency theorists have acknowledged that different kinds of uncertainty
185 influence the optimal way of organizing management processes (Donaldson, 2001 Poskela and Martinsuo, 2009).
186 In high technology competitive environments, higher front-end uncertainty (related to customer, technology and
187 competition),leads to an organization becoming more easily distracted, deviating to unknown strategic goals,
188 being hindered in the process of decision-making and experiencing the prevention of accurate information being
189 available to the project team. Therefore, hypothesize that these management activities impact FFE performance
190 by the front-end uncertainty. When uncertainty is low, Scholars taking information-processing view often suggest
191 that by reducing uncertainty as much as possible during FFE phase, the overall performance can be improved
192 ?? There is a great deal of uncertainty in front-end innovation environment and companies need to deal with a
193 greater risk. When the uncertainty is low, companies can more accurately grasp the market and user needs. The
194 project plan developed by enterprise in the front stage that's more likely to be approved for development and
195 new product commercial success probability will be improved ??Verworn 2009;Verworn et al., 2008).

196 Research has more specifically showed that a high degree of uncertainty can create significant difficulties for
197 front-end projects. Technical uncertainty influences prototype development proficiency and moderate design
198 change frequency. Market uncertainty influences both product launch proficiency and market forecast accuracy,
199 but also moderate prototype development proficiency and design change frequency (Souder et al., 1998).

200 If project participants face high levels of such uncertainties (i.e., an inability to close important information
201 gaps) when engaged with front-end activities. The general prediction is that they are likely to face severe
202 consequences and project failures (Herstatt and Verworn, 2004;Murmann, 1994).This prediction is strengthened
203 by previous research, which has shown that successful front-end projects are characterized by low levels
204 of uncertainty ??Moenaert, 1995). Hypothesis 4: uncertainty has moderating effects on the Relationship
205 between learning strategic and front-end performance. Hypothesis 5: uncertainty has moderating effects on
206 the Relationship between stakeholder's involvement and front-end performance. Hypothesis 6: uncertainty has
207 moderating effects on the Relationship between information collection and frontend performance.

208 8 Research Design a) An empirical study based on china's man- 209 ufacturing enterprise i. Questionnaire design and statistical 210 methods

211 We collect data by a large sample of questionnaire survey. In order to ensure the content of validity questionnaire
212 survey, in reference to formation on the basis of existing literature. We obtain final questionnaire through the
213 field visits, communicate with enterprise management personnel to listen to expert opinion, scholars conducted
214 several rounds of optimization of the questionnaire. The questionnaire consists of two parts. The first part
215 is the basic information of respondents truthfully filled, including gender, age, education, work experience, job
216 categories, enterprise scale, ownership and firm age. The second part is subjective items on the learning strategic,
217 stakeholders involvement, information collection, uncertainty and front end performance, by the Likert 7 scale
218 (Likert type scale) means the understanding for each problem, "1" means "strongly B disagree", "7" means "very
219 much agreed". The questionnaire analysis method mainly includes the following three kinds: 1) Descriptive
220 statistical analysis: The basic information of the respondents were analyzed, we employee SPSS18.0 to calculate
221

222 the frequency and percentage the degree of education, work experience, job category, enterprise scale, ownership,
223 firm age and industry etc.. 2) Reliability and validity analysis: Cronbach's Alpha coefficient method was employed
224 to measure the correlation between items and to measure the consistency of each variable and scale. 3) Structural
225 equation model analysis: AMOS18.0 software is employed to test goodness of fit and path analysis of conceptual
226 model of this study.

227 **9 ii. Data collection and sample descriptive statistics**

228 The questionnaire is mainly distributed via website and through the screening of qualified students in the
229 MBA/EMBA and senior management training courses in a university. The paper questionnaires were issued
230 and respondents monitored and recovered. On the other hand, we through the field visits, telephone or e-mail
231 and other ways to contact a company with the subjects and as the research in the enterprise contact, and then he
232 will send the questionnaire. This method can ensure the questionnaire recovery rate and quality. This study is to
233 improve the reliability of results, according to the National Bureau of standards for China's manufacturing
234 industry classification. we choose four typical industries with faster product updates and new product
235 development project more, including general equipment manufacturing industry, computer communications and
236 electronic equipment manufacturing, pharmaceutical manufacturing and automobile manufacturing enterprises.
237 In order to improve the quality of questionnaire, the respondents company's senior management, technical
238 director, R&D Manager, senior R&D personnel and marketing personnel, etc. The survey issued a total of 300
239 questionnaires, the recovery of questionnaire 232, excluding unqualified questionnaire get a valid questionnaire
240 of 196, the effective recovery rate was 65.3%. Table ?? is descriptive statistics of the basic characteristics of
241 respondents. The investigation object of this research is mainly related to staff of the stateowned enterprises
242 and private enterprises in Hubei Province. Foreign enterprises are relatively small in Hubei province, and foreign
243 technology development generally depends on the parent company. The three control variables are firm size, firm
244 age and industry. The firm size represented by the number of employees, including "1" express "and below 100",
245 "2" means "101-300", "3" means "301-500", "4" means "more than 501". Firm age: "1" means "1-5", "2"

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249 B means "6-10", "3" means "11-25", "4" means "26 years"; industry of "1" means the general equipment
250 manufacturing industry "," 2 "means" computer, electronic and communication equipment manufacturing
251 industry "," 3 "means" the pharmaceutical industry "," 4 ""automobile manufacturing industry". The descriptive
252 statistics and correlation coefficients of each variable table are shown in table 3. The variables to be measured
253 in this study are learning strategic, stakeholder's involvement, information collection, uncertainty and front-
254 end performance. All scales in reference to recognized literature at home and abroad in the mature scale,
255 according to the characteristics of this study, combined with the actual situation of our country's manufacturing
256 enterprises are modified; this can ensure the reliability and validity of the measurement scale. The learning
257 strategic goals are defined as giving purpose and direction to the work of the team; we created a five-item scale
258 based upon some scholars' conceptualization ??Kim & Wilemon, 2002a Information collections includes of R &
259 D personnel, marketing personnel, other technical personnel to the market, technology resources, other aspects
260 and establish a scientific information collection system as well as information communication work mode. We
261 created a four-item scale based on some scholars' conceptualization ??Hart 1999; Olausson and Berggren 2012;
262 Calabrese 1999; Pentina and Strutton 2007). The front-end uncertainty was adapted from three measures and
263 operationalization ??hang and Doll (2001). Customer uncertainty is defined as the lack of determining customer
264 needs in regard to the product. Technology uncertainty is defined as uncertainties regarding manufacturing
265 capability and design technology. Competitor uncertainty is defined as not understanding competitors' technology
266 and product development. We measured front-end uncertainty according to seven items. As discussed earlier, in
267 FFE performance certain aspects, such as scope and profit have yet to be fixed. Our primary concern in measuring
268 this construct was to identify a scale that would enable the assessment of the efficiency and effectiveness of FFE
269 performance according to the NPD performance's conceptualization ??Chen et al., 2010;Verworn et al., 2008;
270 ??agner, 2010). This study based on previous research. The front-end activities results would help further
271 research results based on the perspective of 4 evaluation indexes: front end performance has a clear product
272 development goal; the formation of product definition clear; the project team to reach a consensus on the
273 New Product Development; the general development strategy of product development strategy and enterprise
274 consistent. The variables for all variables are shown in Table 4 Item-general correlation coefficient (CITC) were
275 all greater than 0.35, the coefficients of variables are greater than 0.7, which shows good internal consistency
276 between the measurement items and scale has high reliability. In addition, this study tests the validity of
277 CFA measurement model by AMOS18.0. Standardized coefficient can be seen from table 4, the standardized
278 coefficient is greater than 0.5($P < 0.001$), which shows that the questionnaire has reached the requirements of
279 validity. Through the analysis of reliability and validity is concluded that the measurement index has a strong

14 A) RESEARCH CONCLUSIONS

280 explanatory power to the corresponding variables, which indicates that the internal quality and construct validity
281 of the better model.

282 12 B e) Hierarchical regression analysis

283 This study used hierarchical regression analysis to test the moderating effect of uncertainty. Due to this need of
284 regulation effect, the hierarchical regression analysis is employed on the basis of relevant variables and the results
285 are shown in table 8. First of all, the author examines the effect of control variables on performance and the
286 model 1 only include the control variables such as firm size, firm age, industry and so on. As shown in model
287 1, the regression coefficient of firm age and industry is not significant. The effect of two control variables on
288 the front-end performance of new product development is not significant. The regression coefficient of firm size
289 is 0.117, significant at the level of $P < 0.100$, indicating firm size has a positively relationship with the front-end
290 performance, which shows that better enterprise front-end performance is the larger firm size. However, the
291 Adjusted R² of model 1 and F value is not significant indicating that the interpretation model 1 is very weak.
292 Therefore, effect of control variables on the front-end effect is not obvious. Secondly, the author add independent
293 variables on the basis of model 1 to test independent variables on the dependent variable in model 2-3, and add
294 variable (uncertainty) in model 3 on the basis of model 2. As shown in model 2 and 3, the regression coefficient
295 of learning strategic, stakeholders involvement, information collection and uncertainty at least level of $P < 0.050$
296 significantly and the Adjusted R² of model 2 and model 3 reached 0.347 and 0.398 respectively, F-test was on
297 the $P < 0.001$, the independent variable cab strong explanatory front end performance. Adjusted R² in model
298 3 is larger than in model 2, which shows that model 3 can better explain the front end performance and also
299 shows that uncertainty plays an important role in explaining the front end performance. Finally, the author
300 examines the moderating effect of uncertainty on the relationship between independent variables and the front-
301 end performance. Learning strategic, stakeholder's involvement, information collection and the interaction of
302 uncertainty are added to the model 4-6 in turn. As shown in model 4-6 the interaction coefficient is significantly
303 negative. The uncertainty has a negative moderating effect on the relationship between the frontend activities
304 and the front-end performance.

305 13 Conclusion and Discussion

306 This study confirmed the learning strategic effects, stakeholder's involvement, and information collection on the
307 front-end performance, particularly concerning manufacturing industries. Due to its complexity, in the early
308 stage of product development an organization can quickly develop team vision and shared purpose. Also can
309 define clear, realistic project targets and lead the project team in the right direction, to enhance the front-end
310 performance.

311 14 a) Research conclusions

312 First, learning strategic has a positive impact on front-end performance. Enterprises build organizational learning
313 system through the establishment of a detailed learning strategy to learning methods are scientific, learning
314 objectives with strategic and forward-looking. Learning strategy provides a clear strategic direction for the new
315 products development so that the front-end activities are more targeted.

316 Second, Stakeholders involvement has a positive impact on front-end performance. This shows that the front-
317 end activities through different Internal staff take contribute in the front-end activities as soon as possible to share
318 their information and knowledge as well as integrated into the front-end project planning book. The enterprise
319 can strengthen the trust between customers to enhance customer dependence through the relationship between
320 investments and improve the enthusiasm of customers involved in the front-end activities. Realizing customer
321 knowledge sharing customer demand will be unified into the NPD initial project planning. The possibility of
322 new product development is greatly improved. Suppliers involved in the front-end process and interaction with
323 manufacturing enterprises that not only can realize the sharing of resources and knowledge. At the same time,
324 supplier can provide a large number of possible market information in interaction process and ideas evoked for
325 product innovation and promote enterprises to progress the front end performance.

326 Third, Information collection has a positive influence on front-end performance. The more market information
327 collected by R&D personnel in the front-end stage that stronger the pertinence of the customer's needs. Effective
328 technical information can predict technical difficulties that may exist in later stage and reduce the risk of
329 subsequent research and development.

330 Fourth, the front-end uncertainty has moderating impact relationship between learning strategic and FFE
331 performance, as well as between learning strategic and FFE performance. Particularly regard in to technology
332 uncertainty and competitor uncertainty. Customer uncertainty of front-end has moderating impact learning
333 strategic to FFE performance.

334 Fifth, the uncertainty has a negative moderating effect on relationship between Stakeholders involvement and
335 front-end performance. This shows that the frontend uncertainty is comparatively high although the suppliers,
336 consumers, competitors and intermediaries involves in the front stage. But it is limited in depth and width without
337 covering all aspects of information. When the front-end uncertainty is low, suppliers, consumers, competitors and
338 R&D team internal communicate to produce more creative for forming project planning, which can be developed

339 to provide more effective creative. Sixth, the uncertainty has a negative moderating effect on the relationship
340 between information collection and front-end performance. When the uncertainty is relatively high, research
341 team needs to collect more information thereby increasing the difficulty of information collection and reducing
342 the role of information collection. While front-end uncertainty is relatively low and the research team to grasp
343 the information sufficient to accurately grasp the market demand to meet the technical needs of new product
344 development. New Product Development project will also reduce the difficulty.

V. ^{1 2 3}

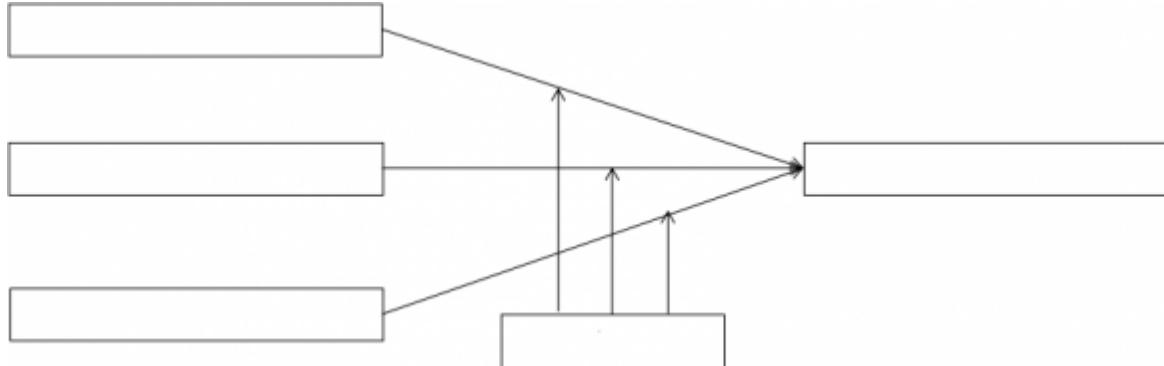


Figure 1:

Figure 2:

345

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²Front-End Activities Promote Front-End Performance?-The Moderating Effect of Front-End Uncertainty

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14 A) RESEARCH CONCLUSIONS

2

Variables	Items	Number	Percentage (%)	Variables	Items	Number	Percentage (%)
Education	Junior college and below	46	23.5	Work age	1-3years	95	48.5
	Undergraduate	91	46.4		3-5years	65	33.2
	master	54	27.6		5-10years	31	15.8
	doctor	5	2.5		?10years	5	2.5
Job	R&D	60	30.6	Firm size	?100	58	29.6
	Marketing	44	22.4		101-300	48	24.5
	Management	50	25.5		301-500	27	13.8
	Production	7	3.6		?501	63	32.1
	Logistics	10	5.1	Firm age	1-5years	61	31.1
	Finance	15	7.7		6-10years	67	34.2
	Other	10	5.1		11-25years	38	19.4
industry	General manufacturing	61	31.1		?26years	30	15.3
	Computer, communication			owners	State-owned	71	36.2
	s and other electronic equipment	52	26.5		enterprise	65	33.2
	Pharmaceutical	47	24.0		Foreign funded enterprises	36	18.4
	Automotive	36	18.4		Other	24	12.2

[Note: iii. Descriptive statistics of control variables and scales]

Figure 3: Table 2 :

3

[Note: Note: * * indicates that the path coefficient is significant at the $P<0.01$ level; * indicates that the path coefficient is significant at the $P<0.05$ level b) Variable measurement]

Figure 4: Table 3 :

4

Variable name	1	2	3	4	5	6	7	8
learning strategic	1							
stakeholders involvement	0.416 **	1						
information collection	0.366 **	0.335 **	1					
Uncertainty	0.340 **	0.336 **	0.359 **	1				
Front-end performance	0.424 **	0.438 **	0.421 **	0.311	1			
				**				
Firm size	0.492 **	0.475 **	0.543 **	0.401	0.421	1		
				**	**			
Firm age	0.412 **	0.521 **	0.404 **	0.411	0.456	0.121	1	
				**	**	*		
Industry	0.553 **	0.512 **	0.498 **	0.553	0.478	0.501	0.479	1
				**	**	**	**	
Mean value	5.13	5.20	5.19	5.37	5.15	4.91	5.09	5.12
Variance	0.93	0.70	0.86	0.79	0.78	1.21	0.56	0.87

Figure 5: Table 4 :

14 A) RESEARCH CONCLUSIONS

5

Variable name	Code	CITC	Delete the item ?	Cron?	Standardized coeffi- cient
Learning strategic	LS1	0.668	0.703	0.713	0.735
	LS2	0.702	0.713		0.718
	LS3	0.713	0.721		0.778
	LS4	0.732	0.715		0.786
	LS5	0.695	0.703		0.723
Stakeholders involvement	SI1	0.768	0.813	0.762	0.819
	SI2	0.757	0.762		0.784
	SI3	0.721	0.732		0.738
	SI4	0.686	0.738		0.745
Information collection	IC1	0.741	0.762	0.815	0.814
	IC2	0.712	0.745		0.827
	IC3	0.784	0.784		0.830
	IC4	0.720	0.713		0.789
Uncertainty	UN1	0.678	0.783	0.856	0.818
	UN2	0.735	0.803		0.814
	UN3	0.758	0.802		0.797
	UN4	0.731	0.746		0.752
	UN5	0.698	0.722		0.743
	UN6	0.783	0.788		0.794
	UN7	0.754	0.768		0.783
Front-end performance	FP1	0.731	0.773	0.805	0.801
	FP2	0.742	0.769		0.711
	FP3	0.721	0.782		0.813
	FP4	0.698	0.721		0.789

d) Model fitting and path analysis

As can be seen from table 5, the model has good reliability and validity and the structural equation model is established by AMOS18.0. The effective samples of this study reached 196 copies, under the sample capacity. Measured values of skewness and

kurtosis are far lower than the critical standard at reasonable range, the sample data of each item obeys normal distribution, and it can be used for maximum likelihood parameter estimation method. The fitting index of the model, as shown in table 6, has reached requirements of the Structural Equation Model.

Figure 6: Table 5 :

6

	? 2	? 2 /df	RMSEA	NFI	GFI	CFI
Result value	360.0	1.706	0.059	0.931	0.915	0.929
Reference range	>0	<3	<0.06	>0.9	>0.9	>0.9

Figure 7: Table 6 :

Path	Standardized path coefficients	Path coefficient	C?	R.	Results
H1: Learning strategic?Front-end performance	0.294 **	0.345	7.109	accept	
H2: Stakeholders involvement?Front-end performance	0.420 ***	0.570	6.308	accept	
H3: Information collection?Front-end performance	0.454 **	0.510	4.274	accept	

[Note: Note: ** indicates that the path coefficient is significant at the $P<0.01$, * indicates that the path coefficient is significant at the $P<0.05$. © 2017 Global Journals Inc. (US) 1]

Figure 8: Table 7 :

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7
Firm size *	0.117	0.072	0.062	0.056	0.061	0.047	0.049
Firm age	0.008	0.028	0.017	0.013 *	0.032	0.021	0.023
industry	0.011	0.020	0.015	0.013	0.007	0.011	0.012
LS	0.221 **	0.219 **	0.312 ***				0.218 **
SI	0.432 ***	0.398 **		0.412 **			0.382 **
IC	0.312 ***	0.289 ***			0.299 **	0.289 **	
UN		0.387 **	0.341 **	0.304 ***	0.334 ***	0.293 ***	
LS×UN			-0.287 **				0.198 **
SI×UN				-0.102 **			0.107 **
IC×UN					-0.148 ***	0.112 **	
R ²	0.023	0.356	0.472	0.378	0.344	0.296	0.228
Adjusted R ²	0.009	0.347	0.398	0.341	0.101	0.269	0.415
F-value	2.011	28.342 **	30.231 ***	27.961 ***	27.232 **	26.881 **	22.341 ***

IV.

Figure 9: Table 8 :

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14 A) RESEARCH CONCLUSIONS

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