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THE RELATIONSHIP BETWEEN ORGANIZATION CULTURE AND KNOWLEDGE SHARING IN A BORN GLOBAL FIRM

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TABLE OF CONTENTS

LIST OF TABLES AND FIGURES

TABLES

FIGURES

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ABSTRACT
Knowledge sharing and its stickiness have been studied extensively over the last decade in the context of traditional MNCs. However, minimal research focuses on the organizational culture of Born Global firms and its relationship with knowledge sharing. Knowledge sharing is very much influenced by organizational culture because it is through organizational culture that shapes employees to achieve desired organizational goals, such as increased internal knowledge sharing. The AMO framework (Ability, Motivation & Opportunity) is used to draw the link between knowledge sharing and organizational culture. In addition, the role of the CEO was studied to better understand the influence of the CEO in motivating (or inhibiting) subordinates to share knowledge.
The research had two main research questions; the first research question looks at the extent to which organizational culture represents a barrier or enhancer to effective knowledge sharing within the born global firm. Secondly, research question 2 aims to investigate the role of the CEO in knowledge sharing.
To complete this research, a qualitative in-depth case study was conducted on one Finnish Born Global firm. Interviewees were from its two headquarters located in two Finnish cities. Seven semi-structured interviews were carried out to complete this embedded case study.
Organizational culture of the born global firm was in fact an enabler of knowledge sharing, contrary to findings of previous studies done on traditional MNCs. One key component of organizational culture emerged in this research – the flat organizational structure of the Born Gobal firm was shown to be most influential in enhancing knowledge sharing within headquarters and its foreign subsidiaries. In addition to having a flat organizational structure, the born global firm was relatively small and agile which allowed them to work fast and have direct communication with others within the firm. With shared work goals and a common understanding of the company's visions, knowledge was shared effectively in this born global firm. The CEO of the born global firm works professionally and his openness eases knowledge sharing amongst his subordinates.

KEYWORDS: Knowledge Sharing, Born Globals, Organizational Culture, Organizational Structure, Knowledge Sharing Barriers, Leadership

If you have knowledge, let others light their candles at it.

Margaret Fuller

1. INTRODUCTION

This first section aims to introduce the main topic of interest and set the scene for the reader. Topics which come under this introductory section are knowledge transfer, stickiness of knowledge transfer, knowledge transfer stickiness in born globals, arguments for focusing on organizational culture and finally, the research problem and research questions will be presented in this first section also.

1.1 Background

The world has seen traditional multinational firms rise to glory (e.g. Apple, IBM, Procter & Gamble, ABB etc.) and many have wondered if smaller firms could ever reach the same status. Technological advances have significantly reduced the cost of communication and have eased collaboration of knowledge thinkers globally. Today employees from companies of all sizes can interact with their colleagues around the globe inexpensively and efficiently. Technology has changed the rules of doing business.

Thanks to this transformation of technology, small companies now find themselves on a level playing field with their larger, often multinational, competitors. In addition, small companies have the agility and flexibility which enables them to react quickly to changes around them and optimize the opportunities available. This makes the early 21st century the era of the smaller, global company or born globals.

Born global firms have managed to expand internationally at a rapid pace which exceeds the capabilities of traditional firms. Being born into the knowledge-driven economy, how has these born global firms managed to transfer knowledge efficiently across such large networks despite their limited resources and experiences? The nature of transferring knowledge is complex even within one unit, let alone transferring knowledge to multiple locations. The countless “stickiness” (Riusala & Suutari 2004;

Gupta & Govindarajan 2000; Levin & Cross 2004; Szulanski, Cappetta & Jensen 2004; Li & Hsieh 2009; Szulanski 1995; 1996; 2000; Szulanski & Winter 2002; Zaheer 1995) factors of knowledge transfers make this study area delicate and demanding.

This exploratory in-depth case study examines the blurred relation between organizational culture and knowledge sharing. Organization culture (values, strategic goals, structure and practices) (Schein 1985; De Long & Fahey 2000) of born global firms may or may not affect knowledge sharing and this research sets out to investigate this. According to Ghoshal and Bartlett (1995, as cited in Michailova & Minbaeva 2011: 2.), “employees who share an organization’s values and whose jobs allow them to contribute to those values have far stronger incentives to collaborate and, by implication, to share knowledge”. And, unless employees share the same “world view”, it would be hard for the development of sufficient levels of trust among subcultures and for knowledge sharing among individuals to take place (Nahapiet & Ghoshal 1998; Tsai & Ghoshal 1998; as cited in Michailova & Minbaeva 2011). Also, Rialp & Rialp (2006) have found that a combination of human and organizational capital resources show a significant impact on those firms being considered as highly successful born global firms. Hence, this research sees the potential in studying organization culture of born global firms and aims to explore the unique characteristics of how they affect specific organization culture-related barriers of knowledge transfer.

1.2 Research Gap

Past studies and theories have addressed the multifaceted topic of knowledge transfers. However, most previous researchers (e.g. Zander & Kogut 1995; Szulanski 1996; Simonin 1999; Gupta & Govindarajan 2000 & Minbaeva 2008) have looked at large traditional multinational firms and how these knowledge transfer barriers have affected them; however, no explicit research has been done on born global firms (Rialp & Rialp 2006). A reason for this may be the fact that born global firms are also considered to be a recent business concept, therefore making this research field even more attractive.

As mentioned earlier, the world lives in a knowledge-based economy and increasingly depends on knowledge as its “mileage”. Together with the trends of expanding internationally, firms are required to spread their resources and knowledge over vast distances. Traditional multinational firms have learnt that becoming international has its problems too, specifically in transferring best practices to all its subsidiaries.

Not only are we witnessing large growth in terms of size, we are also experiencing fast paced growth - nothing beats the growth time of born global firms (McDougall, Shane & Oviatt 1994). Born global firms have very specific growth strategies from inception for them to be able to have rapid growth (McDougall, Shane& Oviatt 1994) and these growth strategies are embedded in the firms’ organizational core values (culture).

There may not be a direct link between organization culture and knowledge sharing, as Michailova and Minbaeva (2011) state in their study that while existing knowledge sharing literature, in general, emphasizes the link between organizational culture and knowledge sharing, it remains rather ambiguous about how certain components of the former may shape the latter. Therefore, a heuristic device, or the AMO framework will be used in this study to help make that connection. The Ability, Motivation, Opportunity framework (Siemsen 2008) takes into consideration the importance of three very specific requirements of an effective knowledge sharing transaction.

The purpose of this research is to explore the organization culture characteristics of a Finnish born global firm and the specific aspects of organizational culture which impact knowledge sharing. Organization cultural management and managerial interventions were also taken into consideration to investigate the effects of organizational culture on knowledge sharing. The role of the CEO is also of interest since it is assumed that born-globals’ culture originates from its’ visionary leader(s) (Aitken 2007). Semi-structured interviews were used for this investigation, and interviewees comprise several managers from the chosen firm’s Finnish headquarters.

1.3 Research Questions

The above mentioned purpose of the study has derived to the research questions below:

Research Question 1: To what extent does organization culture represent a barrier/enhancer to effective knowledge sharing within born global firms, and how?

Research Question 2: In what ways does the CEO affect this relationship?

1.4 Scope of Study

This research is limited to a Finnish born global firm and knowledge sharing of its managers within its Finnish headquarters. Knowledge sharing experiences (internally, within headquarters and also externally with foreign subsidiaries) from the work of these Finnish managers formed the data of the research. To define born global firms, this Master's thesis would use the following definition throughout the thesis: a firm which has expanded internationally (with headquarters in home country and subsidiaries in host countries) within three years of its inception (Knight & Cavusgil 1996; McDougall, Shane & Oviatt 1994).

The researcher acknowledges that there are multiple knowledge "stickiness" factors but this study's main focus is on the "stickiness" factors of organization culture of a born-global firm and how it affects knowledge sharing processes. To do this, the researcher applies the 'AMO' framework as a heuristic framework to connect and study the relationship between organizational culture with knowledge transfer.

The level of analysis is knowledge sharing nodal relationships between the CEO and the subordinates in headquarters. Internal communication and knowledge sharing is of great importance in this study.

Born global firms can also be considered as multinational firms (MNC) since they also consists of a home-country based headquarter and its' foreign subsidiaries. Similarly, knowledge flows and transfers are complex in such a large network which stretches to include multiple geographical locations. Therefore it is important to limit the scope or type of knowledge that this thesis will examine. Specific knowledge types would include anything from customer service instructions to managerial control tactics. For the interest of this research, "knowledge" will be defined as having facts, information and skills about company know-who, what, where, how and why; recently acquired or from previous work experience.

As Ghoshal and Barlett (1990), Gupta and Govindarajan (1991), and Hedlund (1994) have suggested (as cited in Gupta & Govindarajan 2000), knowledge transfers within MNCs takes place within the complex context of an inter-organizational 'network' of individual units. Within such a network allows for at least three levels of analysis (Gupta & Govindarajan 2000): nodal (i.e. a focus on the behavior of individual units), dyadic (i.e. a focus on the joint behavior of a pair of unit), and systematic (i.e. a focus on the behavior of the whole network). Due to the high complexity of such a large network subject and to reduce country biasness, this study will limit its' investigation to the 'nodal' level (as adopted from Gupta & Govindarajan 2000). Having said so, data collection was not limited to knowledge sharing within the headquarters, but rather, within the job scope of interviewees. Interviewees work closely with their foreign counterparts (in subsidiaries), therefore it made sense to not limit knowledge sharing to headquarters only.

1.5 Structure of the Study

This thesis consists of five main sections, with each section focusing on specific parts of the research topic and each building upon its last section to give the reader a more concrete idea of the topic at the end.

The first section aims to introduce the main topic of interest and set the scene for the reader. Topics which come under this introductory section would be knowledge transfer, stickiness of knowledge transfer, knowledge transfer stickiness in born globals, arguments for focusing on organizational culture and finally, the research problem and research questions will be presented in this first section also.

The second section consists of a comprehensive literature review which focuses on the topics of organization culture, knowledge transfer “stickiness”, born-global characteristics, leader-member exchange theory, “AMO” framework, agency theory and socialization theory.

The third section discusses the methodology of this study and presents a more detailed understanding of the research problem and a justification of how qualitative data will be used to support the findings.

The fourth section presents and discusses the findings in depth and critically. Raw interview data will be weaved into logical subcategories of findings to answer both research questions.

Finally, the fifth and last section will conclude the thesis with research results, limitations of the study and suggestions for future research on the topic and managerial implications.

2. LITERATURE REVIEW

This section consists of a comprehensive literature review which focuses on the topics of the knowledge based view of the firm, the definition of knowledge, knowledge transfers and its stickiness, organization culture, born-global characteristics, leader-member exchange theory, “AMO” heuristic framework, Agency theory and Socialization theory.

2.1 Knowledge Based View of the Firm

With a closer look into the resource-based view of firms, researchers are seeing the uprising importance of knowledge, hence the emergence of the knowledge-based view of the firm. Knowledge is seen to be the key factor or asset of firms as it is the creation and sharing of knowledge within communities that make up organizations and businesses (Kogut & Zander 1992). In other words, knowledge is considered be the source of competitive advantage of firms and this knowledge resides in the minds of individuals. Superiority of knowledge would allow firms to be more flexible and react faster to environmental changes (Grant 1996). With such an ability to increase firm agility, there is no doubt knowledge is considered to be a vital asset to the creation of sustained competitive advantage of the firm (Umemoto 2002). Knowledge is now the valued competitive advantage of firms, and specifically, the transfer or sharing of this knowledge is of great concern to firms. Knowledge “stickiness” factors make it a challenge for firms to share knowledge effectively to reach the potential of its competitive advantage (Szulanski 2003). Knowledge is embedded within the minds of individuals and only management can change the storage place of this intangible asset. Therefore managerial interventions have become vital with the knowledge based view of the firm. The evidence (as seen above) suggests that managerial interventions are crucial in respects with encouraging knowledge sharing therefore this research focuses on the characteristics of organizational culture which influences the managers to share knowledge and also to encourage others to share knowledge.

2.2 Characteristics of Knowledge

There are three forms of knowledge; human, social and structured knowledge (De Long & Fahey 2000). Each of these knowledge is shared in the organization and each has its own way of being shared. Human knowledge is embedded within the individual and is revealed in the individual’s work performance; this could be a combination of both tacit and explicit knowledge (De Long & Fahey 2000).

The idea of differentiating between tacit and explicit knowledge originated from Polanyi (1967), which was later made known to others by Nonaka and Takeuchi (1995). Tacit knowledge is personal and context specific and is naturally difficult to formalize and communicate. Tacit knowledge usually includes both cognitive and technical elements. Cognitive elements would be for example, organization systems, perspectives and paradigms, beliefs which help the individual perceive and define the world he or she lives in. Technical elements of knowledge would include the specific know-how skills or the expert knowledge of the individual. This technical knowledge could be transferred in formal writings or in guide books with systematic instructions.

Social knowledge is found between people relationships; this collective knowledge is largely tacit and the result of which is effective team collaborations (De Long & Fahey 2000). Lastly, structured knowledge is rooted in the organization’s laws, systems and processes; this knowledge is explicit and exists independently without the need for human intervention (De Long & Fahey 2000).

2.3 Definition of knowledge

According to the Oxford Dictionary, “knowledge” is defined as “facts, information and skills acquired by a person through experience or education; the theoretical or practical understanding of a subject” (Oxford University Press 2011). For the interest of this research, “knowledge” will be defined as possession of facts, information and skills about company know-who, what, where, how and why; recently acquired or from previous work experience.

2.4 Knowledge Transfer Processes

Knowledge would become obsolete to the organization if it were only in individuals’ minds and not shared or transferred for the greater benefit of the organization. Therefore it is important to study knowledge transfer and its processes. Many previous studies have shown that knowledge transfers are not always successful (Riusala & Suutari 2004). This transfer becomes harder when it is in an international context, an example of which would be a foreign subsidiary receiving instructions from its headquarters or parent firm (Li & Hsieh 2009). As mentioned earlier in this thesis, the success of knowledge transfers determines the strengths and core competencies of the firm; some may even call this their competitive advantage (Umemoto 2002; Li & Hsieh 2009).

Other than the works of Nonaka and Takeuchi (1995), Hansen *et al.* (1999)’s research on knowledge management strategies was presented in Eskerod and Skriver’s (2007) case study. Hansen *et al*. (1999) noted that there are two main trends of knowledge storage. Firstly, the “codification strategy” implies that explicit experiences should be gathered, and then transformed into information that the others can use in the future (Hansen *et al.* 1999; as cited in Eskerod & Skriver 2007). This could be done in ways such as storing explicit, technical knowledge on a manual for other users. The sender would “codify” his or her explicit knowledge into words or diagrams or pictures so that the receiver will be able to decode these messages into the original sent message. The other strategy is “personalization strategy” which is based on interactions between individuals, and knowledge is transferred from person to person via interaction (Hansen *et al.* 1999; as cited in Eskerod & Skriver 2007). The most important part of this personalization strategy is the careful creation of interaction networks for individuals to get contacts to others who are in the same knowledge interest field(s).

2.5 Stickiness of Knowledge Transfer

Knowledge stickiness or the inability or unwillingness of transferring knowledge are factors that impede successful knowledge transfers (Li & Hsieh 2009), which has been cited as the main reason for the problems between headquarter and its foreign subsidiary firm(s) (Gupta & Govindarajan 2000; Levin & Cross 2004; Szulanski, Cappetta & Jensen 2004; as cited in Li & Hsieh 2009). Knowledge stickiness factors are also the key barrier to achieving competitive advantage according to the knowledge based view of the firm (Szulanski 2003).

Szulanski (1995; 1996) defines knowledge stickiness as difficulties encountered within knowledge transfer processes. The term “sticky” or “stickiness” originated from the works of von Hippel (1994) who used the term to describe information that is hard to transfer. von Hippel (1998) stressed that knowledge transfer processes also includes the mode of transfer; preferably one that would be usable to the receiver. Encoding information is the start of the knowledge transfer process and this defines the information itself, as we have learnt about the different types of knowledge.

Knowledge transfers become ‘sticky’ on many levels, starting from the knowledge source to the larger macro, international context. Let us take each level into account now; starting with the *knowledge source* – he or she may lack motivation to share knowledge (Szulanski 1995). Furthermore, credibility is also needed for the source to be accepted by the receiver, as the Aristotelian theory of persuasion states that an expert and trustworthy source is more likely to influence a recipient (Szulanski 1995).

Knowledge stickiness is a transfer barrier in itself as transferring knowledge is not always successful and can be time and money consuming (Szulanski 1996). Choo (1998) adds that knowledge can become sticky if it involves tacit knowledge or when the receiver is not familiar with the type of knowledge. Another stickiness factor of knowledge transfer involves the *internalization of knowledge*, which is defined as the employees' ability to attach symbolic meaning to the shared knowledge (Kostova 1999; Michailova & Minbaeva 2011). It reflects acceptance or approval by the subsidiary when they allow the knowledge transfer to become part of the organizational identity (Li & Hsieh 2009).

Next, the *knowledge recipient* is also taken into the knowledge transfer equation. Similar to the knowledge source, the motivation level of the recipient would need to be on par with the source before a mutual sharing can occur (Szulanski 1995). In addition, the *absorptive capacity of the recipient* would also affect the process of knowledge sharing. The knowledge shared would need to be retained by the recipient before it would become an effective piece of information transferred (Szulanski 1995). Szulanski (1995) also described firms to either being *"fertile" or "barren".* This interesting metaphor illustrates the ability of firms to either developing a transferred seed (i.e. fertile) or inhibiting the maturity of the transferred seed (i.e. barren).

Szulanski (1995) adds the importance of having a *good working relationship* between the knowledge source and recipient. A transfer of knowledge is likely to be an interactive exchange between parties, therefore communication is inevitable. The intimacy of relationship between the sender and receiver would be tested in such a transfer situation (Marsden 1990). Sulanski (1995) termed laborious and distant relationships as "arduous" and was found to be a barrier to knowledge sharing.

In studying an international firm, which all born global firms are, there is also the added barrier of cultural difference and psychic distance (Sousa & Bradley 2006). These apparent or perceived differences would obstructed the flow of knowledge sharing if there is a clash in cultures and understandings of issues ranging from simple manners to more complex ethical believes and practices. As markets continue to become global, firms and especially born global firms have become committed to expanding their market size into the unknown or foreign markets. The cultural or psychic distance concepts have been used in literature to explain the dynamics of differences among markets (Sousa & Bradley 2006). Psychic distance can be defined as the perceived distance between home country and a foreign country (Sousa & Bradley 2006). Cultural distance refers to the actual differences in national culture (Sousa & Bradley 2006). To eliminate both psychic and national culture influences, the research specifically limits its scope to only one nationality – Finland. In doing so, the possibility of data validity is increased. Also, just as a reminder the focus of this research is on organizational culture, and not on national culture.

2.6 Born Globals

The term "born global firm" was coined by McKinsey when he studied Australian firms in the Australian Manufacturing Council (McKinsey & Co. 1993; as cited in Persinger, Civi & Vostina 2007). McKinsey defined the "born global firms" in his study as firms which sees the "world as their marketplace (Persinger, Civi & Vostina 2007: 2)" from the very beginning of their existence. Generalizing born global firms, Cavusgil & Knight (1996; as cited in Persinger, Civi & Vostina 2007) stated that these firms have less than 500 employees and have annual sales of fewer than 100 million US dollars. The key criteria of being a born global firm would be their ability to export at least 25% of their products (and/or services) after two years of its establishment (Persinger, Civi & Vostina 2007). This feature of born global firms is what makes them so different from traditional firms, which relied on gradual expansion and internationalization. The following quote from Persinger, Civi & Vostina's (2007: 2) article lists the different names given to describe born global firms:

> "Such companies have been named as Born Globals by Rennie, (1993); Knight and Cavusgil, (1996); Madsen and Servais, (1997), Global Start-ups by Oviatt and McDougall, (1994), High Technology Start-ups by Jolly, Alahuta and

> Jeannet, (1992), Infant Multinationals by Lindqvist, (1991), Instant internationals by Miles and Baetz, (1999) and International New Ventures by McDougall, Shane and Oviatt, (1994). In this paper, we prefer to use the term "Born Global"."

To define born global firms, this Master's thesis would use the following definition throughout the thesis: a firm which has expanded internationally (with headquarters in home country and subsidiaries in host countries) within three years of its inception (Knight & Cavusgil 1996; McDougall, Shane, & Oviatt 1994).

Researchers have realized that born global firms generally emerge from knowledge-intensive environments (Persinger, Civi & Vostina 2007). Another unique feature of born global firms is that these firms pay less attention to their home market than host markets (Bell, McNaughton, Young & Crick 2003; as cited in Persinger, Civi & Vostina 2007); reason being the limited growth space and the lack of expansion opportunities in the home country. For the same reasons, Andersson and Victor (2003; as cited in Persinger, Civi & Vostina 2007) found that nations with small domestic markets have a higher tendency to generate born globals than firms in nations with large domestic markets.

Another unique feature of born global firms is its specialization in niche markets (Persinger, Civi & Vostina 2007). This narrow focus on a particular niche market leads these born global firms into their fast pace of expansion and internationalization. Bell, McNaughton, Young & Crick (2003; as cited in Persinger, Civi & Vostina 2007: 2) states that it is expected that born globals expand at a "rapid and multidirectional" manner due to the scarcity of their niche market products.

Oviatt and McDougall (1995) studied the start-up processes of born global firms and found seven common characteristics of which lead to the success of these firms. Firstly, a "global vision" is created and is communicated clearly to the rest of the firm. Traditional firms would have a shared vision also; however, born global firms would have a global mind-set fitting goal. Secondly, leaders or managers of born global firms often have "prior international experience". Traditional firms may have managers with international experiences, but it would be considerably less due to home-country biases-ness and focus on the home market. Thirdly, “international business networks” would be created and carried over from the managers’ prior international experience(s), and these international business networks would pave the road to international expansion opportunities which traditional firms may lack. Fourthly, by targeting niche markets, born globals have their own “distinctively valuable product or service”, which is strong enough to compete with traditional firms’ economy of scale. Fifthly, since these products are specialized, these born global firms must be experts in their own fields, therefore maintaining the sustainability of its innovations (since it is hard for the competitors to imitate). Sixthly, relating to point five, these born globals are equipped with “continual innovation” of their own expertise. Lastly, born globals’ top management are described as determined and persevering to the wellbeing of the firm.

2.7 How Born Global Firms Differ From ‘Traditional’ Multinational Firms

Born global firms are spotted usually by their age, rather than by their size (Oviatt & McDougall 1994). They are normally very young when they internationalize, whereas traditional multinational firms take on a more gradual and steady pace of the internationalization process (Caves 1982; Porter 1990; as cited in Oviatt & McDougall 1994). One possible explanation for this would be the firm’s motivation and vision – traditional multinational firms are formed with the intension of building a strong market presence in the home market, whereas born global firms have a “global mindset” and see the world as their market; therefore it is sensible that born global firms internationalize faster than traditional multinational firms. In other words, born global firms are proactive in their expansion, whereas traditional multinational firms are reactive towards their growth abroad (Oviatt & McDougall 1994). Perhaps being internationalized and having a presence abroad is the primary goal of born global firms, but is the secondary goal of traditional multinational firms. With such different evolution stages, it is therefore safe to say that born global firms have very different organizational culture (visions, goals, values etc) as compared to traditional multinational firms.

Since born global firms are more "adventurous" in their internationalization process, it could be possible that they perceive risks and risk-taking differently as compared to traditional multinational firms. The stage theory of traditional multinational firms states that traditional firms are reluctant to adjustments and changes as to avoid risks (Johanson & Vahlne 1977; 1990; as cited in Oviatt & McDougall 1994).

Traditional multinational firms can be said to have higher uncertainty avoidance culture (Wennekers, Thurik, Stel & Noorderhaven 2007) than born global firms because they believe that it is better to consider foreign markets once they are well established in their home market and is of a certain (large-enough) size. In comparison, born global firms do not see their (smaller in comparison) firm size as a problem when venturing out into foreign countries. Perhaps there is less of a home-country identity in born global firms that allows them to be "bolder" in their expansions abroad. National culture does affect organizational culture (Trefry 2006); hence it is important to limit any research discrepancies by only studying firms from one nation. This thesis will only study Finnish born global firm.

2.8 Knowledge Stickiness in Born Global

Living in the information age, it is sometimes taken for granted that knowledge is a crucial role in "modern" born global firms. However, it is also interesting to know that the knowledge factor has also been emphasized in the traditional multinational firms and their models of internationalization (Eriksson, Johanson, Majkgard & Sharma 1997). Hence, both traditional multinationals and born global firms rely heavily on creating knowledge, utilizing this knowledge, transferring knowledge and retaining knowledge.

Having said so, it is still worth noting that the international knowledge of top management in born global firms is believed and have been proven by research to be helpful for rapid internationalization (Nordman & Melén 2008). This international knowledge is usually accumulated before the startup of the born global firm and can be defined as having experience on how to conduct business in international settings. This would also include negotiating, managing, collaborating, cooperating across cultures and nations. Since most born global firms now are in the high-tech industry sector, there are two main types of identified knowledge, international knowledge and technical knowledge (Nordman & Melén 2008). This technical knowledge would be defined as knowledge that is purely of a technical nature, with no business relations involved - knowing about the firms` product(s) and knowing about how it is made and having knowledge about both the basic and details of the product.

It is also important to note that knowledge is generally stored in the individuals of top management in born global firms, rather than in the routines or processes of the organization (March 1991; as cited in Nordman & Melén 2008). This is because these born global firms do not have established routines which traditional firms normally have. Some would view this as an advantage of born global firms since no time would be wasted in trying to unlearn the past processes, hence having flexibility in their organizational style and culture (Knight & Cavusgil 1996; as cited in Nordman & Melén 2008).

Since knowledge is mostly stored in the individuals of top management, this tacit, experiential knowledge would be difficult to share and transfer to others, hence making this a challenge to research. The researcher would need to study the impact of the individuals of top management to see how their tacit knowledge acts as a hindrance (barrier) or a facilitator to knowledge transfers.

After studying the flow of tacit knowledge in born global firms, it is also important to study the technological knowledge and experiences of the firm - terms such as "knowledge intensity" has been used by Yli-Renko, Autio & Tontti (2002) and "technological learning" by Zahra, Ireland & Hitt (2000). Previous studies have shown that technological knowledge has a positive relation and effect on international growth (Yli-Renko *et al.* 2002) and financial performance (Zahra *et al.* 2000). Both international and technological knowledge have shown to help in increasing the firms` innovative and creative ability (Nordman & Melén 2008).

The existing evidence (as seen above) suggests that knowledge sharing barriers would be similar for born global firms as they have appeared in traditional multinational firms. These knowledge sharing stickiness factors would be generalizable for born global firms too, however, there are obvious reasons as to why this may be the case. Mainly because born global firms are also working in the same global markets which these multinational firms are working in. Both types of firms are competing on the same playing field and are facing the same challenges of transferring knowledge across borders. Having said so, this research is interested specifically in characteristics of organizational culture and this is where the biggest differences are found between born global firms and traditional multinational firms.

Although research has been done on the characteristics of born global firms (e.g. Oviatt & McDougall 1994), there has not been any longitudinal study done to record the long term performances of born global firms. Therefore statistical generalization of such research results cannot be done.

Knowledge sharing literature has been very western-culture focused, meaning that knowledge sharing within Asian or Middle-Eastern countries have less of a part in the field. Having said so, this would not affect this research for two reason; firstly because the chosen country of origin is a western country (Finland), and secondly, born global firms tend to see the world as their market, hence putting less importance on their home country traditions.

There is no explicit research done on this particular topic of studying the effects of organizational culture on knowledge sharing. Although the researcher has managed to gather literature on knowledge sharing stickiness factors, and on the topic of organizational culture, these two topics have been studied separately in previous studies. Therefore the research gap of linking these two topics together needs to be filled; in addition, with the increasing number of born global firms, this research investigates these two topics specifically in the context of the born global firm.

2.9 Organization Culture

Although much research has been done on knowledge stickiness (Szulanski 1995; 1996; 2000; Szulanski et al. 2004; Szulanski & Winter 2002; Zaheer 1995; as cited in Li & Hsieh 2009), minimal research focuses on the organization culture of firms and how it affects or hinders knowledge transfer processes. The researcher, together with other established researchers like Michailova and Minbaeva (2011) believes that knowledge sharing is very much influenced by organization culture because it is through organizational culture that shapes employees to achieve desired organizational goals, such as increased internal knowledge sharing. “Organization culture” is a complex concept which needs to be defined.

Schein (1984; 1992) formulated a model where he divided organizational culture into three levels (as seen in Figure 1. below).

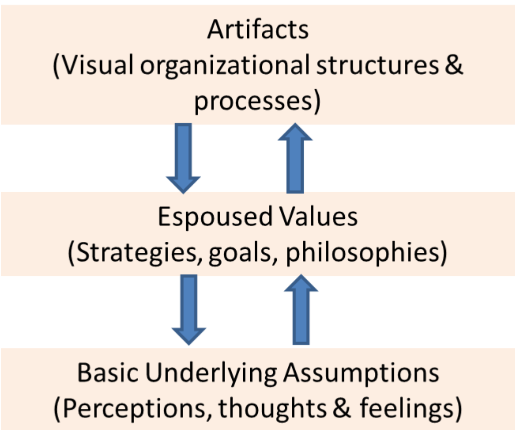

Figure 1. Schein’s three levels of organizational culture (1984; 1992)

According to Schein (1984; 1992), there are three main levels which contribute to the organizational culture of a firm (as seen in the above Figure 1.). Schein suggests that knowledge transfers will only be successful in the organization if it is consistent with the basic underlying assumptions, which are the unconscious beliefs, perceptions, thoughts, feelings which individuals often take for granted. These basic underlying assumptions are thought to be the most important and are more influential on behaviour than artifacts and espoused values (Schein 1992). On the contrary, management can expect a lack of knowledge transfer if the initiatives are inconsistent with the values and assumptions of the organization (Schein 1992).

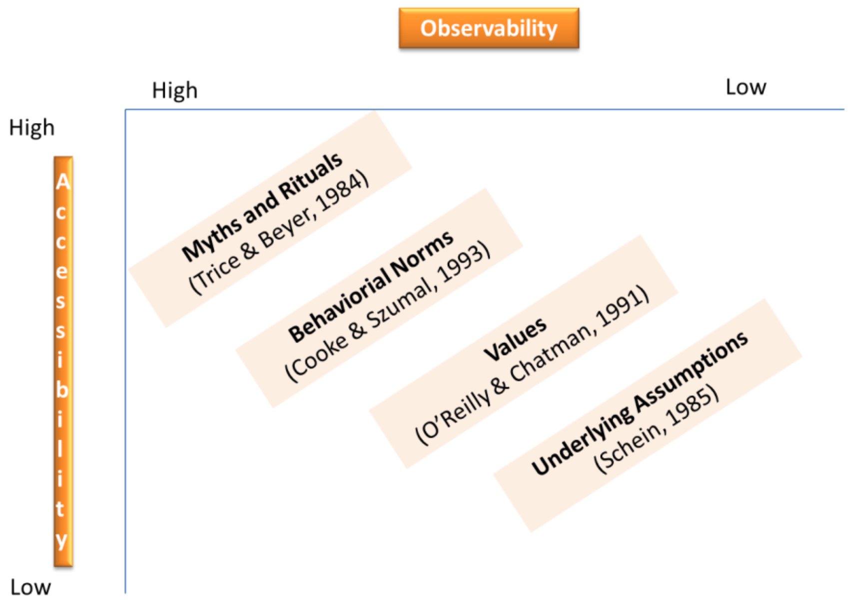

Figure 2. Elements of organizational culture (Cabrera & Bonache 1999)

Elements of organizational culture can be measured in terms of how observable and accessible they are (Rousseau 1990). Running on this continuum, organizational culture elements are seen in Figure 2., myths and rituals, behavioural norms and values are the most visual and easily accessible. Leaving the underlying assumptions (unconscious, taken for granted beliefs, perceptions, thoughts and feelings) as the hardest to observe and access.

Strategies can be thought of as the diverse approaches which the organization uses to achieve competitive advantage (Cabrera & Bonache 1999). Culture can be thought of, in this case, as how organizations choose to work towards realizing their chosen strategies; hence organizational culture (Cabrera & Bonache 1999). Researchers such as Ouchi (1981) and Peters & Waterman (1981) popularized the field of corporate culture, and their findings showed that organizations in the 80s could predict their success if it utilized a particular organization culture. In other words, the researchers suggested that there is a model organization culture which is better than others and should yield the same success results when applied to any organization. However, this belief has become a myth as contingency theory states that there is no "best organization culture" which would work for all organizations (Cabrera & Bonache 1999). Specialization and customization is needed to fit each organization, especially if they are from different industries. Other researchers such as Deal & Kennedy (1982) stressed the importance of a "strong" culture in order for organizations to achieve success. This "strong" culture is defined as having consensus about the dominant culture in the organization, and individuals in the organization identify him or herself with the dominant culture norms and values.

Having a "strong" culture for a higher chance of organizational success is a valid statement, provided that this is the appropriate culture (Miller 1993; 1994). Culture being defined as the way the organization works would be an asset to the organization if it is adequate for achieving competitive advantage and success (Uttal 1983). On the contrary, if the culture (or manner of working) does not thrive for competitive advantage, it would be considered a liability (Cabrera & Bonache 1999).

Following Schein's (1984) ideology of organizational culture, researchers typically consider symbols to be in the category of artifacts (Hatch 1993). Therefore this means that symbols form the third and final level of organizational culture. Researchers like Tompkins (1987) claims that all artifacts have symbolic significance, therefore all artifacts are symbols. Both claims draw the same conclusion that the distinction between artifacts and symbols is obsolete. However, others think that this divide is debatable and would categorize artifacts and symbols separately (Morgan, Frost, &

Pondy 1983). As one can see from the above figure (Figure 1.), artifacts refer to the visuals of the organization (Schein 1984).

Symbols, as defined by symbolic-interpretive researchers are anything that represents an association with something wider, more abstract, concept or meaning (Morgan, Frost, & Pondy 1983). A representative list of organizational symbols offered by Gioia (1986) demonstrates how difficult it is to separate symbols from artifacts. Gioia (1986) states that organizational symbols could be the corporate logo, slogans, stories, actions (and non-actions), visual images and metaphors; in addition, one could also add organizational charts, corporate architecture, rites and rituals (Eisenberg & Riley 1988). Since lists of artifacts offer the same items as those of symbols (Ott 1989), it appears that symbols and artifacts are indistinguishable, or at least in their “static” form. If researchers were to view artifacts and symbols in a “dynamic” form, which means that not only the physical form is studied, but also studying how they are used in organizations, one will realize that symbols do more than represent something else, the person who brings this symbol also brings along a meaning to the whole picture (Cohen 1985). Therefore it is also important to note who brings in which parts of the organizational culture and symbols and in what form or are they artifacts. Interestingly said by Berg (1985), when researchers study organizations, they are in fact studying the humans in the organization, therefore stressing again the importance of qualitative research and getting to know the deeper meanings hidden in the brains behind the organization (Hatch 1993).

2.10 Leadership Culture in Organizations

Another phenomenon called “leadership culture” describes how leaders in the organization affect and influence the organizations’ culture. The figure below (figure 3.) shows a model of “leadership culture” within the context of organizational culture(s). Past literature has recorded that personal leadership impacts organizational culture and perhaps this theory also works vice versa (Schein 1992; as cited in Aitken 2007).

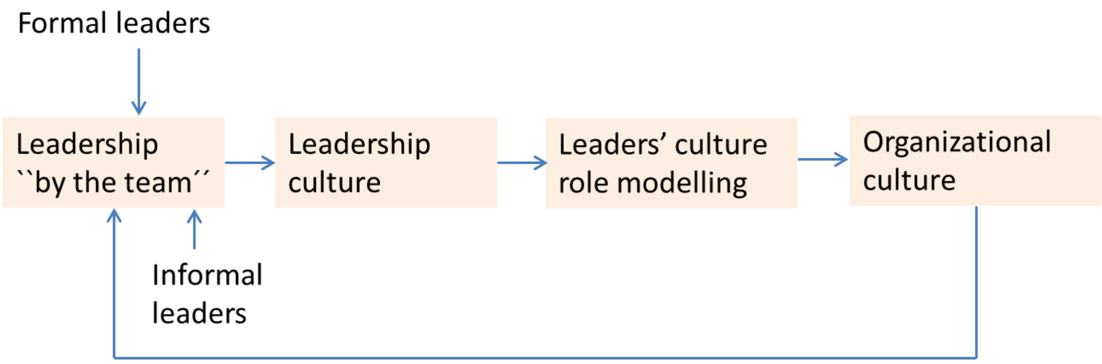

Figure 3. A model of "leadership culture" within the context of organizational culture (Aitken 2007)

What makes this model of "leadership culture" different from others is the focus on "by the team" research. This means that researchers were interested in team effects and team leadership effects, instead of the focus on individual leaders (Aitken 2007). The collection of formal and informal leaders and leadership were used to generate this model (Aitken 2007). Block's research (2003) found that immediate leaders (or supervisors) had a much bigger influence on employees' perception of the organization's culture than leadership on any other level. This makes sense as humans are naturally more influenced by those whom they spend more time with. From the findings of Aitken's (2007) study, he found that the leader's personal values and leadership team behaviour does influence team members' perception on the functionality of their leadership culture. Therefore when considering studying a born global firm, much of the organization's culture is assumed to have come from the founder or the CEO (chief executive officer) of the firm, hence it is important that the researcher takes the top management's values into consideration. In addition, the closer the gap between the leaders' values and the actual behaviour of the leader, the more positive the team members will perceive their leadership culture.

2.11 Born Global's CEO

In the study done by Karra, Phillips and Tracey (2008), three main characteristics of a born global firm founder have been identified; international opportunity identification, institutional bridging, and a capacity and preference for cross-cultural collaboration. Each of these characteristics would contribute to the success of the born global firm, however, it does not explicitly relate to effective knowledge sharing, which is the focus of this research. Having said so, one may stretch the implications to say that effective knowledge sharing would lead to a successful firm according to the knowledge based view of the firm.

Karra, Phillips and Tracey (2008)'s study found that the determinants of success in born global firms develop well before the actual founding of the firm. This would mean to say that the experience, skills and networks of the founder or the founding members allow firms to develop the resources that enable them to be become a born global. Some may say that born global firms seem to have skipped certain phases of internationalization, however Karra, Phillips and Tracey (2008) suggests that no stages of internationalization has been skipped, instead they have come along with the experience of the founder(s).

The ability to look beyond domestic markets and to grasp the complex connections across international boundaries is also another identified characteristic of born global CEOs (Karra, Phillips & Tracey 2008). Researchers claimed that this international vision or global mindset does not grow out of simple market knowledge; rather it is of a deep belief of the international market to be reachable.

When speaking of rapid internationalization, Karra, Phillips and Tracy (2008) suggests that the nature of the product or market is less important when compared to the entrepreneurial characteristic of the CEO or founder.

2.12 Organizational Culture and Knowledge Sharing

The core elements of organization culture would include the organization's practices, norms and values (De Long & Fahey 2000). These three elements would shape the behaviours of the employees to either be *willing* or *unwilling* to create and share knowledge within the organization. Schein (1985) reveals that organizational culture is very much embedded in employees' subconscious minds where they have agreed basic assumptions about the organization's view of itself and its environment.

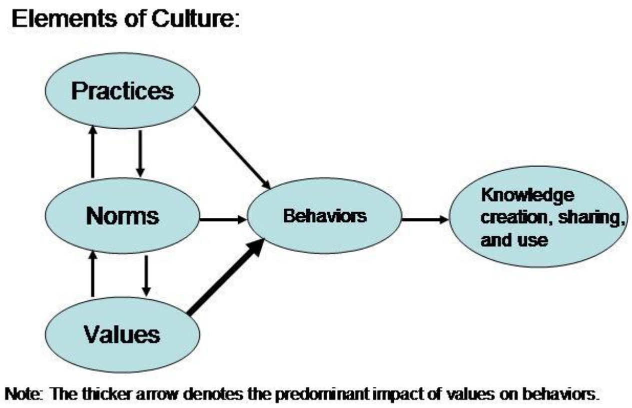

Figure 4. Culture elements influence behaviours (De Long & Fahey 2000)

Some firms are priced for their organizational culture as they see this culture as their competitive advantage. Barney (1986) claims that organizations must first know its culture well to be able to shape it into being a supportive and encouraging facilitator of knowledge sharing. This supportive knowledge sharing environment may include increased communication or interaction among employees, positive motivation to continuous learning and development of skills, etc. Also, organizational culture is shaped by organizational life, such as interpersonal life between workers and strategies of the firm; in addition, these are affected by context and national culture (Cabrera & Bonache 1999; Carroll & Harrison 1998; Dension & Mishra 1995; Joyce & Slocum 1982; 1984; Schneider 1980; Seihl & Martin 1990; as cited in Sarros, Gray, Densten & Cooper 2005).

According to findings of Michailova and Minbaeva (2011), there is a gap between knowledge sharing and organizational culture, researchers do not know the link between the two. Therefore indicating that the study of De Long and Fahey (2000) is only suggesting a relationship, and this relationship has not been tested. De Long and Fahey's (2000) model of culture elements does not include an explanation for how or why knowledge sharing affects behaviours. Therefore the need of the AMO framework as a heuristic guide is needed in this research to draw upon the possible links between knowledge sharing and behaviours (which is influenced by organizational culture).

2.13 AMO and Organization Culture

There might not be a direct relationship between organization culture and knowledge sharing, or if there is, researchers would need an explanatory framework to understand why and how the two are linked. Therefore there is a need for a heuristic framework, in this case, the "AMO" framework, or "Ability, Motivation and Opportunity" (Siemsen 2008; Barling *et al*. 1996; Wall *et al*. 1992; as cited in Kelloway & Barling 2000).

Barling *et al.* (1996) described the fundamental equation of organizational psychology as "Performance = Ability × Motivation". Understood in this multiplicative model is the assumption that if either quantity (i.e. ability or motivation) equals zero, then performance would equal zero too (e.g. 1 × 0 = 0). The equation is non-compensatory in that high levels of ability do not compensate for a lack of motivation and vice versa. Wall *et al.* (1992) extended this basic formula to include the role of opportunity – in addition to ability and motivation, employees must have the opportunity to perform. Kelloway and Barling (2000) suggest that employee ability, motivation and opportunity are speculated as mediators of the relationship between organizational practices and the use of knowledge in the workplace.

Firstly, to be able to transfer knowledge, the firm needs to create and identify knowledge. Employees need to have the ability to create new knowledge, and then they need to be motivated to share this new knowledge when the opportunity arises. Hence the three ingredients which make up effective knowledge transfers are ability, motivation and opportunity (Siemsen 2008).

Let's take the knowledge equation apart and see how organizational culture affects each ingredient. Firstly, the term ability refers to the absorptive capacity of the knowledge receiver, level of education or literacy rate of the sender and receiver, mindsets and assumptions, and their cultural understandings (Szulanski 1995; Kelloway & Barling 2000). The organizational culture defines what type of qualification is needed from their employees. Most probably, creation of new knowledge would be the responsibility of the research and development department. However, this also depends on the organization's structure (how work is delegated) and how much value the organization puts on encouraging its employees to be innovative. Also, the ability to share knowledge is also restricted if this knowledge is shared over vast distances and over different cultures.

Secondly, the employees would need to be motivated to share knowledge (Kelloway & Barling 2000). It is generally believed that human nature to be selfish and guard oneself before others. Therefore it is important that the organization implements a system of incentives which coaxes its employees into sharing knowledge; performance management would need to be clearly presented to the employees. However, without the availability of resources (for example, capital), the organization would not provide its employees with the opportunity to share knowledge. In order for employees to be motivated into sharing knowledge, the sender and receiver of knowledge must have a certain amount of trust between them; this mutual understanding and trust must be built before knowledge transfer can be effective. Hence, once again, the organizational culture should be one that is encouraging constant communication and networking.

Thirdly, setting up the right opportunities for the employees to share knowledge is equally vital in this equation (Kelloway & Barling 2000). Organizations are investing mostly in creating opportunities for knowledge sharing. Opportunities may come in the form of having adequate time set aside for knowledge sharing activities (i.e.

networking), or it could also include having the correct resources (i.e. funding) at the right time.

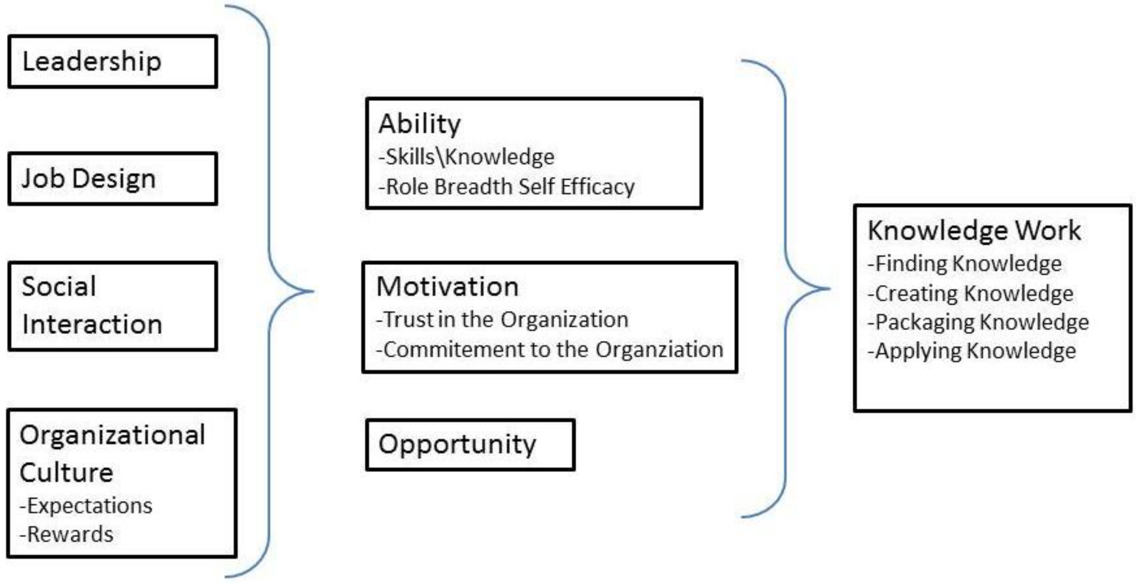

Figure 5. Model of knowledge use in organizations (Kelloway & Barling 2000)

In Kelloway and Barling's (2000) study, a model (above) was proposed in attempt to capture knowledge use in organizations. The three suggested central characteristics of their study were "employee ability, employee motivation and opportunity" (Kelloway & Barling 2000). The AMO framework was used in their study to mediate the relationships between the use of knowledge in organizations and various organizational predictors of knowledge use. Consistent with this meditational view, Kelloway and Barling (2000) suggest that changes in organizational practices are likely to affect the use of knowledge in organizations to the extent that they act to increase employee ability, increase employee motivation or increase employees' opportunity to use their knowledge in the workplace.

However, like De Long and Fahey's (2000) model about cultural elements influencing behaviors, Kelloway and Barling's (2000) model of knowledge use in organizations has not be tested. This model is formulated only to suggest the relationship between knowledge use and organization culture. Hence the need for this research which explores the organizational culture characteristics of a born global firm and the specific aspects of organizational culture which impact knowledge sharing.

2.14 Organization Culture, AMO and Knowledge Sharing

Coming towards the end of the literature review, it is time to gather all the concepts together to suggest how these might be related. This research aims to explore the effects of organizational culture on knowledge sharing. This effect may either hinder or enhance knowledge sharing process. To tie the two ends together, the AMO framework is used as a heuristic, analytical framework to better understand the relationship between organizational culture and knowledge sharing. For example, how would added motivation from a low-power distance organization culture affect or hinder knowledge sharing within the born global firm's headquarter?

More theories that might help shed some light to help with the analysis of the results and data are Agency Theory and the Socialization Theory (Foss *et al*. 2009; Van Maanen & Schein 1979). When dealing with organizational culture knowledge sharing barriers, these two theories come to mind as they have been used to examine management styles in past research (Hackman & Oldman 1975, as cited in Foss *et al*. 2009; Roth & O'Donnell 1996; Chang & Taylor 1999; O'Donnell 2000; Björkman, Barner-Rasmussen & Li 2004).

2.14.1 Agency Theory, Motivation and Organization Culture

Agency theory has been used extensively in MNCs previously and in several applications to better understand the relationship between headquarters and its subsidiary, in a principal-agent relationship (Roth & O'Donnell 1996; Chang & Taylor 1999; O'Donnell 2000; Björkman, Barner-Rasmussen & Li 2004). Agency theory can be compared to "power control" since it uses the "hard sell" method of managing.

Opportunistic risk is high when multinational firms' resources are spread thin across its many locations around the world. Top managers who use Agency theory would most likely implement more formal way of performance monitoring on their employees. This would almost be like "the big brother method"! To manage the employees with such formal methods, everything would need to be officially written down on paper in black and white. This would include company's compensation contracts, incentive and bonuses contracts etc. Employees would have to agree to these formal contracts before they would be allowed to join the firm. These mechanisms which the agency theory uses to control employees are by having performance evaluation criteria, subsidiary management compensation, and expatriate managers.

According to Foss et al. (2009), the root of knowledge sharing comes from motivational reasons embedded in job designs. Psychological studies (Hackman & Oldman 1975, as cited in Foss *et al*. 2009) believe that job designs cover a multitude of variables such as "autonomy, task identity, and the degree of feedback the employee received". To encourage knowledge sharing within firms, managers should consider the motivational characteristics of their employees' job characteristics, however, not taking for granted that with the presence of motivation, the employee will naturally share knowledge. There are two main types of motivation – intrinsic or extrinsic. Agency theory can be identified as using the extrinsic motivational technique, whereas the socialization theory would use the intrinsic motivational technique.

2.14.2 Socialization Theory and Organization Culture

If Agency theory uses the "hard sell" method of controlling and motivating employees within the firm, then Socialization theory (Van Maanen & Schein 1979) calls for the "soft sell" method. Research has found knowledge flows in MNCs to be positively related to the use of corporate socialization mechanisms (Gupta & Govindarajan 2000) and the existence of close relationships among MNC units (Szulanski 1996; Tsai & Ghoshal 1998). The aim of corporate socialization is to establish a shared set of values, objectives, and beliefs across the organization and its subsidiaries (Nohria & Ghoshal

1994), providing them with a strong sense of a shared mission and a unified corporate culture (Hedlund & Kogut 1993).

2.15 Summary of Literature Review

So far, we have seen that previous researchers have not explicitly investigated the relationship between organizational culture of born global firms and how it affects knowledge sharing. We do know that firms are now surviving in the knowledge based view of the firm where knowledge is seen as the competitive advantage of firms. The key barrier of achieving competitive advantage now is knowledge sharing stickiness factors. Szulanski (1996) has identified knowledge stickiness factors however those do not specifically apply to organizational culture of born global firms, therefore there is the need for this research to be done.

There is the possibility that traditional multinational firms and born global firms share the same barriers of knowledge sharing since both types of firms are competing in the same global market. Although they may share the same knowledge sharing barriers, the researcher assumes that their organizational culture would be able to differentiate one from the other. Therefore this research specifically looks at organizational culture stickiness factors of knowledge sharing. Michailova and Minbaeva (2011) states in their study that no research has been done to find the concrete link between organizational culture and knowledge sharing, hence making this a research gap to fill. The proposed models to explain the relationship between knowledge sharing and organizational culture and performance (De Long & Fahey 2000; Kelloway & Barling 2000) are idealistic and have not been tested; therefore this research chooses to use the AMO framework as a guide to explore this topic in more detail.

In addition to exploring the relationship between organizational culture and knowledge sharing, there has also been no research done on the role of the CEO and how that affects knowledge sharing. The role of the CEO is also important since it is assumed that born-globals' culture originates from its' visionary leader(s) (Aitken 2007).

The framework of the study is summarized below:

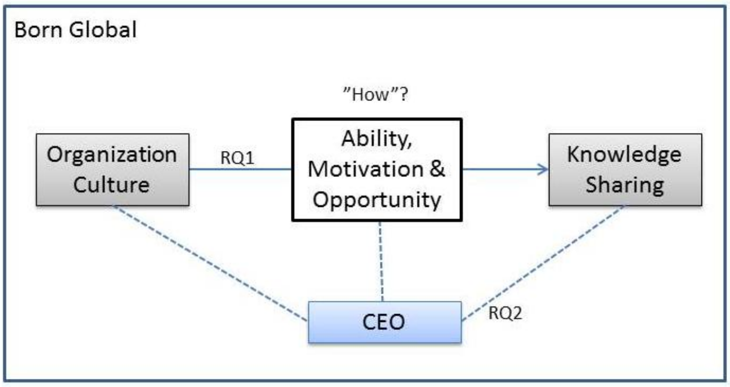

Figure 6. The framework of the study

3. METHODOLOGY

The methodology section of this thesis will describe the methods used to conduct the research. A justification of the method will also be presented in this methodology section. As a reminder, the purpose of this research is to explore the relationship between organization culture characteristics of a Finnish born global firm and knowledge sharing in managers' work. The role of the CEO is also of interest since it is assumed that born-globals' culture originates from its' visionary leader(s) (Aitken 2007).

The framework of the study is presented again for easier reference:

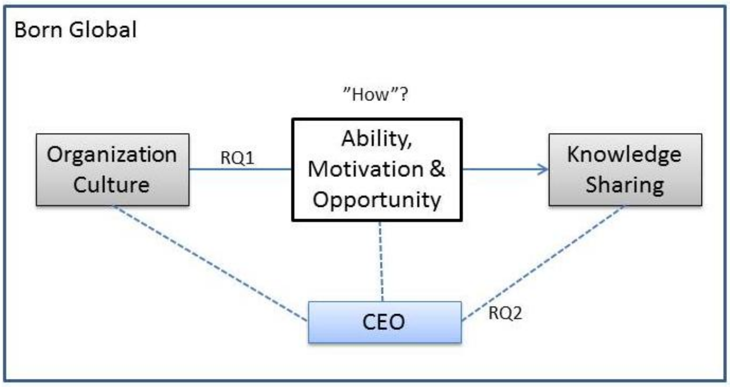

Figure 6. The framework of the study

Research Question 1: To what extent does organization culture represent a barrier/enhancer to effective knowledge sharing within the born global firm, and how?

Research Question 2: In what ways does the CEO affect this relationship?

3.1 Research Strategy

This research using the method of "abduction", which is the middle ground between induction and deduction as it gives tools of thought to describe and explain grounded theory (Patokorpi & Ahvenainen 2008).

On one hand, this research will be inductive, which means that theory will be built upon the findings of this research. The opposite of an inductive research would be a deductive approach where a particular framework is derived from previous theoretical reviews. Since there is limited theory and research done on the topic of organizational culture of born global firms affecting knowledge transfers, it is only logical to build theories which can then be tested in another research project. The limited resources and material available on this new topic makes this research challenging and exciting.

Comparative logic and reasoning will be applied to get a better understanding of organization culture. An inductive approach would require identifying patterns; therefore the researcher hopes to seek recurring patterns in her findings which she may generalize as a conceptual framework (Maylor & Blackmon 2005). Research have been completed on organizational culture's effect on knowledge sharing in multinational firms (e.g. Michailova & Minbaeva 2011).This research is therefore more interested in theory building for born global firms and their organizational culture in regards to its effect on knowledge sharing. Parts of the research which will be inductive would be the method used to find the link between organizational culture and knowledge sharing.

However, to include the heuristic AMO framework as a guide to explore the relationship between organizational culture and knowledge sharing, the deductive approach is used. Hence, semi- structured interviews were used for this investigation.

3.2 Research Method

Organizational culture is a complex topic which could lead into sensitive "taboo" topics; this research would employ the research method of individual interviews, instead of group interviews. This is done to prevent bias when answering the interview questions. Interview subjects need not be of any particular position, this is because the researcher believes that knowledge is shared on all levels within the firm and any employee could answer questions regarding the CEO and his leadership qualities. However, having said so, studying organizational culture from the different hierarchical levels would give the research a holistic view of how the organization's cultural values are impacting, influencing and controlling employees from all levels. These interviews would be structured with semi-structured interview open-ended questions. The researcher would ask the interviewees' permission before (voice) recording the interviews. This is done to ease the transcribing process after the interview. To avoid possible sources of bias in the interviewing process from the interviewees, each interview was done on a one-on-one basis, in a closed environment. Also, the interviewees were guaranteed anonymity (no names mentioned) in the study. To avoid possible sources of bias in the researcher, she did not interrupt the interviewee until the end of the whole interview to clarify answers.

Semi-structured interviews were used in this research and interviewees were a selection of managers within a Finnish born global firm. Interviews involve dealing with deeper meanings, or going below the surface, it is therefore considered to be a qualitative research. To act as an interviewee, the researcher would have to be prepared in a number of business subject areas, namely human resource management and organizational behavior.

This research will be doing an in-depth case study on a Finnish born global firm, reason being for the benefit of getting richer and more focused data from the interviewees. More importantly, no explicit research has been done on this topic of knowledge sharing and organizational culture in born globals, therefore there is the need for an exploratory, in-depth case study. Also, many of the classic organization and management studies were also case studies (Dyer & Wilkins 1991). One reason for the popularity of case study research is its ability to present complex and hard-to-grasp business issues in an accessible, vivid, personal, and down-to-earth format (Eriksson & Kovalainen 2008). Case studies would acquire thick and rich descriptions of the case at hand and would hence be more effective in giving a more holistic understanding of the relationship between organizational culture and knowledge sharing within the born global context (Geertz 1973; Tellis 1997).

There is a key difference between intensive and extensive case studies (Stoecker 1991). This research would be an intensive case study as it tries to find as much information as possible on one organization, rather than generalizing findings gathered from multiple cases. By singling out one born global firm, it does not mean to say that this particular born global is somehow exceptional or unique; rather, it is done to make meanings clear by being focused (Eriksson & Kovalainen 2008).

This case study would be embedded (Yin 2003) into only studying the interactions and knowledge sharing of managers of the Finnish headquarters. This however does not necessarily limit the findings to only knowledge sharing within headquarters; these managers may be working in headquarters but much of their knowledge sharing is done with their foreign subsidiaries. The chosen Finnish born global firm has two headquarters and both are in Finland. The rationale of studying only managers from the Finnish headquarters would be to eliminate country-biasness.

A typical challenge for case study research would be the tricky in cooperation of theories into the data, especially when this research topic is still in its infancy stage. The researcher is better placed to try to figure out what the most interesting research questions are, as well as to understand and conclude what happened and why. This is why the research process is best described as a dialogue of theory and empirical data (Eriksson & Kovalainen 2008).

The results of this research would not be generalized to fit all born global firms statistically; rather it would be theoretically generalized. Secondly, the purpose of this research is also to open-up the study field of born globals, and especially to increase knowledge on the relationship between organizational culture and knowledge sharing, hence the use of the AMO framework as a heuristic guide.

3.3 Data Collection

The semi-structured interview questions were divided into subsections to answer both research questions. These subsections were generated from previous literature on organizational culture and on knowledge sharing. However, since it was a semi-structured interview, the researcher only used the interview questions as a guide. The complete semi-structured interview questions and guide can be found in Appendix 1.

Responds of interviewees were the main form of data in this study and with the help of personal contacts, three interviewees were found. The snowballing procedure was use extensively to gather the other five interviewees. No particular selection criteria was used so long as all interviewees fit in the criteria of having worked or is working in a born global firm in Finland. Since the aim of the research was to explore knowledge sharing in the born global firm and how organizational culture affects it, employee of any position is eligible to answer that research question. Also, the second research question aims to explore the role of the CEO and how that affects knowledge sharing, again, employees of any position can answer that so long as he or she works in the same born global as the CEO in question. The criteria of a born global firm for this study were as follows: the firm had to be physically present in more than one country within three years of its founding. The interviewees came from two Finnish firms, both of which fitted the born global criteria and the first interview was a pilot test; resulting in seven interviews which came from one Finnish born global firm. The table below is a summary of all work positions of the seven interviewees (plus one pilot test). All interviewees were male and are Finnish.

Interviewee	Work Position
(Pilot Test)	Final Testing Engineer & Service Coordinator
1	Technical Support Engineer & Service Manager
2	Sales Director, Finland & Baltic Countries
3	Director, Corporate Communications
4	Regional General Manager, EMEA & Latin America
5	Director Business Development
6	Vice President of Corporate Development
7	Global Human Resources Development Manager

Table 1. Interviewees' work position

3.3.1 Background Information of Case Study Company

Researchers have realized that born global firms generally emerge from knowledge-intensive environments (Persinger, Civi & Vostina 2007). In this case study research, a Finnish born global firm from the high-technological industry was chosen. Being eighteen years (as of 2011) since its establishment, its focus on innovation and quality has pushed the firm into setting up R&D centres in Finland, China, Italy and U.S.A.; in addition, it has sales in 27 countries, with sales partners selling its products in over 100 countries (Company Annual Report 2010). In the company's annual report (2009), it shows that the firm has a home country (Finland) revenue of 58 million Euros; compare that with 215 million Euros that came from outside Finland. This is another unique feature of born global firms – these firms pay less attention to their home market (Bell, McNaughton, Young & Crick 2003; as cited in Persinger, Civi & Vostina 2007); reason being the limited growth space and the lack of expansion opportunities in the home country. In the case of this chosen company, Finland has a small population size of approximately 5.2 million (CIA 2010), therefore it has to look abroad to expand its market. For the same reasons, Andersson and Victor (2003; as cited in Persinger, Civi & Vostina 2007) found that nations with small domestic markets have a higher tendency to generate born globals than firms in nations with large domestic markets.

Another unique feature of born global firms, which is also demonstrated by the chosen company, is its specialization in niche markets (Persinger, Civi & Vostina 2007). This company is focused only on one niche product in its production, and this product is only being used in 10% of its potential, hence a large market for the producer (Company Annual Report 2009). This narrow focus on a particular niche market leads these born global firms into their fast pace of expansion and internationalization. Bell, McNaughton, Young & Crick (2003; as cited in Persinger, Civi & Vostina 2007: 2) states that it is expected that born globals expand at a “rapid and multidirectional” manner due to the scarcity of their niche market products. This chosen company has succeeded in growing approximately two times faster than the market during the past five years (Company Annual Report 2010).

The chosen company’s values has a heavy emphasis on the welfare of people, be it its customers of its employees. Also the value of entrepreneurship and its passion for excellence is hoped to be practiced in everyday life (Company Annual Report 2010). The born global firm’s core business operations are supported by its four strategic priorities: product leadership, 100% focus on one line of products, a multi-channel sales network and a global presence (Company Annual Report 2010).

One type of in-depth case study as identified by Yin (2003) is a “typical” case and this research is an example of one. A typical or critical case study aims to look at a case which would best represent a certain type of case (Yin 2003). In this research, this particular Finnish born global firm has all the characteristics of a born global firm as identified by born global scholars (e.g. Persinger, Civi & Vostina 2007). Also because no explicit research has been done on the influence of organizational culture on knowledge sharing in the context of the born global firm, it is best studying one typical born global case to get an in-depth understanding of the research topic.

3.4 Data Analysis

Data analysis was done after gathering raw data which in the case of this study was the transcribed interviews conducted with employees of born global firms. The process of data analysis included spotting trends or repetitions within the data that highlight specific propositions of the study. The seven interviews amount to 63 pages of transcribed text in English language, with interview lengths ranging from 40minutes to 90minutes. The interviewees gave detailed information about knowledge sharing processes within their firm and also detailed description of their CEO in regards to his work attitude and roles in motivating others at work. All interviews were conducted in English, reason being that the native language of the researcher is English and English is also the working language of the born global firm where all seven interviewees are from, therefore all interviewees had good command of the language and were capable of expressing themselves to the level of a native speaker. Upon completing each interview, the researcher transcribed each interview within 24 hours of the interview. After all seven interviews were fully transcribed; the researcher looked out for repeated patterns within the responses in which she categorized. These patterns were found after tabulating the frequency of mention of particular categories amongst the seven interviews (Appendix 2.). For example, the most mentioned response was the interviewees' appreciation for a flat organizational structure. These patterns were then selected and highlighted for further analysis.

Yin (2002) distinguishes between two main strategies of analysis. The first is based on pre-formulated theoretical propositions and a respective coding system. The second is based on development of a case description, which would then form the basis for emerging research questions and a framework for organizing the case study (Eriksson & Kovalainen 2008). The latter alternative needs to be based not on a formal coding procedure, but more on direct interpretation of the research materials (Stake 1995). The latter, more inductive method of data analysis is used to carry out aspects of organizational culture, but AMO used a deductive approach to connect these aspects to knowledge sharing. This implies that the researcher is interested in the theme, categories and patterns that she has found, not from pre-given theoretical framework. However, having said so, it does not mean that prior theory and concepts cannot be used in the analysis of data, the researcher does use theoretical concepts to sensitize empirical data, or to give sense of reference into the analysis (Blumer, 1969; Eriksson & Kovalainen 2008). When sensitizing concepts, the research looks for theoretical concepts(s) from previous research to help describe and analyze the central organizing features of empirical data and the meanings embedded in them (Eriksson & Kovalainen 2008).

The researcher formulated each category by tabulating the frequency of mention of particular categories amongst the seven interviews (Appendix 2.). This form of frequency tabulation provided the researcher with a clear illustration of the level and pattern of references to particular initiatives and is therefore a valuable and concise form of representation. This however, is only a representation of the complete data and may be misleading to attempt to draw conclusions from the tabulated responses (Sanders, Lewis & Thornhill 2000).

3.5 Reliability and Validity

Yin (2003) suggests that because a research design aims to represent a logical set of statements, the researcher can also judge the quality of the research design according to the following logical tests which will be mentioned below. Concepts that have been offered for these tests include trustworthiness, credibility, conformability, and data dependability (U.S. General Accounting Office 1990; as cited in Yin 2003).

The disadvantages of this method of structured interviews would be the incorporation of human error and bias. In addition, the researcher cannot be fully objective therefore she may have included some subjectivity into the research process.

Reliability is one of the classic evaluation criteria commonly used in quantitative research, and also to some extent in qualitative research (Eriksson & Kovalainen 2008). Reliability tells you the extent to which a measure, procedure or instrument yields the same result on repeated trials (Eriksson & Kovalainen 2008). Therefore, the question of reliability is related to the establishment of a degree of consistency in research in the sense that another researcher can replicate this research and gather similar findings (Eriksson & Kovalainen 2008). However, the qualitative nature of this study makes reliability more complex. One possible reason being the simple change in interviewees would give complete different responses since questions can be personal (especially when asking about values and opinions).

Validity refers to how accurately the research has conducted the research (Maylor & Blackmon 2005). Questions to ask oneself when reading this research are: Did the research really study the organizational culture of born global firms and how it affects knowledge transfers? Did the research have enough responses to justify its findings and claims? Validity refers to the extent to which conclusions drawn in research give an accurate description or explanation of what happened (Eriksson & Kovalainen 2008). In principle, to be able to say that research findings are valid is to say that they are true and certain (Schwandt 2001; as cited in Eriksson & Kovalainen 2008). This means that findings are accurately represented and backed up with evidence (Eriksson & Kovalainen 2008). In this research, the researcher rephrased the responses of the interviewees just to be sure that the correct interpretation was made in each interview.

3.5.1 Construct Validity

In constructing validity, the researcher should have established suitable operational measures for the concepts being studied (Yin 2003). In this case study research, operational measures were Schein's (1992) organizational culture factors and the heuristic AMO framework as a linking bridge between organizational culture and knowledge transfers. To confirm that the correct and most suitable operational measures were chosen, a pilot test was done before proceeding into the seven other interviews. This pilot test was helpful in constructing validity as it allowed the researcher to make minor alterations to her interview questions and techniques. After the pilot test, interview questions focused more on internal communication and knowledge sharing based on interviewees' job requirements.

3.5.2 Internal Validity

Internal validity is not for exploratory studies; hence it would not be taken into consideration for this research. However, it means to establish a causal relationship, whereby certain conditions are shown to lead to other conditions (Yin 2003). In this case study research, the relationship between organizational culture and knowledge sharing is studied using the AMO framework as an analytical framework. However, this does not mean that the research is aiming to find quantifiable amounts of ability, motivation or opportunity and how those would affect the relationship as mentioned, i.e. *X* amount of motivation from the organization would lead to *X* amount of knowledge shared. Stating again that this is not a study which studies causal relationships between organizational culture and knowledge sharing.

3.5.3 External Validity

External validity is the extent to which the study's findings can be generalized (Yin 2003). However, Yin (2003) emphasizes that embedded case studies should not try to generalize statistically; instead, their purpose is to be generalized theoretically. For example, the goal of data analysis of this research is to generalize the findings to organizational culture and the AMO framework with regards to knowledge sharing. The subjects of the research came from one Finnish born global firm. This would skew the findings towards a Finnish organization's point of view. However, this would not affect the overall validity of the research since it has been managed, firstly, to eliminate country-bias by only engaging one nationality in the sample group. Also as mentioned before, the findings of this research would be generalizable theoretically to organizational culture and AMO theories.

3.5.4 Reliability

Reliability means that if another researcher were to repeat this research, would he or she get the same findings? Or in other words, the repeatability of this research. The goals of ethnographic studies are to obtain valuable, transferable results. The goal of reliability is to minimize the errors and biases of the study (Yin 2003). According to Maylor and Blackmon (2005), most ethnographers disagree that researchers can be objective and even question whether objectivity is a desirable quality in research. Instead, researchers should recognize that all human beings are subjective, but that subjectivity can be managed in social research (Maylor & Blackmon 2005). Two suggested ways of managing subjectivity by Maylor and Blackmon (2005) are neutrality, developing strategies to avoid unrecognized subjectivity that might bias research findings, and transparency, acknowledging subjectivity. To achieve reliability of the research, the in-depth interviews followed a set of questions and were digitally recorded and also transcribed within twenty-four hours. This was done to keep records and also to ensure that all that was said by the interviewee would be taken into consideration when analyzing the results.

4. RESULTS

The aim of the section is to answer the two main research questions with the findings. The main findings from the semi-structured interviews will be discussed and covers discussions between organizational culture and how it has affected knowledge sharing. Keep in mind that the AMO framework is constantly in use to draw the link between the two variables. Critical analysis will be done upon gathering the main findings and finally the applicability of these findings will be evaluated.

4.1 Organizational Culture and Knowledge Sharing

The following sections will be a presentation of the elements of organizational culture which were found to have the biggest effect on knowledge sharing within the born global firm. The following categories were identified by the researcher as the most mentioned responses after tabulating the seven interviews (see Appendix 2.).

4.1.1 Flat Organizational Structure

In a recent study done by Michailova and Minbaeva (2011: 9), "Organizational values have been identified as the most important organizational culture component that operates on both cognitive and behavioural levels. On the one hand, values directly reinforce desired knowledge sharing behavior or challenge non-desired behavior." This finding is based on a traditional multinational firm: Danisco. Interestingly so, their research revealed the difference between traditional multinationals and born globals in terms of what each value most in regards to organizational culture and knowledge sharing. To be seen in the coming sections, traditional multinationals consider organizational values as more important when engaging in knowledge sharing, whereas in born globals, it has been found that organizational structure stands out as the main factor which is affecting the ability of knowledge sharing. There is a repeated agreement about the organizational structure that is the key to knowledge sharing. Born globals have very flat structure, in the studied firm, there are only two levels in some departments, and top management is very approachable and accessible.

Quotations from the in-depth interviews were used to reveal the issues touched upon and highlighted by the researcher. Three main findings regarding organizational structure have been identified as affecting the ability of knowledge sharing and they are as follows: (1) flat organizational structure of born global firm, (2) low power distance between CEO and staff within born global firm, and (3) relatively small organization size of born global firm.

Organization structure in born global firms is expected to be very different from multinational firms since they would need to support the fast paced growth and expansion of these young born global firms. Interestingly found via the interviews, all interviewees mentioned the unique flat organizational structure which their companies employ. This flat organizational structure meant that less levels of control were present therefore allowing faster communication to its target receiver. Interviewees claimed that by having a flat organizational structure, their job is simplified and can be more direct in their communication and knowledge sharing. This would then aid in knowledge sharing since it eliminates some level of "noise" which is proven to be a barrier of knowledge sharing:

> "The hierarchy isn't there, only when making big decisions, only then the responsibility is there but it is not shown in everyday life. It (absence of hierarchy) would make the job a lot easier." (Director of Corporate Communications)

The Sales Director of Finland and Baltic Countries explains the flat structure of the organization in the quotation below and he also compares this to larger MNCs,

> "Today we are in the low culture, we don't have mid-level managers, we have people who are doing real work, (and) then we have two levels of managers. CEO and vice president are one level, then below them we have regional managers, then me (sales manager), that is for the sales side. And on the factory operations, in the same way, CEO and vice president is one level, and the next

> level is the factory directors from each country, then they have their own departments, R&D, production and so on. Rather low, very low hierarchy, compared to global (multinational) companies.” (Sales Director of Finland and Baltic Countries)

The Regional General Manager, EMEA & Latin America shares about the importance of having a flat structure and how the he dealt with one particular foreign subsidiary which refused to implement the flat organizational structure,

> “All subsidiaries (share the) same (flat) format altogether. They can’t afford to have very deep organizations. Managing director also have to be involved in sales and organization is flat, there are not many very layers. In Spain they tried to build layers and I just change the managing director and now it is flat.” (Regional General Manager, EMEA & Latin America)

The Global HR Development Manger said that with a flat organizational structure, it is easier for communication to flow, “Anyone can go and discuss with the vice president etc and it is very flat, so it is very nice.”

Having seen the advantages of having a flat structure, the born global firm tries to apply the same flat structure throughout its foreign subsidiaries. The Sales Director of Finland and Baltic Countries called this the “copy-paste” technique and added, “We…have 24 subsidiaries and there the managing director also tries to keep the hierarchy level as low as possible.” Remembering the consequence of the Spanish subsidiary as mentioned above by the Regional General Manager, EMEA & Latin America, one may interpret the implementation of such a flat organizational structure to be mandatory for the entire network in the born global firm.

An interesting finding from the Vice President of Corporate Development pictured the structure of the born global firm as being decentralized and not having a “real” headquarter. He explained that their goal of distributing authority, responsibility and knowledge sharing to the daughter subsidiaries would empower their local operations.

> “In global business, there are different types of company structures, some are very headquarter orientated, some are very transnational and global, and we are in that end, we try to hide, we try to keep headquarter very much away from our vision making. Yes there is a headquarter which we write in our report, but we are not centralizing that much in operations. (We try more) to distribute, to create transnational team working, that is relating to our strategy planning, our

> knowledge transferring, so we try to have transnational cooperative teams. And in that sense, what (does) headquarters (mean?) It's not some giant operating company, typically American companies are very headquarter oriented. I think we are not, we really try by all means, avoid to become centralized, headquarter oriented, where we talk about vertical way of working and reporting, we try to (be) more horizontal…(company) is in home country where ever we work. Our mindset is that we are at home, wherever in (company)." (Vice President of Corporate Development)

As we have seen above, by having a flat organizational structure, employees have the advantage of increasing ones' ability to share knowledge with others. This is done with the increased ability to have smooth communication flow with one another. Knowing that communication will be smooth, employees would then be motivated to share knowledge once there is an opportunity.

4.1.2 Effects of Small Organization Size

These born global firms are smaller in size in terms of the number of employees they have. In the studied company, there are 1301 employees (Company Annual Report 2010). Having said so, the firms are also in fear of over expansion. Ways of working, organization structure and culture would need to be modified and that would cause foreseeable challenges in the near future: the Sales Director of Finland and Baltic Countries said, "But we are getting bigger and bigger all the time." The "but" in this quotation indicates a hint of negativity in the fore coming expansion of the firm.

The Director of Corporate Communications explained that this "fear of expansion" is already confirmed, the only uncertainty is the time of when it will come true. Top management has to be prepared to overcome whatever challenges that may come with this expansion. He further gives an example of sending out messages to a large firm would pose problems if not done locally,

> "And when the company is growing, it's always hard to keep up and try to raise the bar all the time… of course it is easier with a smaller company, of course there comes the time, I don't know if it has come yet, but I know that it will come, when we start to be of the size that we need to change the ways we work. When the old habits in the small company don't work anymore, the part between

> when old habits don't work and when we are big enough, that's the hard part, the change part. Because that can take a couple of years and that seems like a long time for employees and the way to tackle it is to start before it happens, you start to think of if we are the 900 million (Euros) company with 3000 people, what should be our ways of working then. Then you start to work towards that… one thing is, for example, when you are a 100 million (Euros) company, you have the communications team which takes care of everything. So if a sales person in China or Germany or Australia needs to get something out there, they contact and people would do it for them. That can't be the case when we go to 900 million (Euros). Then we need to take local responsibility of the communications and do it not just from the idea to the execution. That's one very simple example. You can't just have one hub, you need to have people around the world actively getting information out there and another example is that you can anymore rely on the fact that people just talk and information gets spread like that." (Director of Corporate Communications)

The Vice President of Corporate Development remembers how things were done 14 years ago when he first entered the firm. His concern is with the lost of direct communication once the firm grows larger,

> "I've been in the company for 14 years, so when I came the company was very small it was aiming to become global today we are global so in that size of company, you know everybody, you could meet everybody, you can talk to everybody, you can have direct influence, talking and cooperation. Then you know year after year, we started to become you know, ok, somebody already said we are a midsized company, but you come to the midsized company when you are not able to see and talk to everybody and more and more you start managing and leading things indirectly." (Vice President of Corporate Development)

Furthermore, due to its small size, and flat structures; internalization of values is more "natural" for the studied firm. Values are shared and equally internalized. Perhaps structure is more important for born global firms because they are facing a growth problem, from small and mobile, to large and hierarchical.

The fear of not having the same working atmosphere and loss of flexibility worries all of the interviewees. The Sales Director of Finland and Baltic Countries shares his fear of losing good team spirit if the firm grows too large,

> "If we grow too big there might be a problem. That is a top management problem. Now we are on the base, in the next few years, we are starting to become such a large company that we have to really pay attention for team spirit and open cooperation for the company." (The Sales Director of Finland and Baltic Countries)

When the Sales Director of Finland and Baltic Countries said that the firm needs to pay attention to having “open cooperation for the company”, he illustrates the possible communication problems within large firms, this could then translate into knowledge sharing difficulties if employees would not cooperate openly. He also said, “…trying to keep company spirit and size. Of course when we grow bigger we are always thinking about how to tackle that growing and keeping spirit.”

The Service Manager as an expatriate in Singapore shared about his feelings about having a larger firm size. He also gives suggestions about what he feels would be the optimal firm size,

> “When company is growing, this “family” style doesn’t work anymore. Turning point of company is 300-500 people. We were small but we were stronger, and we were laughing at our competitors, that they were not flexible and our customers loved us. When we grew to 1000 people company, we have the same problems with the competitors. The work atmosphere wasn’t good anymore. I think 200 to 500 people is a good size to manage or we could divide the firm into smaller groups. Finally you feel you don’t know anyone anymore, it’s sad. The SAB (staff accounting bulletin) accounting system, a database, the owner says that 200 people is the maximum number of people in a group that is good for managing well. Therefore big firms can divide themselves into more groups; however, the problem of communicating across these groups would become a challenge. This “tube communication” style is slow and doesn’t allow us to communicate across departments which cases problems. There is also a waste of resources if there are many departments in the firm. Therefore smaller companies are still more flexible.” (Service Manager)

The most apparent challenge of the born global firm surfaces again during the interview with the Regional General Manager of EMEA & Latin America,

> “Communication in this company is very straight, everybody can talk with everybody. And the challenge naturally is that we are growing. We need to get organized. People used to work like in a garage company, where everybody knew everybody, but this is not possible anymore. Now we need to have somehow a more rigid organization which was not needed before and still keep the flexibility, that’s our challenge. How to convert the (company) spirit into a bigger organization? It works in a small organization, when something goes wrong then everybody gets together and sorts it out. But now you cannot do that with 1300 people.” (Regional General Manager of EMEA & Latin America)

As seen from the discussion in this section, the small firm size of the born global firm has allowed its flexible operations which are its competitive advantage. Also, with its small organization size, employees feel more comfortable and compared this to a "family" hence increasing the ability, opportunity and motivation of knowledge sharing due to the safe working environment.

On the other hand, this small organization size also poses as a threat to the born global firm as all managers foresee the troubles that an over expansion would bring to the firm. But starting small, the employees of the born global firm are now used to working accordingly and have formed habits in which suits its current small size, however, when the firm expands to become a large firm, operations would need major modification. For example, employees would no longer have the time to have as many face-to-face meetings just by looking at the large number of employees to meet.

Therefore, the born global's small organization size is both an enhancer and an inhibitor for its future operations. If the management team is only looking at the present, then its small organization size would be an enhancer, but all businessmen looks to the future and its current small organization size would inhibit its future growth. The ability of sharing knowledge in a small organization is obviously easier than compared to knowledge sharing in a large organization. Interviewees compared the organization size to a family hence indicating that there is high ability to share within this closely knitted born global firm. By sharing close bonds with other employees, individual employees would be more motivated to share knowledge with others and would want others to also succeed with them. The interviewees gave the impression of being very team oriented and are collectivistic; therefore this would increase their motivation to share knowledge. The effect of having a small size in terms of structured implications would be the increased opportunity to share knowledge also. Since there is no hierarchy, there are more opportunities for informal knowledge sharing.

4.1.3 Managerial Interventions

The following sections will be an emphasis on what management did in this born global firm to manage organizational culture. These managerial interventions also affect the AMO of knowledge sharing, and these will be further discussed in their relevant sections below.

4.1.3.1 Social Events

De Long and Fahey (2000) states that organizational culture defines the quality of relationships between employees which is affected by the level of trust between individuals. The high level of trust is demonstrated in these born global firms by having high levels of job autonomy. Social events which draws the organization together has shown to boost interpersonal relationships too.

Interpersonal relations between colleagues are also improved by social events, which further breaks down power distances and creates the opportunity for future effective knowledge sharing:

> "On the global level, we have those annual management meetings; we have a (name of meeting) every year, where we have about 150 internal people and about 200 external sales partners and so forth. That is one very important event. We have the conference and also the social part. We also have smaller scale events… you always need that personal touch. It has absolutely improved the internal relationships also." (Director of Corporate Communications)

Similarly, the Sales Director of Finland and Baltic Countries shared about the Finnish social events which the firm organizes each year and the CEO is also present in these events which elevate the meaning of such events. The high attendance of such social events demonstrates the importance or significance of these events to the firm as a whole.

> "In Finland, we have typically the Christmas party or winter party, depending on the year. That's for all people working for (the studied born global firm) in Finland. For the sales we have once a year we have a global conference that we gather together. It's the sales and marketing people, together with our biggest

> customers. That's the big event which we have somewhere in the world. And of course the main purpose is for people to know each other, to boost (the studied born global firm) spirit. Everyone is invited to these events and we normally get 80% attendance rate yearly. It's very popular. Last year we had a winter party held here in (headquarters) and we had 500 people gathered together and we had some nice program, music, some speeches from management side, CEO side, having dinner together and spending some time. We quite often have some sort of theme which we have to follow, last year we had the Las Vegas theme, which we had to dress ourselves like Las Vegas old-style. The CEO is there at all these big events. The global events and those in Finland are organized by (headquarter). This has definitely helped me with getting to know many more people and getting better communication between people." (Sales Director of Finland and Baltic Countries)

The Service Manager that was posted to Singapore as an expatriate said, "In Singapore, we were so small so we didn't have much, but we did go on a cruise together as a unit. (The born global firm) in China has picnics in the park and it is something new for the Chinese and I think that was successful." From this example, the expatriate in Singapore was well aware of what his colleagues in China were organizing for their social events, indicating that news spreads within the firm and could be regarded as a positive morale booster.

As seen from the quotations above, these social events gave employees the opportunity to get to know their work mates better and this increases their ability to share knowledge, knowing that they share a close interpersonal bond. This close interpersonal bond or relationship between employees also acts as a motivator for them to share knowledge.

4.1.3.1.1 Maintaining Company Spirit

In the following example, the Global HR Development Manager shares about the purpose of such social events from his point of view. He states that these social events build up the company's spirit and is therefore a good connecting tool for the employees. A community is also built and this provides the employees with a safe working environment again.

> "There are different levels of social events, the biggest event is the (name of conference) and this is for sales and the biggest positions in sales in there and customers are there and it is a lot of fun to build the community and the connection on the emotional level with the customer. There you learn a lot about people...We have a lot of social events in countries, especially in Finland, and China…You need to build a community and you cannot share the same values if you don't build that spirit. You need to have celebrations of success and you need to have parties. In Finland, we have summer parties and Christmas parties. In these parties you can discuss more openly. In China we have also established this event for families where there are activities for kids and the elderly. Also there are events for customers. These events build a very special atmosphere. Most people who have worked somewhere else, say that in (this firm), general feeling is the best. When you talk about general level, most people think it is the best place to work. I think if you only work for (this firm), then you have limited view of that, but that affects very positivity." (Global HR Development Manager)

López *et al.* (2004) said in their study that for firms to have a collaborative culture, the organization should have a long-term vision, encourage communication and teamwork and respect diversity. This is also true for born global firms since there is a common fear of over expansion; hence their long-term vision includes revamping to suit a larger work committee. To encourage communication, the born global firm is having social events to pull nodes closer within their relative small network.

The Vice President of Corporate Development shared about the difference in understanding these firm social events in China and Finland. According to him, the Chinese take these social events more seriously than the Finns because in has meanings relating back to their collectivistic culture.

> "(these social events) have a lot higher meaning in Chinese culture…I have almost every second week, evening dinner, round table dinner and it had a big meaning to any level manager joint to one round table dinner. That was where you created this balance. This opens (up) communication and builds relationships. And also during your working hours, they can come and talk to you, they were more open (after these social events), more encouraging, I think it wouldn't work if you didn't do it. That was a step I was willing to do and I was happy to do it and happy to see how it was impacting to people's behavior. (In China), these social things have a lot more meaning in your working life than in the Western culture." (Vice President of Corporate Development)

When asked about the meaning of social events in Finland to him, the Vice President of Corporate Development revealed that the main purpose of these events to a Finn would be to lighten up the work atmosphere and to have fun, which is one of their company values.

> "It has a similar meaning. One of our company values is to have fun here. We are hard working here, innovative and so if you don't have fun here, you don't work here after few more years. Our first CEO said as long as we have fun, we are successful. We have pikkujoulu (Finnish little Christmas party), some mini events. But in China, the meaning of these events was still a bit different than in Finland. Every spring time…we have this outing and it was the most waited event people talked about it half a year before it took place, we could go to mountains, hiking, wide river rafting, that was (such a) big event. After this outing, they talked about this annual party related to Chinese New Year, no doubt we have fun. So this is also a lot of social thing that relates to company culture. So no hierarchies, people can talk to each other, people can share opinions, they don't need to agree on things, and you are still in the same level as everybody else in your opinion, we are to listen to everybody. This is our culture, we can learn from everybody." (Vice President of Corporate Development)

From the quotations above, it has been found that the born global firm's company spirit was highly valued by its employees, especially to those who have been with the firm since its founding. This bond is forged and maintained by having these social events. This is a big motivating factor for employees to share knowledge because they know their knowledge sharing counterparts.

4.1.3.1.2 Shared Company Values and Goals

Research has found knowledge flows in MNCs to be positively related to the use of corporate socialization mechanisms (Gupta & Govindarajan 2000) and the existence of close relationships among MNC units (Szulanski 1996; Tsai & Ghoshal 1998). This could be carried out by establishing corporate shared goals, visions, objectives, beliefs etc. (or in other words, the organization culture's main elements have to be shared, recognized and practiced across units). The main reason why socialization theory (Van Maanen & Schein 1979) works is because it deals with building and maintaining interpersonal ties and relationships between employees across units. Since socialization theory focuses on human relationships, control and motivation would come in a more informal way. Behavioral control and influence mechanisms could be presented in the form of subsidiary visits, international teams, training involving participants from multiple units, and international trips.

The Director of Business Development shares about the reasons why he thinks the born global firm is doing well, he credits the firm's success to its social events,

> "I think why we are doing so well is because our daughter companies are doing so well. And daughter companies are doing so well because people like working in this company. And that comes from the close activities (i.e. social events), what they have over there as well, and the freedom of doing certain things." (Director of Business Development)

The aim of corporate socialization is to establish a shared set of values, objectives, and beliefs across the organization and its subsidiaries (Nohria & Ghoshal 1994), providing them with a strong sense of a shared mission and a unified corporate culture (Hedlund & Kogut 1993). The more these subsidiaries and headquarter share the same long-term vision and goal, the more chances of them engaging in knowledge sharing activities to complement each other and to achieve their goal. Empirical research on the knowledge-based view of the firm indeed suggests that the existence of close interpersonal networks facilitates the diffusion and creation of new knowledge across units within a corporation (Tsai & Ghoshal 1998; Tsai 2001). The absence of pre-existing relationships among units has been identified as a factor creating "stickiness" in knowledge sharing (Szulanski, 1996). Similarly, drawing on a social network perspective on organizational learning, Tsai (2001) argues that inter-subsidiary knowledge transfer in MNCs occurs in a shared social context in which different units are linked to one another. Hansen (1999) notes in his study the importance of interpersonal ties within networks which aid in increasing knowledge sharing efficiency. Interpersonal ties between subsidiaries provide channels through which both information and resources flow. Social interactions among different business units break down walls of those units and stimulate the spread of information and knowledge. Corporate socialization mechanisms refer to those organizational mechanisms that facilitate the development of interpersonal ties in the firm (Van Maanen & Schein 1979), which in turn can be expected to enhance the communication between the parties, including transfer of knowledge. Gupta and Govindarajan (2000) indeed found that corporate socialization mechanisms were positively related to knowledge transfer to peer subsidiaries and (partially) to the parent organization.

These social events are also organized for cross-border interactions and have seen to lower cultural barriers,

> "We always need to know people and once you get to know new people, there is always the connection and it is much better after that. If you know him or her, then now I know you, it makes it much better. Lowers the barrier, I don't think it's a cultural barrier. Okay, I haven't been working with Asia, but I would say that Europe, US, South America, we don't have a cultural barrier. It's more about, okay, I don't know you, now I know you, and okay I don't have a problem anymore. I think that there is a cultural barrier of course, but still, in this company, once I get to know certain person, that also breaks down the cultural barrier. So we still have the same phenomena, once I know you, the information flows easily. So I don't see that big of a cultural barrier. The company culture is such as we are a close family in a way. That makes it easier." (Director of Business Development)

Similarly, the Global HR Development Manager said, "culture is not so much a problem" when asked about finding the right person to contact within the firm.

> In addition, "Every country is different and working different yet they all keep the (firm's) way of doing things. One thing common is that everybody takes care of their business. It doesn't matter what culture you are in, you do your own business in your country, then when you work together, you take care of one another, and you take care of your customer." (Regional General Manager of EMEA & Latin America)

The Director of Business Development shares that if he were to meet another person from another culture who is from the same firm, he would still feel that he knows that person just by having the same organizational culture,

> "…absolutely, that makes a connection. I mean just last week, I met with several other people whom I have never met before but after this week I left there and I think we already know for a long time and now I know every time who I'm speaking with and I have a face to connect to." (Director of Business Development)

With the help of knowing one another in the born global firm, the employees are very helpful towards one another and this has certainly helped in getting information shared in the firm, as shared by the Regional General Manager of EMEA & Latin America, "it is easy to contact people, knowing people in the organizations. This is not easy to say, it is not true in all organizations. When you go to big companies, somebody says this is not my business, nothing I can help you. In (this firm) you don’t get (that).”

Similarly, the employees’ shared company goals and values come from their mutual understanding of the company spirit, which again motivates them to knowledge sharing.

4.1.3.2 Recruiting Right

Many of these employees in born globals are very experienced in their work field, carrying over their own work values from their previous jobs. Previous work values (perhaps from a MNC), plus born global flat structure could be a good combination to knowledge sharing. In the case of born globals, it is possible that ability factors are brought along with the employees from their past working experiences. For example, the ability of having cultural understanding could have been gained from their past expatriation experiences before going the born global firm. Or by joining on board a born global firm, these employees could already believe in the “global mindset”, or the belief that the world is the market (Freeman & Cavusgil 2007).

This born global firm is getting so much valuable experience from its employees because they know of such advantages and are specifically selecting these talented individuals who have the potential of succeeding in their work culture. The example below shared by the Vice President of Corporate Development speaks of the qualities the company seeks out for in an employee.

> “The challenge is to find the right people to do this work. And the right people also may mean people who come to the role in a pioneering team, who are initiating this knowledge transfer, for example, team member from Finland, team member from USA, or from China. They understand all roles. I would not talk about responsibilities; I would like to talk about role to become a coach to train the trainers, so to understand the roles, you are the project manager, you are also coaching, and you are also becoming a trainer to the next step, to learn but then to avoid to do this by yourself, but to find people around you who you are going to teach. So in this kind of role, you need to have the talent to have a few roles. It’s really knowledge transfer. And to find this kind of people, who are in

> our business, which is very technical business, to firstly understand our technology, for example, when we talk about knowledge transfer, we are talking about products and customer servicing and that's by nature quite technical oriented. To find people who are then able to go and do this work, but then also to train the trainers. Now we are learning by doing, the first step we succeed in some level, then we make mistakes but I think we have learned quite much. This year we are doing some knowledge transfer to Asia, and at the same time, we are building a Centre of Excellence in Asia, so we are not sending anybody there, but we have now decided to bring here a couple of persons from this team, to spend here (Finland) 1 year. They will come here to Finland and they will work in a team and they are supposed to work together in 1 or 2 years. They come here as a member of the team, doing and working as a normal member of the team, and after half a year, they start to take on more responsibility about certain subprojects, and after one year, they are leaving Finland, they go back, they are supposed to smoothly go back to same work there in Asia. They (will) have their own team, maybe junior team members, train and train and try to put them as doing the same type of work he/she was doing here earlier. But not to do the same work in the new site, but finding people who would do the same. People who created this transfer, they are now the bridge, the coaching bridge, and it's not easy to find these kind of persons just like that, someone who is committed to these kind of 2 to 3 years of work. Of course sometimes you find these kind of short period where it takes one month or two months, typically, as long as you look at things from the strategic point of view or your company success, this knowledge transfer takes couple of years." (Vice President of Corporate Development)

The Regional General Manager of EMEA & Latin America also said, "It's also how we recruit, we recruit certain personalities."

Another reason why born global firms have highly talented employees is due to the change in work force qualification, as identified by the Global HR Development Manager, "…communication skills, collaboration skills, special skills that are important to share knowledge are basic for now, and language skills are a must."

Fine tuning of the company's selection of managers in foreign subsidiaries,

> "Now (the company), most of our directors coming to our global operations have had expatriate years before or have been in foreign universities, been in international companies before joining, so (it is) no problem, so this is how you select, how you build your team. You can find talent, you can select." (Vice President of Corporate Director)

Again, the born global firm is made up of a team of highly experienced team members and CEO, giving the firm a head start on starting up:

> "We in Finland we talk about the strong engineer background and we have this kind of engineer CEO and he has experience in marketing, which is not so common combination in Finland that I think is very valuable." (Director of Corporate Communications)

This first example shows that the CEO of this born global firm is the prime example of having high levels of experience which is specifically beneficial to this born global firm's high-tech industry. Not only does the CEO have lots of experience under his belt, those who make up the born global firm also share the same make up of experiences;

> "We all have quite long experience, in the management level…Of course, each and every one from the team has our own background and own experiences and we consider these are building up the team." (Sales Director of Finland and Baltic Countries)

From the quotation above, the Sales Director of Finland and Baltic Countries shares about the importance of building up the team with their own experiences. This is achieved by sharing the same work goals and culture.

These experiences that we are speaking of now are not limited to technical knowledge and know-how. The Regional General Manager of EMEA & Latin America shares about his intercultural knowledge which he gained from his travelling experiences. The Regional General Manager of EMEA & Latin America said that he trusts the managers in foreign subsidiaries because they should be knowledgeable about their markets and he is also well equipped with intercultural knowledge stored up from his years of working experience,

> "I trust that we have every country local managers who are supposed to understand the local way of business, the local market, the local price, understand the local culture, and also I understand the cultures. That's a given, because before I came to (this company), I already calculated that I have direct reports from 17 different countries and bosses from 4 different countries." (Regional General Manager of EMEA & Latin America)

One big advantage of having such rich experience pool within its firm would be to have the foresight of possible dangers to avoid in regards to company growth. The Vice

President of Corporate Development shares about the knowledge wealth of the firm built upon past experiences of working in large multinational firms.

> "In our management team, we have people who have worked in other companies before coming to (current company), I was in ABB, somebody comes from Honeywell, and somebody comes from Siemens, and somebody is growing along with (current company), so it's a mixture of people and experience and views. Most of the people for example who has been in a bigger company than in this firm, quite often have discussions (about) how to avoid (making the mistakes of larger firms). This is also experience based discussion where we share different opinions. Although we were in different companies, typically, there are people who have seen where we may go if we do not do things differently. And I think this is the big thing, this is the proactive discussion and culture development, how to become this 1 or 2 billion company. To avoid what we have seen here and there…So yes, the threat is there but it is balanced with good discussion, that we have views about what we shouldn't do…we have positive discussions, we know what we should be avoiding, in these kinds of discussions, people typically agree…This is how to maintain (company) spirit of avoiding what many companies have done wrong." (Vice President of Corporate Development)

One may argue that the specific selection requirements of employees into the born global firm is not exclusively a born global firm characteristic since any firm would have such selective criteria. A more apparent difference can be seen between the founders of the firms, whether it be the born global firm or the traditional multinational firm and compare their start-up experience, more specifically, the international experience they had before starting the firm. The born global firm's founding team of 13 experienced professionals came from large multinational companies in the same high-tech industry.

Such experienced top managers transferred their work ethics, goals, values onto the new firm (the born global in this case) and have built the firm based on these previous values. Such values include professionalism, global mindset, high goal achieving, people focused and passion for excellence (Company Annual Report 2010). These values are the foundation of the organization's culture. The born global than recruits those whom they see as potentials to best fit the organization's culture. These values motivate employees to want to perform their best and share knowledge with one another. Also with rich past working experiences, these employees also have large networks and contacts, therefore increasing the opportunity of them collaborating and possibly sharing contacts (as a form of knowledge, “know-who” knowledge) with others.

4.1.3.2.1 Flexibility and Adaptation of Previous Work Experiences

According to Schein (1992), the three main levels of organizational culture suggest that knowledge transfers will only be successful in the organization if it is consistent with the basic underlying assumptions. Interestingly found after studying born global firms, these basic underlying assumptions did not carry as much influence onto the role of knowledge sharing as would have in traditional multinational firms. These unconscious beliefs, perceptions, thoughts, feelings which individuals often take for granted have been carried over from employees’ previous work experiences. The flexibility of born global organizational culture allows these past experiences, skills, work ethics and values to permeate the “new” born global culture. As Schein (1992) has found in traditional multinational firms, these basic underlying assumptions are thought to be the most important and are more influential on behaviour than artifacts and espoused values. To a certain extent, this is also true in born global firms as these past work experiences have turned into the assumption that employees would enter with a basic and similar understanding of work culture. On the contrary, management can expect a lack of knowledge transfer if the initiatives are inconsistent with the values and assumptions of the organization (Schein 1992), which has also proven to be true in born global firms since employees do however go through job trainings before entering their positions if need be.

The Director of Business Development shared about his work experience before joining this born global firm and how they have all been related to his current position. This meant that job training for his currently position is unnecessary since knowledge and skills are carried over,

> “All my work has been in international works so I’ve always somehow worked in the headquarters, and I have never actually worked in domestic sales or domestic businesses I’ve always worked outside so all my work has been in a

> way dealing with internal and external customers in a way. So I think that helped." (Director of Business Development)

Therefore, by being flexible and agile with previous work experiences, the born global is exploiting such spill-over of knowledge for their benefit. This increases the firm's ability of conducting knowledge sharing because they have experts who are doing the sharing!

4.1.3.3 Job Design

According to Foss et al. (2009), the root of knowledge sharing comes from motivational reasons embedded in job designs which emerged in the data as will be presented below. Psychological studies (Hackman & Oldman 1975, as cited in Foss *et al.* 2009) believe that job designs cover a multitude of variables such as "autonomy, task identity, and the degree of feedback the employee received". To encourage knowledge sharing within firms, managers should consider the motivational characteristics of their employees' job characteristics, however, not taking for granted that with the presence of motivation, the employee will naturally share knowledge.

4.1.3.3.1 Job Autonomy

Job autonomy is a measure of how much freedom and flexibility the employee has with his/her own work tasks (Foss *et al.* 2009). Job autonomy also divides jobs which either give the employee job opportunities to be innovative from those that are purely "follow the leader/instructions" jobs (Foss *et al.* 2009). Independence or interdependence of others employees also varies amongst different job autonomy levels. Job autonomy would also translate into the employee's attitude towards being proactive or reactive while working; having high job autonomy would motivate them to be more proactive and constantly be on the look-out for improvements to be made (Foss *et al.* 2009). On the other hand, having low job autonomy or having the "follow the leader's demands" job would result in reactive behaviours (Foss *et al*. 2009).

Although the above mentioned study (by Foss *et al*. 2009) applies to the individual level, the researcher has found that job autonomy can also be applied to the unit or subsidiary level in this born global firm. This born global firm operates to a high level of localization in each of its foreign subsidiaries (by having local managers); therefore they give authority and autonomy to each subsidiary's top managers to decide on operational style (excluding organizational structure). This means that the headquarters would give autonomy to the subsidiary, and what happens from there is up to the subsidiary manager. There are a total of twenty-seven subsidiaries in the born global firm and the Director of Business Development shares in the following example how each subsidiary is a company on its own and the headquarter takes on the role of a servant, supporting their needs.

> "As a smaller company, it was easy…you know we have subsidiaries over there, and as a small company, we only have this one (product), we do and you sell and the people in the management were also more involved in the sales in the area so they knew actually what was going on. Now the company is getting bigger, the subs are getting much bigger they have more independence, they know best the markets so the information has to come from there so this is also a change when you grow bigger, then the subs are also getting stronger and stronger. The biggest sub is somewhere between 20-30 million and the smallest is something like 1.5 million…When you have a over 20 million subsidiary, they are already their own organization, full of competent people so how can you go here as a one single person and say, hey guys you guys are doing something wrong. So you have to trust that they are doing something right. And then you listen to what they want to have. Such a big company already has a big market share in the country." (Director of Business Development)

As a result of the growing independence and strength of the subsidiaries, the managers in headquarter are changing their role from being a controlling figure to a more caring and "softer" personality and this is illustrated by the change in work attitude of the Director of Business Development,

> "So all the time (I have) been communicating outside and the previous job has been like communicating this is what we have to offer, and little listening what others need. Very little. Now it's changed, now it's what do you need, what can I help? What can I do to make it easier?" (Director of Business Development)

The effect of such autonomy has seen to be both an enhancer and an inhibitor of knowledge sharing. With such autonomy given to each subsidiary, the born global firm runs the risk of not having any communication with the subsidiary and a possibility of opportunistic risk. One the other hand, by giving autonomy to the subsidiaries, the born global firm is demonstrating its trust and respect to the subsidiaries and hence would elevate the motivation level of knowledge sharing between subsidiaries and headquarters. Such can be seen in the quotation above where the headquarter takes on the role of a helper to encourage knowledge sharing with the subsidiaries.

4.1.3.3.2 Task Identity

Secondly, task identity is the level of coverage which the employee gets to complete on a project (Foss *et al.* 2009). This could range from having a complete involvement from start to finish of the whole project or just a specific "section" of the project. Task identity has a big influence on the employee's motivation towards his/her tasks; the more contribution the employee inputs, the more he/her will feel a sense of belonging and worth (Gagné & Deci 2005, as cited in Foss *et al.* 2009).

The Vice President of Corporate Development shared about the importance of training "champions" to coach others to do the same job. He explains that typically foreign host country expatriates would come to Finland's main factory to learn about a certain task. These "champions" would then return to their home countries and train their team there. They are given much responsibility as the company trusts them with transferring this learnt knowledge with those at home. This also requires much commitment from the employees as they are expected to stay with this project from start to finish, lasting from two to three years.

> "We typically develop in Finland, products, what we will manufacture also in China, and in USA. So products, we are developing here in Finland, we start ramping our first product here in Finland, but we are also planning to do ramp up in China, we basically invite and involve people from China factory here in Finland to the ramp up operations. Learning by doing, learning in a systems, learning about supplier network, learning about processes, whenever they go to

> their own site, they are now trainers, in a way, let's call them champions, who then go to orchestrate the same task, a second time, this time in (their) own factory. And now the Finnish side are supporting and helping, but not directly going to do that work anymore in China." (Vice President of Corporate Development)

As mentioned in the section above, high involvement or independence (autonomy) of the subsidiary would lead to an increase in the motivation to share knowledge. With ownership of the project, and knowing that there is no internal competition, the subsidiary would be motivated to share knowledge and such opportunities would come through the firm's knowledge sharing apparatus such as the quarterly newsletter (explained below).

One example of encouraging and facilitating knowledge sharing within the sales department can be seen between the born global firm's multiple foreign subsidiaries' newsletters. These newsletters are published quarterly to inform others about deals that have been signed and also to boost up the competitive spirits of sales. The Director of Business Development describes this newsletter in the following quotation,

> "We just created a newsletter "what's up in regions?" we do it quarterly, it's very seldom. But I want to create that kind of newsletter…Of course we have the intranet, but maybe it's too formal and people are not looking. We want to in a way create a newsletter to inform people that this happen and (that) happened. Very short, "newsflash" actually we call it. And we also have "big deals", they won this one, they won (that) one. At the same time, we are also doing reporting to our top management about key happenings in the last month and what we will do in the next month. It includes information like we won this project, we will hire this person, we have problems here, etc. before we just collected that information from everyone, and we put it as a summarized report to the top management. Now what we do is we collect it, roughly 15 slides because we have about 15 countries in this region, and next month, send it to everybody so they can see what the other guys have been doing. So this is I guess one of the good sharing ways, that they can see what guys have been winning, what they are going for…Anyhow, it is sharing information so they know what the other guys are doing. Because I believe that if we saw that they are selling quite well, somebody would say, oh we need to do something more! It creates maybe not pressure, but challenges, to the other countries as well in a way." (Director of Business Development)

Such a knowledge sharing tool would need to be utilized more often in the born global firm. This example of the quarterly newsletter is only in its infancy stage, therefore there would need to be a follow-up on the effects of it on knowledge sharing.

4.2 Role of CEO and Knowledge Sharing

The following sections will display the findings of the research in the area of CEO's influence on knowledge transfers in the born global firm. The following categories were identified in the same way the above findings were categorized. The researcher recorded the most mentioned responses after tabulating the seven interviews (refer to Appendix 2.).

4.2.1 CEO's Approachability

Carroll and Harrison (1998) found that the more (higher frequency) interaction there is between the actors within the organization, the higher the chance of them sharing the same perception of the organization and also the same beliefs. This would fulfil the basic underlying assumptions level of organizational culture hence the managerial application would be for employees in the organization to have frequent interaction opportunities, which the research has found to be true in the born global firms, the high frequency of interaction between the CEO and subordinates, and also within functions elevated the "good working spirits" which was built upon the same work values.

The role of the CEO is evidently crucial in eliminating power distance and engaging the firm in value-adding projects. Also the interviewees stated repeatedly that by having an approachable CEO, they feel comfortable contacting the CEO, hence increasing the frequency of communication and allowing more efficient knowledge sharing:

> "It's very easy to communicate with him. It is the culture of the company; it is also the Finnish way. It's the same way as our president going to the shops by herself. That's the way it is… (we) don't use the official greetings or salutations. In that way, the leadership isn't about the status, it's about what you do in your

> daily life the substance you give and everyone judges you by that. The hierarchy isn't there, only when making big decisions, only then the responsibility is there but it is not shown in everyday life. It would make the job a lot easier." (Director of Corporate Communications)

The Regional General Manager of EMEA & Latin America described the CEO as, "(having) his feet on the ground. He doesn't put himself above anybody. You can just talk with him, there is no problem."

The effect of having an approachable CEO on knowledge sharing is the increased ease and ability of initiating a discussion with the CEO. We have seen earlier in the results about the technical competencies of the CEO in this born global firm and it is very useful when paired up with an approachable personality. All seven interviewees said that contacting the CEO is not intimidating; instead it is easy to do so. This would be a motivation for them to want to share knowledge with the CEO. The employees also have high respect for the CEO as found in the interviews; hence knowledge transfer from the CEO to the employees is also possible.

4.2.1.1 Low-Power Distance and Direct Communication

The high approachability of the CEO is made possible with low-power distance between him and his subordinates. Low-power distance refers to the (near) absence of authority or a controlling figure. From the interviews, it can be inferred that with low-power distance, relationships between colleagues and also in some cases with customers are improved, hence aiding in knowledge sharing. Many times, interviewees have shared that they would contact their CEO via calling him on the phone. This would call for a more informal communication channel since speaking on the phone is a more personal mode of communicating as compared to sending formal emails. In addition, by calling the CEO, information can be passed quicker than emails, hence making knowledge sharing more accessible and wide spread:

> "CEO is very professional, easy to access. No hesitation that I couldn't call him. Vice versa, it's very easy to pick up the phone and call him. He is always available and is easily available for customer, events, and uses quite a lot time

> for communicating. And in different kind of events, he gives speeches and motivates people. He is very open-minded and professional." (Sales Director of Finland and Baltic Countries)

> "…he is doing his own business in a very professional way and yet very accessible. He is in both (headquarter 1) and (headquarter 2). I communicate with my CEO normally on the phone." (Sales Director of Finland and Baltic Countries)

> "…there are no barriers between CEO and others. It's easy to contact him. Of course you don't do it every day or weekly, but every now and then, when you need to contact him, there is no hesitation, just pick up phone and call." (Sales Director of Finland and Baltic Countries)

As seen in the three quotations above from the Sales Director of Finland and Baltic Countries, he mentioned three times in the interview that he could call his CEO easily and there was no problem at all, no doubt about that. This would have not been so easy if the organizational culture adopted the indirect mode of communication and if there were a high power distance between CEO and his subordinates.

When comparing the Finnish work culture to the Chinese work culture within the same organization, the Finnish low power distance culture clearly stands out as unique; however, it could also pose as a barrier for high-context cultures which are illustrated below:

> "If you are working on the assembly line, you wouldn't wave "Hey (CEO's first name), how are you?" which is done here [Finland]. Maybe they (the Chinese) expect more of the authority and that's the hard part for (CEO), I don't think he can do it, it wouldn't be natural, and it would be fake. You can talk to the managers the way you talk with your friends. That's how it is in our culture." (Director of Corporate Communications)

By describing the possibility of his CEO's attempt to establish high power distance between his subordinates in China as being "fake", the Director of Corporate Communications illustrates the highly unlikely chance of the CEO changing his low power distance habit or culture. If the CEO does not change his work culture, his subordinates would also not change their work culture; hence the born global firm's low power distance culture is maintained, even in its foreign subsidiaries. One may argue and say that this low power distance culture originates from the Finnish culture, and not the born global culture. However, taking into consideration the large size of (for example) a Finnish MNC, it is highly unlikely for the CEO to maintain such low power distance with his subordinates due to their established hierarchy.

The effect of such low-power distance and direct communication between the CEO and his subordinates enhances knowledge sharing. Knowledge flows become smooth and knowledge is effectively transferred within the born global firm. The CEO sets an example for others in the firm to follow.

4.2.1.2 CEO's Socialization

The CEO's high frequency of contact and communication with managers makes them feel valued, important and motivated towards achieving company goals. Aligned with the low-power distance culture of these Finnish born global firms, interviewees have shared that most encouragements and feedback from the CEO comes verbally:

> "He (CEO) works a lot with us, a lot of his work is with us, communication." (Director of Corporate Communications)
>
> "He (CEO) would say "well done", "well planned", (encouragements are) very verbal and often; daily communication with (the) CEO." (Sales Director of Finland and Baltic Countries)
>
> "Good spirit, good corporations, trying to make it better and better, our key success factor is our openness. To tackle this challenge, we are communicating, communicating, communicating. On all levels, up and down and horizontal levels also." (Sales Director of Finland and Baltic Countries)

In addition, the CEO tend to visit departments frequently and often show interest in employees' progress and work plans by joining them in their social events and also team meetings. And lastly, the message of "team and group performance" is emphasized by the CEO to the staff.

From the above examples, the frequent visits from the CEOs have also proven to be an energy booster for the firm and also a motivator to knowledge sharing. This is evidently the advantage of having a smaller sized firm. In cases where the firm is large, the CEO would not be able to do these personal visits as often and he would not have the capacity of making the employees feel as easily connected to top management.

4.2.1.3 High Level of Trust between CEO and Subordinates

Due to the good interpersonal relationship between the CEO and the subordinates, good working atmosphere is achieved and maintained within these born global firms. Another reason for this good working atmosphere would be the low-power distance culture which is a result of the flat organizational structures implemented:

> "We have very good (team) spirit in the management level...management is organized well…spirit is in a good level and of course it comes back to leadership and the leadership is also in high level of priority of company that we have leadership trainings and motivation." (Sales Director of Finland and Baltic Countries)

The Vice President of Corporate Development said employees spoke a lot about the company spirit and much of this originated from the CEO,

> "…quite strongly talked about this (company) spirit, that was kind of way, very strong mental being to belong to one team, to succeed together, challenge a market place, that was the fuel to human beings working in a company, to go to new successes and celebrate together." (Vice President of Corporate Development)

The trust between the CEO and his subordinates shows the good interpersonal relationship they share as the Regional General Manager of EMEA & Latin America said,

> "He (CEO) is trusting that we do our job. This is the culture in (the company), I do the same with my managing directors, they do right things, they reach their goals, then everything is okay. I just give the frame work and everything works." (Regional General Manager of EMEA & Latin America)

Level of trust and bond between the employees in the firm could be an indicator of its knowledge transfer status. Since born global firms tend to be smaller in size since inception, the researcher suggests that a special bond is forged between the managers and employees (Fletcher 2001; Griffith & Harvey 2004). This helps in building close relationships in the firm. Personal contacts and “internal environment” needs to be warm and comfortable for effective knowledge transfer which is seen in this born global firm.

4.2.1.4 Mutual Understanding and Partnership

Leader-Member Exchanges are crucial in any work setting, whether it be in a local setting or even in a multi-cultural environment (Graen & Uhl-Bien 1995). The domains of leadership are divided into three parts - the leader, follower and the relationship between the two parties (Graen & Uhl-Bien 1995). There are different levels of analysis within these domains. The researcher could study the group, the individuals within the group or the dyad (the list is not inclusive) (Graen & Uhl-Bien 1995).

The basic concept of the LMX states that the leader and follower must share mutual understanding and partnership to be able to reap the rewards of working as a team (Graen & Uhl-Bien 1991, as cited in Graen & Uhl-Bien 1995). Team work is thought to be beneficial since no man is an island and cannot work alone in the real world. The term “exchange” in “leader-member exchange” is not limited to material exchanges; it also applies to social (Graen & Uhl-Bien 1995), and knowledge exchanges. An example of social exchange would be the mutual trust which the leader and follower share between them.

> “He (CEO) is giving feedback for all departments in company, not just sales. He is giving good feedback every now and then, for all operations. In this way, he is showing interest in company in different areas. That would really motivate employee. He comes every now and then to talk, visits us, spends some time with us, he is interested in hearing about what is going on and what is happening next. He is interested in our actions and what we are doing. He sets a good example for the employees.” (Sales Director of Finland and Baltic Countries)

The dyadic process of building the leader-follower relationship depends on ten leadership qualities which were studied in the research done by Yukl, O`Donnell & Taber (2009). These qualities include “supporting, recognizing, developing, consulting, delegating, clarifying, short-term planning, monitoring operations, leading by example, and envisioning change" (Yukl, O`Donnell & Taber 2009). The authors tested the ten leadership qualities in their research and found that leading by example is significantly related to leader-member exchange relationships. Studying leader-member exchange theory helps the researcher understand how relationships can be affected by the leader's attitude towards the followers and hence shape the working culture and environment.

The Regional General Manager of EMEA & Latin America shared about how the company spirit covers all in the firm, even the CEO, "this is the spirit of the company, there is nothing that is not my job. If we are travelling, and if we are setting up meeting room, our CEO takes part like everybody."

To be a good follower and a good leader, the CEO should be able to follow his subordinates' work and be interested in their progress. This would motivate them and also increase the likelihood of having a larger positive influence and control over them.

4.2.2 High Level of Commitment and Involvement of CEO

By having a high interest in the subordinates' working progress, the CEO is winning the favour of his work mates, hence boosting the good working spirit in the firm and has proven to be a good motivator:

> "CEO…very appreciated within the company. He is obviously very interested in the company growth. It is obviously very important that the CEO shows much interest in the work of the company and this motivates employees. The leadership is very important and it has a lot to do with the communication. You can't communicate things that are not in line with the CEO." (Director of Corporate Communications)

Gupta et al. (2000) correctly points out that the level of commitment to knowledge sharing within the firm should be high to be able to have the potential to be constantly improving. Evidently so, interviewees constantly point out the high level of commitment from the CEO which is a motivating factor for them to strive in their work tasks. Also, the Director of Corporate Communications even said, "If you are ambitious, as I see myself, you would want to see more happening in a shorter time frame."

Dension and Mishra (1995)'s four main organizational cultural characteristics which increases productivity of organizations: involvement, consistency, adaptability and mission were all shown to be present in the chosen firm's organizational culture. Involvement and adaptability at the firm came in the form of flexibility, openness which was also proposed by Dension and Mishra (1995). In addition, the CEO was consistent in communicating and implementing the vision and future direction. With high involvement of the CEO, the organizational vision seemed more real and achievable.

4.3 Summary of Findings

After reviewing the data, the researcher has made sense of them and presented them in two categories, each answering their respective research question; (1) Organizational culture and knowledge sharing, and (2) CEO and knowledge sharing.

The main aspects of organizational culture which effected knowledge sharing were the born global firm's flat structure and small organizational size. The firm's culture of having direct communication and a decentralized structure were a contribution to its small organizational size. The researcher also discussed the possible hindrance of such a small organizational size if the firm were to expand in the future.

Also under the discussion of the relationship between organizational culture and knowledge sharing, the researcher categorized certain managerial interventions which helped manage the organizational culture of the born global firm. Specific managerial interventions included the firm's regular social events. Such social events enhanced knowledge sharing as it maintained the company spirit and held the employees together by fostering shared company goals and values.

Next, a discussion on recruiting the "right fit" into the born global's organizational culture led into the topic of whether such a characteristic is specific to born global firms. The research argues that such high selection criteria are paired with the born global firm's flexibility and ability to adapt each employee's past working experience into his/her current task in the born global firm; hence increasing the usability of such talent "spill-overs".

Lastly, in discussing managerial interventions which aid in knowledge sharing comes the topic of job design, or more specifically, job autonomy and identity. High levels of job autonomy and identity on the subsidiary level was found in the born global and have enhanced knowledge sharing from subsidiary to headquarters.

Moving on to the effects of the CEO's characteristics in knowledge sharing started with the most influential enhancer of the CEO's approachability. All interviewees mentioned this to be an enhancer of knowledge sharing and communication. Also, together with high levels of approachability, the CEO established low-power distance with his subordinates. The CEO was also active in the company's social events and showed a high level of commitment and involvement in his subordinates' work. Having mutual understanding with his subordinates also increased the flow of communication and hence the ability of knowledge sharing.

However, there was no apparent or major inhibitor of knowledge sharing as seen from the data. A high proportion of the results were positive, while only very few negativity was found in the data. The researcher did not mention those negative issues as she was only looking at the responses with the highest frequencies as seen in her results tabulation (refer to Appendix 2.). This however does not mean that the born global firm is perfect. It does however demonstrate the general positive outlook and satisfaction of its employees in regards to its organizational culture and knowledge sharing.

5. DISCUSSION AND CONCLUSIONS

In this last section, the research will be summarized and conclusions will be made. Big themes of discussion (i.e. born global versus traditional MNC) will also be carried out, which hopes to cover some of the lingering questions which have risen from the results section. To make this study of value to practitioners, managerial implications will be discussed. Since (one of the reasons) this research was done in hope of opening up the research field on knowledge sharing in the born global context, there would be some important suggestions for further studies. The researcher would be delighted if more researchers would pick-up on this study and expand on the concepts and explore the many possibilities of this promising field. Finally, the limitations of this research will be presented.

5.1 Discussion

There is relatively weak evidence based on this study to suggest that organizational structure represents a barrier to knowledge sharing. Organizational culture tends to be an enabler of knowledge sharing rather than an inhibitor which is contrary to the research that has been conducted in traditional multinational companies. Organizational culture mainly posed as enhancing opportunities to the three types of knowledge and their sharing processes; human, social and structured knowledge. When dealing with human knowledge, the organizational culture cultivated a culture which rewards good performance. Measuring employee performance, identifying good performance and finally rewarding this good performance were all issues which the top management team had considered in this born global firm and have increased the ability of knowledge sharing processes. Social events which are held regularly were also used as an occasion to promote the good employees, and this would motivate its employees, leading to knowledge sharing. When dealing with social knowledge, the organizational culture had a working atmosphere which induced positive knowledge sharing. For example, the organization has regular and annual interface (cross-department) networking sessions. Lastly, when dealing with structured knowledge, the organization is constantly monitoring the progress and workability of its systems and processes, with the example of the headquarters' change of attitude to become a helper of its subsidiaries. This creates the opportunity for knowledge sharing. To sum up, the AMO framework is helpful in explaining the connection between organizational culture and knowledge sharing.

The researcher believes that the AMO framework can also be applied in other born global firms. This theoretical generalization is done based on the findings of the research. This studied born global firm, being a typical born global has the characteristics of an ideal born global, hence justifying its applicability to other born global firms also.

5.1.1 Born Global Versus Traditional Multinational Company

In the findings section, there were a few incidents were there seems to be aspects of born global culture which would also apply to traditional MNCs. For example, born global firms have very experienced employees because of their highly selective recruitment processes; this can also be true for traditional MNCs. Another example would be the approachable CEO of the born global firm. Similarly, traditional MNCs can also have approachable CEOs too. One last example of such a blurred finding of organizational culture would be the use of social events to enhance communication and interpersonal relationships within the firm, may it be in a born global or a traditional MNC. Therefore there is the need for this discussion to better understand how each of these overlapping aspects of organizational culture applies to this research.

Firstly, the researcher would argue that born global firms are in fact multinational companies as they too are working within the same international markets and are also sharing knowledge across vast distances. Therefore there must be some similarities concerning its organizational culture. This research did study a well-established born global firm; it is an 18 year old firm (2011), therefore it is no longer a “young” firm. It has already established for itself working habits and norms. This could also affect the results since the born global firm is growing to be more like a traditional multinational company. The key word here is “traditional”, meaning that both types of firms are multinationals, but the born global went international faster than the traditional multinational company. This aspect of speed of internationalization is the key difference between a born global and a traditional MNC. Also indicating that such overlapping aspects of organizational culture is expected.

However, this does not affect the results of the study as the researcher has found born global specific organizational culture factors which do affect knowledge sharing; for example, its flat organizational structure and relatively small organization size. The born global firm’s small organization size allows its implementation of a flat organizational structure. The results have shown that such a flat and small organization enables effective knowledge sharing.

5.1.2 Relationship between Organizational Culture and National Culture

It is often assumed that organizational culture is a subclass of national culture. This view is widespread since most organizations operate within a given nation and employ members from the same national culture (Yeganeh *no date*). Yeganeh (*no date*) described in his study the common misunderstanding of organizational culture as the micro-context and national culture as the macro-context in which employees operate. Increased dominance of multinational companies has caused some researchers to think that the firm represents the macro-culture, whereas the various countries in which the firm operates represent the micro-cultures. For example, the macro-culture of this case study is the organization culture of the born global firm and the micro-cultures are those of its subsidiaries.

The chosen born global firm encourages the preservation of the local culture and would even encourage subcultures. This would increase autonomy of these subsidiaries and help boost their motivation levels:

> "As we are still quite a small company, it is quite easy to have strong autonomy on local levels and have the local people do their local things and I think that's something that we try to keep. To a certain extent, we want to have strong subcultures and let them grow." (Director of Corporate Communications)

However, this would also pose as a barrier to knowledge sharing if these subcultures would grow large enough to over-power organization culture. Therefore letting subcultures grow is only an ideal and cannot be fully practical.

The researcher chose only to interview managers of one nationality (Finland) to limit country-biasness. However, some aspects of organization culture may overlap with national culture. Some may argue that some aspects of organization culture originated from national culture. For example, in this born global, low-power distance and direct communication habits may have originated from its national culture – the Finnish culture. Finnish culture is debatably a low-context culture. Low-context cultures tend to be more direct in their communication style and have low-power distances (Hall 1976).

Some may go on to think that this implies that certain national cultures would be better born global firms than others. The goal of the research is not to find an answer to that speculation, however it is one that could be interesting and worth looking into. National culture refers to those values and norms which are engraved into our minds since young, whereas organizational culture refers to those organizational practices which we learn from our work (Hofstede 1991).

5.1.3 Role of CEO and Leadership Culture

The role of the CEO was evidently one of the main factors of motivating employees to perform their best and also to engage in knowledge sharing. In the case of the chosen firm, the CEO came with much experience that was a unique combination of marketing and engineering. This vast spread of past working experience is an added advantage that gave the company its boost. Doh (2003, as cited in Jackson & Parry 2008) found that leadership cannot be taught, or the actual process of learning to lead is non-replicable to teach. Jay Conger captured in his book "Learning to Lead" the complexities of leadership as seen in the quotation below:

> "The development of leadership ability is a very complex process. It starts before birth, with a prerequisite of certain genes that favour intelligence, physical stamina, and perhaps other qualities. Family members, peers, education, sport and other childhood experiences then influence the child's need for achievement, power, risk taking and so on. Work experiences and mentors shape the raw leadership materials of childhood and early adulthood into actual leadership by providing essential knowledge and behavioural skills. Opportunity and luck are the final determinants of who gets the chance to lead." (Conger 1992: 33; as cited in Jackson & Parry 2008).

With respect to the ways in which leaders learn about leadership, most individuals acknowledge that leadership is something that is learned primarily through experience. Experience is not something that can be speeded up but it is clear that some experiences can be managed in such a way that leaders gain more insight and knowledge (McCall and Lombardo 1988, as cited in Jackson & Parry 2008). Learning from experience is affected by the amount of challenge, the variety of task or assignments, and the quality of feedback that is received by the participants.

When studying the organizational culture of born global firms, past researchers are really studying the characteristics of top management (Freeman & Cavusgil 2007). Having a "global orientation" seems to be a repeated characteristic and it includes a positive interest towards international affairs and markets, having an international vision and being proactive (Freeman & Cavusgil 2007). These top manager's "international entrepreneurial orientation" refers to their risk taking and uncertainty avoidance levels (Freeman & Cavusgil 2007). According to Nummela, Saarenketo & Puumalainen (2004), both psychological and demographic characteristics are considered when studying the "international orientation" of top management – researchers have seen that managers with international travelling experience tend to have higher tolerance for psychic distance, and have lower uncertainty avoidance levels (hence, are risk takers).

Psychic distance is the perceived differences between the home and host country (Sousa & Bradley 2006).

Leader-Member Exchanges are crucial in any work setting, whether it be in a local setting or even in a multi-cultural environment (Graen & Uhl-Bien 1995). The domains of leadership are divided into three parts - the leader, follower and the relationship between the two parties (Graen & Uhl-Bien 1995). There are different levels of analysis within these domains. The researcher could study the group, the individuals within the group or the dyad (the list is not inclusive) (Graen & Uhl-Bien 1995).

The basic concept of the LMX states that the leader and follower must share mutual understanding and partnership to be able to reap the rewards of working as a team (Graen & Uhl-Bien 1991, as cited in Graen & Uhl-Bien 1995). The dyadic process of building the leader-follower relationship depends on ten leadership qualities which were studied in the research done by Yukl, O`Donnell & Taber (2009). These qualities include “supporting, recognizing, developing, consulting, delegating, clarifying, short-term planning, monitoring operations, leading by example, and envisioning change” (Yukl, O`Donnell & Taber 2009). The authors tested the ten leadership qualities in their research and found that leading by example is significantly related to leader-member exchange relationships. Studying leader-member exchange theory helps the researcher understand how relationships can be affected by the leader’s attitude towards the followers and hence shape the working culture and environment. Leading by example was evidently one of the found strengths of the CEO in this born global firm. Interviewees reported that he had good work ethics and was hard-working and praise worthy.

In addition, the CEO has high interest in the subordinates’ work progress; the CEO is winning the favour of his work mates, hence boosting the good working spirit in the firm and has proven to be a good motivator. Gupta *et al.* (2000) correctly points out that the level of commitment to knowledge sharing within the firm should be high to be able to have the potential to be constantly improving. Evidently so, interviewees constantly point out the high level of commitment from the CEO which is a motivating factor for them to strive in their work tasks.

Dension and Mishra (1995)’s four main organizational cultural characteristics which increases productivity of organizations: involvement, consistency, adaptability and mission were all shown to be present in the chosen firm’s organizational culture. Involvement and adaptability at the firm came in the form of flexibility, openness which was also proposed by Dension and Mishra (1995). In addition, the CEO was consistent in communicating and implementing the vision and future direction. With high involvement of the CEO, the organizational vision seemed more real and achievable.

5.1.3.1 Role of CEO and Theory Y Culture

Another theory that could help explain the CEO’s role in organizational culture and knowledge sharing would be McGregor’s study of human and enterprise (1957; as cited in Shafritz, Hyde & Parke 2004). That study generated two theories to classify human behavior and attitude towards work. Firstly, there is “Theory X”, which states that human beings are naturally lazy, prefer to be led, avoids responsibility, and have little ambition. On the other hand, “Theory Y” states that human beings are self-directed, self-controlled, and once committed the individual would want to achieve something, seeks responsibilities and have high potential in developing themselves with regards to their work field. The researcher suggests that the born global CEO would side Theory Y more than Theory X, and this committed, loyal CEO is what forms the strong firm identity and foundation of born global firms’ organization culture. To be proactive and on the ball, firms needs self-directed individuals in these born global firms, hence the lean towards Theory Y managers.

The positive working environment of the born global firm encourages its employees to be daring and to see failures are another learning opportunity. This can be illustrated by the example below shared by the Vice President of Corporate Development,

> "In our company we (top management and CEO) encourage people to go and try and do things, even if you make mistakes or wrong decisions, go and do it, we can fix it, but it is better to go and do and then we fix it. So we try and encourage people to be proactive by encouraging them to go for all best." (Vice President of Corporate Development)

By empowering their employees in achieving more and trying new things, the born global firm (top management and CEO) is in fact believing that once committed, the individual will be self-directing and self-controlled, hence the lean towards Theory Y.

5.2 Summary of Conclusions

After reviewing the discussions, the researcher focused on three main issues which surfaced during the data analysis process; (1) the comparison between born globals and traditional MNCs and how that would affect knowledge sharing, (2) the connection between national culture and organizational culture and (3) the role of the CEO and leadership culture.

There were some aspects of the findings for born global firms which could also be applied to traditional MNCs. The main aspects of organizational culture which effected knowledge sharing were the born global firm's flat structure and small organizational size. Although these two findings are arguably born global specific, other minor findings could very well be applied to traditional MNCs too. The example used in the discussion was the use of social events to encourage communication between employees. Such a managerial implication could be used for both types of firms, however the researcher thinks that the small firm size of the born global still make these social events more accessible to the employees.

Next, the discussion on the connection between organizational culture and national culture revealed the fine line which mildly separates them. The researcher categorized in the findings certain managerial interventions which helped manage the organizational culture of the born global firm; one of those being having shared company goals and values. There is the possibility that such company values originate from (parent) national culture (in this case, Finnish culture). However the researcher has explained that since this is a (born) global firm, it has multiple national cultures, hence making the firm's organizational culture dominate over the multiple national cultures. Having said so, the risk of over-powering national cultures could inhibit knowledge sharing and firm operations.

Lastly, the effects of the CEO's characteristics in knowledge sharing were explained using the LMX model. The mutual understanding shared by the CEO and his subordinates proved to be an enhancer of knowledge sharing.

Summary of the study using the framework of the study:

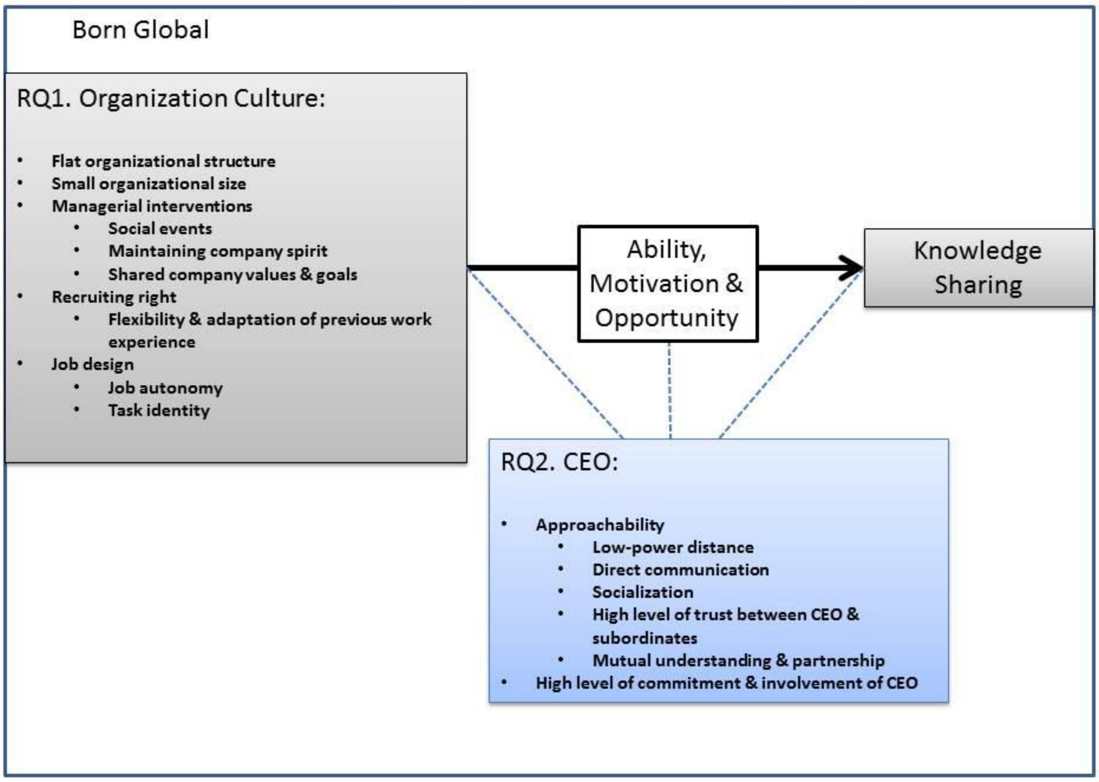

Figure 7. Summary of study

5.3 Limitations of the Study

The purpose of this study was not to generalize the results statistically; rather, it should be theoretically generalized. This is the reason why an in-depth case study was done on a typical case. For example, the use of the AMO framework to connect organizational culture and knowledge sharing has been proven to be a helpful tool in explaining such a relationship. Also this research should be used to open up this field of research for future studies and for more light to be shed in this area of knowledge sharing in born global firms.

Furthermore, the qualitative nature of this study may have allowed some subjectivity of the researcher to lightly permeate. The findings of the research were mostly revealing the positives of organizational culture and its effects on knowledge sharing. One limitation being the method of data analysis employed. The researcher was only using the most frequently mentioned responses from the interviewees in her data analysis, and all of these negative aspects were only mentioned individually, hence were isolated cases. This could have meant that the findings of the research is not holistic, however the researcher feels that such positive findings are still valid due to its repeated appearances in the interview results.

Lastly, this research did not take into consideration the symbols or according to Gioia (1986), the corporate logo, slogans, stories, actions (and non-actions), visual images and metaphors. As rightfully said by Berg (1985), when researchers study organizations, they are in fact studying the humans in the organization, therefore stressing again the importance of qualitative research and getting to know the deeper meanings hidden in the brains behind the organization (Hatch 1993). Also found in the interviews, the respondents found that values cannot be transmitted via physical posters or the like, “those would be artificial and for show”.

5.4 Theoretical and Managerial Implications

The firm's power relation and firm management structure has a big influence on knowledge sharing and could pose as another barrier (Lemon & Sahota 2004). Senior management's approachability is high when there is low power distance between the subordinates and the CEO; this encouraged more interaction and build on social ties which the socialization theory calls for.

Secondly, the internal and external frequency of interactions or richness of communication between managers and subordinates (internal) or between suppliers and customers (external) could have an effect on knowledge sharing (Daft & Lengel 1986; Gupta & Govindarajan 1991; Jablin 1979; Tushman 1977). Knowledge does not just reside within the firm, it could also come from (for example) the customers since they are utilizing the firm's provided product or services; they could have a better understanding of the product than the employees themselves! The more interactions and contact there is with others, the higher the chances of sharing and transferring knowledge. The manager could provide financial incentives for every work-related interaction that there is that was proved to be beneficial.

Next, the organization's culture of working in a group collectively or individually affects knowledge transfer processes (Graen & Uhl-Bien 1991; López *et al.* 2004). Having a collective culture would encourage sharing within the group. However, if employees are used to working individually, knowledge sharing would seem unnatural or even unbeneficial. Not only should employees work as a team, they should also celebrate as a team when they have achieved their goals. This may increase the competition within the firm but it may also encourage better teamwork and sharing.

The firm's orientation to existing knowledge will affect how it assigns meaning and value to its current employees and practices (Freeman & Cavusgil 2007). The firm should be constantly on the lookout for development, it would need "stronger" control systems to drive its employees into the hard work of innovation. Tangible incentives like money would be more practical; also because monetary incentives can be measured and matched with work performance. Having said so, the Director of Corporate Communications shared about his thoughts about future employees' work targets, where there is a possibility that CEOs and managers have to motivate their teams differently, other than money and bonuses:

> "Generations, with the way they want to be let. Age gap. What we are discussing more and more is that we are an organization of different specialists. And the way you lead specialist is very different from the late industrial age. And the motivation factors become more and more important. People aren't willing to work just for the pay. Because the living standards are already there. For most people of course money is important, but our parents have already gotten us up from poverty so already have all the basics that we need. So money isn't that much of a motivational factor. In china for example, people moving from a small village to the city, thousands of kilometres away, coming to our factory to make money to send it back home so that their family can raise living standards, that is not the motivational factor for us anymore, so we need to kind of think of the leadership and what kind of purpose they want for their work. People are not working for the money anymore. Internal job satisfaction. The purpose, how will my work benefit this company or society. What is the atmosphere like? Are my colleagues the kind of people who I want to spend most of my time with? Is my boss fair? What kind of boss is he? Do I like to be here? We have these studies and the biggest reason why people change jobs is the boss and I'm talking about the Finnish society, not in (this company). And I think that applies to most of the Western companies. If the boss is unfair, unable to lead, people will change jobs. People stay with (this company) a lot." (Director of Corporate Communications)

Lastly, the firm's learning style – does it learn from teaching (or trainings) or by learning from past mistakes (Lemon & Sahota 2004). If the firm has regular training and development opportunities for its employees, the employees would have a deeper understanding of the value of knowledge within the firm. Also, if there is constant training and teaching, there is a higher chance that its employees would have the ability to better transfer this knowledge. If the firm views mistakes as learning opportunities, then its employees would be risk-takers and be bolder in their innovations and decisions. To encourage learning from mistakes, managers could have team building groups which are bonded together so it may act as a safety net to fall on when in trouble.

5.5 Suggestions for Further Studies

This research was focused on only born global firm from Finland. Born global firms also exist in other countries, therefore future studies could expand into researching how born global firms of other nationalities would operate differently from those from Finland. A comparative study can then be done to compare born global firms across borders. However, the research will emphasize again that the purpose of this study was not to achieve statistical generalization but theoretical generalization.

Born global firms come in different sizes too. For this particular search, the studied born global firm was used as a case study and is a small to medium sized company; hence it would also be interesting to study other sizes of born global firms to see how they differ or are similar in their ways of working. Taking into consideration of the common fear of over expansion in born global firms, it would also be interesting to do a follow up on how the process of expansion had an effect on knowledge sharing and organization culture.

Another possible research could be to study knowledge sharing on different levels; this research looked more at interpersonal relationships (micro level) and how that has affected knowledge sharing. Further studies could focus on knowledge sharing on a macro level and how relationships play a role in those situations.

This research strongly suggests that ability, motivation and opportunity be present for effective knowledge transfers, and however the relationships between these three conditions remain unknown. Meaning that further studies can investigate the amounts of each condition for the best possible solution for knowledge sharing; i.e., a high level of ability with a high level of motivation would compensate for a low level of opportunity.

Finally, the researcher would recommend other researchers to explore the same topic of organizational culture and its relationship with knowledge sharing, but using another heuristic framework. Although the AMO framework did prove to be a good connector between the two variables in this study, the researcher believes that it is not the *only* framework that could be applied. Other frameworks such as the agency and socialization theories could be used for such an investigation.

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APPENDIX

Appendix 1. Semi-Interview Questions and Guide

<table>
<tr>
<td>Introduction Key Components:

Thank you
My name
Purpose
Confidentiality
Duration
How interview will be conducted
Opportunity for questions
Signature of consent

</td>
<td>I want to thank you for taking the time to meet with me today. My name is Anita Boey and I would like to talk to you about your experiences working in _______________firm. Specifically, regarding communication within the firm and also the role of the CEO. This interview is part of the completion of my Master’s Thesis at the University of Vaasa. I am currently a second year Master’s degree student in the faculty of Business Management.

The interview should last roughly an hour. I will be taping the session because I don’t want to miss any of your comments. Although I will be taking some notes during the session, I can’t possibly write fast enough to get it all down.

All responses will be kept confidential. This means that your interview responses will only be shared with thesis advisor, Dr. Adam Smale, and we will ensure that any information we include in this thesis does not identify you as the respondent. Remember, you don’t have to talk about anything you don’t want to and you may end the interview at any time.

The term “knowledge transfer” will be used throughout the interview and it means information sharing in all forms, i.e., instructions from manager to employee, encouragement from CEO to manager etc.; and it could be shared in any form, i.e., work training, memos, emails, face-to-face, telephone, databases etc.

Are there any questions about what I have just explained?
Are you willing to participate in this interview?

____________________ ___________
Interviewee Date</td>
</tr>
<tr>
<td>Questions:

Open-ended questions
Ask factual before opinion
Use probes as needed:

❖ Would you give me an example?
❖ Can you elaborate on that idea?</td>
<td>Knowledge Transfer Process:

Which method of knowledge (information/instruction) transfer process/practices (choose from: learning by action, observation, imitation, story-telling, workshops, lectures, personal learning etc.) do you utilize the most when communicating (sharing knowledge/information) within the company? Please describe and give examples.
Would there be different processes for communicating with subsidiaries outside of headquarters? Why do you think these differences are made?
What kinds of problems/difficulties do you face when engaging in knowledge transfers? What are the reasons for these challenges?

</td>
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- Would you explain that further?
- I'm not sure I understand what you're saying.
- Is there anything else?

</td>
<td>

Ability:

4) Do you feel like you have the ability (information sharing tools, correct technical skills, correct practical job training, work experience etc.) to achieve successful knowledge transfers? In other words, are your communication efforts smooth and is the message received correctly on the receiving end most of the time? Please tell me more about a particular example of how you felt confident about transferring information to another colleague and what made you feel confident?

Motivation – Agency Theory:

5) Describe the company's performance evaluation criterion? How is your performance rewarded? Do you feel that it is done correctly to match your input? Please explain.

6) Is expatriation common in your company? Roughly how many expatriates are moved around per year? Were they sent from headquarters? How often do they stay in their new position? Have you been an expatriate before? Please tell me your experience about the communication processes between headquarters and subsidiary.

Motivation – Socialization Theory:

7) Are there any social events at the company for employees to get to know their workmates better? Is attendance compulsory? Please describe how these events are like. How useful do you think these social events are in regards to improving your relationship with your workmates, and perhaps easing communication in future with them?

8) Do you feel like your colleagues share the same work goals and values that you have? Are these the same goals and values of the headquarters?

Opportunity:

9) Do you feel that you have enough time during working hours dedicated to communicating with others and receiving knowledge? What about sending out messages and knowledge?

10) Do you know who to contact for the job at hand? Is there an established network of contacts which is easily accessible for you? How does it work? Is it up-to-date?

Role of the CEO:

11) Please describe your CEO in headquarters. What is his/her personality like? What is his/her work attitude, philosophy?

12) When you think of the CEO, where do you put yourself in that picture? Could you draw this picture for me?

</td>
</tr>
</table>

	Motivational Character of CEO: 13) Does the CEO give words or encouragement (or encouragement in any form) when your department achieves success? What motivates your department to work towards the shared company goals? Would your department accept any way of working other than your own (Not-Invented-Here Syndrome)? Does the CEO 'walk the talk', meaning, does he/she set a good example to others concerning what is expected based on company values and norms? *Existence and Richness of Transmission Channels:* 14) What are the ways of communication with the CEO? Informal/formal? Frequency? Do you think that this is adequate for your department's operation? Normally who would contact who first (initiate the communication)? Do you think that these channels support your work to achieve company goals? *Absorptive Capacity:* 15) Do you think that your department has the correct financial and technical support to receive knowledge/information/instructions from headquarters/CEO? Did you have any type of work training? If so, please describe them. What role does the CEO play in encouraging the employees to self-develop themselves?
Closing Key Components: • Additional comments • Next steps • Thank you	Is there anything more you would like to add? I'll be analyzing the information you and other interviewees gave me and submitting the thesis at the start of May 2011. I'll be happy to send you a copy at that time, if you are interested. Thank you for your time, I really appreciate it.

Appendix 2. Recording frequencies of mention by interviewees

Organizational Culture and Knowledge Sharing	Interviewee mentioned							
	1	2	3	4	5	6	7	Total
Flat organizational structure	■	■	■	■	■	■	■	7
Low power distance	■	■	■	■	■	■	■	7
Direct communication with everyone in firm	■	■	■	■	■	■	■	7
Disadvantage of over expansion	■	■	■	■	■	■	■	7
Shared company values, goals	■	■	■	■	■	■	■	7
Social events	■	■	■	■	■	■	■	7
Small organization size	■	■	■	■		■	■	6
Cultural understanding, understanding people	■	■	■		■	■	■	6
Maintaining company spirit	■	■	■	■		■	■	6
Localizing, localization	■	■	■	■	■	■		6
Previous experiences	■	■	■			■	■	5
Knowing everyone in firm	■	■	■	■		■		5
Decentralized structure	■	■		■			■	4
Recruiting right	■		■	■				3
Expatriate	■	■					■	3
Large autonomy		■	■			■		3
Group performance over individual performance		■				■		2
Involving others	■	■						2
Customer relationship management	■	■						2
Starting early in the phase of planning together	■			■				2

Learning by doing								2
People focus								2
NIH syndrome								2
Having fun								2
Variety of skills, different point of views								2
Personal touch								2
Enough time to communicate								2
Traveling								2
Long experience in firm								1
Taking the next step								1
Risk taking, learning from mistakes								1
Both direction of communicating								1
Listening to others								1
Story telling								1
Sub cultures								1
Code of conduct								1
Room for improvement								1
Selective communication								1
Friendly colleagues								1
Not enough support								1
Not enough coaching								1
Too little time for good leadership								1
Job training								1

CEO and knowledge sharing	1	2	3	4	5	6	7	Total
Previous experience								7
Approachable								7
Giving feedback								4
Encouraging								3
Collaborating								3
Trusting others								2
Professional								2
Top down view								1
Promoting others								1
Global mindset								1
Big picture								1