



OULUN YLIOPISTO
UNIVERSITY of OULU

OULU BUSINESS SCHOOL

Lauri Luomalahti

LEADING MULTICULTURAL TEAM IN A FINNISH COMPANY – NOKIA

Bachelor's Thesis
Oulu Business School
01 2019

CONTENTS

1	INTRODUCTION.....	5
1.1	Introduction to the topic and research question	5
1.2	Research methods.....	6
1.3	Structure of the paper.....	7
1.4	Main concepts	8
2	MULTICULTURAL TEAMS	9
2.1	Culture and Communication	9
	Culture and Corporation.....	10
	Communication.....	11
2.2	Different views of a multicultural team	11
2.3	Importance of multicultural teams.....	12
3	LEADERSHIP AND CORPORATION CULTURE.....	14
3.1	Leadership & Corporate culture	14
3.2	Leading multicultural team with communication.....	15
3.3	Best practices	16
4	CASE STUDY METHODOLOGY	18
4.1	Qualitative research	18
4.2	Interviews.....	18
5	CASE NOKIA	20
5.1	Nokia.....	20
5.2	Theme interview	21
5.3	Discussion.....	22
6	CONCLUSION AND SUMMARY	26
6.1	Summary.....	26
6.2	Conclusions and research question answers.....	27

6.3	Limitations of study	28
6.4	Future research possibilities.....	29
	REFERENCES.....	30
	APPENDIX	33

Figure 1. Virtualness of the team.

Figure 2. Process reflecting the intercultural talent-management cycle.

1 INTRODUCTION

This chapter introduces the topic and the question surrounding it. First, a short introduction to the study is presented. Then research question and the objective of this Case study are defined. Finally, research methods of this study and the structure of this paper are described.

1.1 Introduction to the topic and research question

Globalisation is an ongoing project that accelerates with the help of communication, internet and progress. Finland and companies here are a part of globalization want they that or not. For that reason, it is important to research how the Finnish leadership style affects the multicultural team and its efficiency in working global market. This research paper is trying to find out how Finnish culture and corporate culture affects when leading multicultural teams. Culture is part of our everyday life and affects how we perceive things. With that in mind, it is important to know how Finnish culture affects team leaders and how that affects teams. When leaders are given tools to know how their own background affects their leadership, they have an easier time to adapt and lead multicultural teams more efficiently taking notion the cultures of team members.

Zander, Mockaitis and Butler, (2012) states that studying multicultural team and global virtual leadership remains still under-researched area. This includes multinational, multilingualistic and multicultural team dimensions. Zander et al., (2012) Notice that leading virtual teams that are geographically dispersed dynamics are amplified and leadership challenges are introduced. With these statements, we can conclude that studying multicultural team in a Finnish corporation is a current topic that needs more research and studying to forward our knowledge. Stahl, (2010) research concludes that earlier studies have been looking at multicultural teams from a negative outlook. Stahl, (2010) Studied multicultural management through POS (Positive Organizational Scholarship) lens to even out the negative aspects and to see new sides multicultural management. Key aspects in managing multicultural team according to Stahl (2010) are creativity, satisfaction, communication as well as some other variables for a team as multicultural teams' learning ability and integrative role

in a global company. With this information taken in the notice, we should keep away from being biased while studying multicultural team leadership in case company and how Finnish company culture affects multicultural team efficiency and communication style.

Research questions have been chosen to answer the problem and topic of this thesis. Studies that regards factors in a thesis about global teams, leadership, virtual teams and corporate culture have been made earlier. At the moment current research presents a gap in the study of these subjects at a closer level. We have studies about leading global team Zander et al. (2012), different multicultural team success strategies Zander and Butler (2010) and how leaders should act or behave by Posner (2013). For example, there few studies about multicultural team-leading looked from the Finnish organization viewpoint. Therefore, research questions and case study aim to lighten this gap that exists.

How the Finnish corporation culture affects multicultural teams?

How virtual leadership effects on a global team and its leading?

The empirical purpose of the case study is to focus on the effects of Finnish corporation cultures on global teams. In the Case of Nokia, it is important to remember the company being global and its headquarters are in Finland which might affect rising multicultural team leaders to be national Finnish person. The case will be analysed by the following research question:

How Finnish corporate culture affects the multicultural team in a company?

1.2 Research methods

A literature review is used to create a theoretical framework for understanding Global teams, leadership and culture. Used articles have been analysed and reviewed from different viewpoints and made to converse with each other to gain a better understanding of the subject. The case study is used to reflect on theory findings and to have a little more insight into corporation culture effects. Empirical qualitative

research was conducted in Spring 2019. Global team leaders in the Finnish corporation will be interviewed to get insight to gain an understanding of the research questions and to a framework for Finnish corporate culture. The methodology of the case is presented in chapter four.

1.3 Structure of the paper

Chapter one is an introduction chapter which presents the research question, structure, case company and main concepts of this bachelor thesis. In chapter one we justify research on the subject.

The second chapter is a theory chapter where we analyse the theory of multicultural teams and what affects those teams. In this chapter, we open up and explain the background of multicultural teams while looking at culture effects. In this chapter, the importance of the multicultural team is brought up.

Chapter three is a theory chapter where we analyse leadership, company culture and explain what leaders should take in notion while leading a multicultural team. In the last part of this chapter, we are trying to find the most effective way of leading a multicultural team towards the goal.

Chapter four is where we define empirical study methods. When empirical study method is defined research, the question is revealed to the reader. After that, the reader can look execution of research and main points from what we have learned from interviews.

Chapter five is case chapter. In Case chapter we analyse Nokia. Tell what we found when we interviewed employees of the company. Lastly, we discuss our findings.

In the final chapter, all research is concluded to be a short and good overall view. A second part reader is able to find the whole study summarized. After summarization comes acknowledgements for what limited study. Lastly, we are going to propose future research ideas.

1.4 Main concepts

POS = Positive Organizational Scholarship.

Looking multicultural team and organization through a positive lens. Trying to find good things that often get overlooked.

MCT = Multicultural Team.

A team that has team members, who have a different cultural background.

MNC = Multinational Corporation.

A corporation that has offices in multiple different countries.

GVT = Global Virtual Team.

A team that is working on different continents and keeping connection through virtual communication. Meeting team members happen through virtual communication.

2 MULTICULTURAL TEAMS

This chapter is about multicultural teams, as well as explaining background what affects multicultural teams and their efficiency. The chapter is structured as follows. First, culture, teams and communication are defined. Second, the chapter discusses the positive and negative thing of multicultural teams. Third, the chapter looks at the importance of multicultural teams.

2.1 Culture and Communication

When we speak about culture in this study, we are speaking about language, values beliefs, norms and language which culture is built upon (Hutnyk, 2006). Language is defined as a set of vocabulary and noises that people use to communicate with each other and to be understood by members of the same culture.

In multicultural teams, one of the biggest problem or best asset is the language used in communication according to Cohen & Kassis-Henderson (2017), Henderson (2005) and Stahl (2010). From that, we can see that language is a big asset for culture and also for communication. We are going to define communication as getting understood by other people.

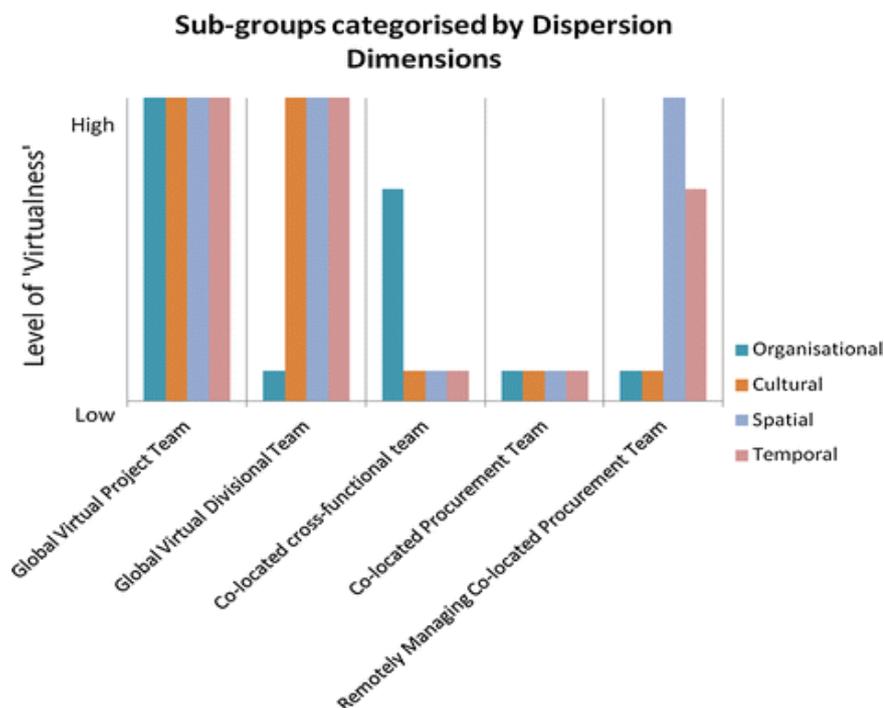


Figure 1. Virtualness of the team

(Morgan, Paucar-caceres, & Wright, 2014). “Reprinted by permission from Springer Nature Customer Service Centre GmbH: Springer Nature, copyright 2014 published by Lisa Morgan, Alberto Paucar-Caceres, Gillian Wright.

We are able to see from figure 1 that the global virtual project team level of virtualness is highest of all subgroups in a team of a multinational corporation. Lowest virtualness score belongs to Co-located procurement team that solves problems co-located. From this figure, we are able to conclude that further away the team is more virtual the communication of the team is.

Culture and Corporation

One of the biggest and most ambitious cross-cultural leadership studies is the GLOBE research program (House, 1999). They define culture as “shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of members of collectives and are transmitted across age generations.” Project GLOBE has published three books about leadership ([www. https://globeproject.com/books](http://www.globeproject.com/books)). Project GLOBE has also over three hundred scholarly publications on their website (https://globeproject.com/publications#art_2014).

Corporation culture is a close presentation for a culture of the country. We can make an assumption that corporations’ culture has taken influence from the country where Multinational Corporation emerged from. Randle and Flamholtz (2012) have defined that corporate culture consists of “Values,” “Beliefs,” and “Norms”. These are key elements in defining corporate culture. In corporation culture, these elements may not be visible by themselves or even in combination. This is because there are several layers in corporate culture as there are several layers in a country’s culture.

Culture can be as an asset and/or liability to a company. This is because if the corporate culture is great and moves people towards a goal company’s culture can be seen as an asset for the company which helps the company grow further forward.

Culture in a corporation can be as a liability when the corporate culture is bad. The bad culture of corporate discourages people from working hard or making innovations that would help the company climb latter's in the business world according to Randle and Flamholtz (2012). According to Flamholtz and Hua (2002), corporate culture can be seen as an asset for a company in the accounting sense. Corporate culture can be real strategic and economic set if it is correctly managed according to Randle and Flamholtz (2012). Reason for that is that corporate culture is hard to imitate and artificial culture, which might be the product of corporate espionage, does not fit right with the corporation concluded by Randle and Flamholtz (2012).

Communication

Communication in MCT is usually done by the company's viral language that usually is English. Several studies have found that one communication language might not be the best choice or there might be misunderstandings in communication even when speaking the same language between people from different cultures (Cohen & Kassis-Henderson, 2017; Henderson, 2005; Tenzer, 2015). Communication is not only speaking but also to come understood in a group of people. According to Henderson (2005), communication includes tones of speaking, routines of speech such as greeting, thanking, apologising, taking leave, forms of address, distancing and etc. While speaking technical terms in language communication is easy to understand. When speaking and communication moves towards small talk or about soft human resources problems arise because people might not say when they do not understand something to save face or they understand spoken words differently than speaker was thinking them. With this intention of the speaker might not be understood according to Henderson (2005).

2.2 Different views of a multicultural team

Multicultural teams have both positive and negative sides of a company. According to Tenzer (2015), more communication languages create difficulties in understanding

and communication. Which is understandable if there are three different languages used in e-mails and corporate meetings. Stahl (2010) states that too many studies have focused on the negative side of multicultural teams and explains it with a negative bias. In negative bias, people notice easier negative things and newspapers usually publish more negative news as they sell better.

With this, studies have focused too much on the negative side of multicultural teams and have forgotten to look at positive outcomes of a multicultural team (Stahl 2010). In this paper, we are going to look at multicultural teams from a neutral view to get the most realistic results from the interview and analysing of the results and literature.

2.3 Importance of multicultural teams

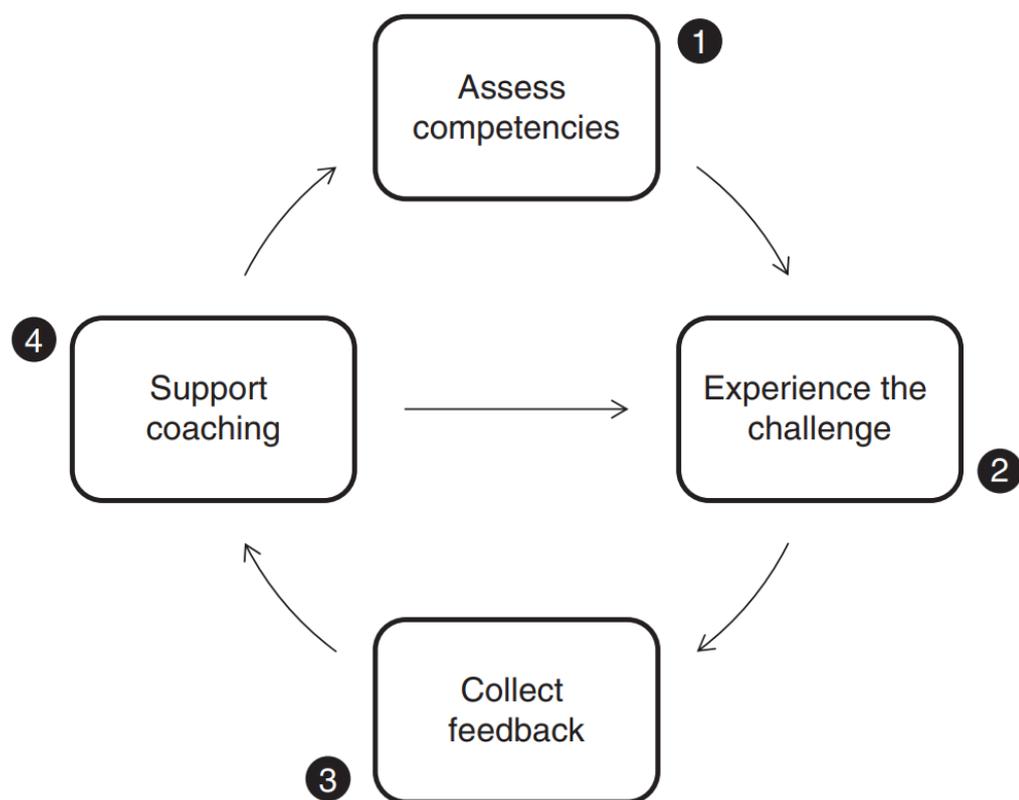


Figure 2. Process reflecting the intercultural talent-management cycle

(Wolfgang, Messner, 2015), Measuring existent intercultural effectiveness in global teams, Volume 8, Issue 1, p. 108-109 "© Emerald Publishing Limited all rights reserved."

As we are able to see from the figure that learning in a multicultural team is a continuous process that is happening all the time. We are able to apply this figure for each individual learning process in being a part of the multicultural team in case if everybody is developing themselves while being part of the multicultural team. From Figure, we can see that experiencing challenges is an important part of development and talent management.

Multiple studies have concluded that multicultural teams in a multinational corporation are a glue that binds corporation together and makes it more effective (Schweiger, Atamer, & Calori, 2003; Stahl, 2010). From this, we are able to see the important role of the multicultural team in a corporation. It brings all cultures together and helps people to work together. Members of the multicultural team create bridges between different parts of the organization and help them to understand each other better. This lessens miscommunication what different cultural background might bring forward (Schweiger et al., 2003).

Messner (2015) found in their study that individual may get greater intercultural skills while working in an intercultural team. Also, it is possible for individual communication skills to improve while being part of the multicultural team. Improvement of communication skills helps individual to reduce anxiety more effective way and organization may identify which coaching and training methods are effective in training people. They also found that when gaining an understanding of strengths as well as deficiencies of a global team multinational corporation is able to pinpoint the root of the problems for team conflicts, performance problems, or misunderstandings.

3 LEADERSHIP AND CORPORATION CULTURE

This chapter is about leadership and corporate culture, as well as explaining what multicultural team leaders need to take into account while leading. The chapter is structured as follows: First, leadership and its styles are defined along with the corporate culture. Second, the chapter looks effects of leadership on the team. Third, the chapter tries to find the most efficient leadership ways.

3.1 Leadership & Corporate culture

Leadership is part of the corporate culture because corporation teaches new leaders how to act and with corporation culture, they guide leaders in the right direction. Leaders face four different challenges while leading multicultural team according to Brett, Behfar and Kern (2006). These four challenges are: Direct vs indirect communication, Trouble with accents and fluency, Different attitudes toward hierarchy and authority and different norms for decision making. These four challenges evolve from different cultural backgrounds that people from different countries have. Good leaders are able to adapt to these challenges and overcome them. Zander and Butler (2010) suggested in their study that there should be used four different leadership approaches in multicultural teams. These approaches are:

Single leadership: where one person takes responsibility and leads team alone. The leader alone has all the challenges and responsibility of leadership. In this kind of leadership, the leader needs to have the approval of subordinate.

Paired or dual leadership: Leadership is shared between two persons. They share responsibility and challenges together. Popular in the academic world. Dual leadership allows participating and communicative leadership.

Rotated leadership: Leadership and its functions are in the hands of a small group. Members of the group do not share decision-making power together. Decision-making power is moved from member to member. This is a usual model in trauma centres where leadership changes without a verbal cue.

Shared leadership: Leadership and authority are shared between team members. Team members are expected to participate in leadership and leadership comes from the team. The whole team is responsible for leading a team towards the goal. This leadership style is especially used in Fortune 500 companies.

Transformational leadership is suitable for an ever-changing situation. Usually, transformational leaders are those who develop their own leadership capacity and help followers to achieve extraordinary outcomes (Bass and Riggio, 2006, p. 3). Under transformational leaders' followers are motivated to do more than it was originally intended and usually, more than they thought was possible. Transformational leaders tend to have more satisfied and committed followers compared to other types of leaders (Bass and Riggio, 2006, p. 4-5). Four components of transformational leadership are Idealized Influence, Inspirational Motivation, Intellectual Stimulation and Individualized Consideration (Bass and Riggio, 2006, p. 5-6).

With these leadership styles, we have a solid layout when we start to analyse case company leadership.

3.2 Leading multicultural team with communication

Communication is an important part of our everyday life. We use communication to become understood better. Communication is especially important when a team works towards a goal and may cause problems to the team if it does not work (Morgan et al., 2014). This is especially the case in a multicultural team where people speak different mother tongues. This creates a challenge in communicating corporate lingua franca. Usually, corporations choose their work language to be English, because it is widespread.

Griffith (2015) found in their study that charismatic leaders tend to focus on the positive side of the things while communicating with employers and highlight positive outcomes of situations. Ideological leaders tend to focus on the past and usually idealized version of the past. With this, they are seen as more negative compared to the two other leadership types. Pragmatic leaders use any problem solve

skills and tactics that are necessary to solve the situation. Usually, they are likely to analyse the situation and are focused on the present while charismatic leaders focus on future and ideological leaders focus on the past. From this, we can speculate the effect of the culture in the creation of the leader and does it affect the creation of the leader with life experience. We speculate that culture effects on the background in the creation of the leader and what style leader embraces.

Emotions affect our everyday life and the choices we make. Emotions affect same way interactions with other people who we as teammates or leaders who lead that team. For that reason, it is good for the leader to be able to read emotions and to be able to identify them. Sadri (2011) found in their research that leaders' ability to display empathic emotion from viewpoint of their underling is positively affecting their performance at the workplace and it is perceived by the bosses who govern over them. They also suggest adding diversity of training of empathetic emotions in classroom sessions, role-playing exercises and one-to-one coaching. It helps executives in training empathetic emotions. They also found that their subordinates rate leaders who display emphatic emotions better. In their study, they conclude that emphatic emotions are more important in high power distance cultures compared to low power distance culture. Study of (House&Podsakoff,1994; Sadri, 2011)supports this with their finding that effective leaders are more considerate and sensitive to need of others than ineffective leaders.

3.3 Best practices

From these studies, we are able to see multiple different approaches for leading a multicultural team in a multinational corporation. Leader of the multicultural team should have enough emotional and cultural intelligence that he or she is able to lead the team efficiently and understand different viewpoints of team members. According to Alon and Higgins (2005), emotional and cultural intelligence are important factors while being the leader of a multicultural team.

Leader of the multicultural team should be able to adapt and overcome different situations. Leader of the multicultural team should be able to choose the right leadership style to suit the situation that they lead like (Zander & Butler, 2010) found

in their study. Leadership style should change to be most efficient in the current situation. What is harder to change is the leader's leadership style. These leadership styles are grown into a leader and affects how the team sees the leader. Griffith (2015) found how a leader approaches a situation affects the interest of team members and how they interact with the team.

Communication is an important life skill for anyone who wants to be a part of the bigger community or team. This is because we have to communicate with each other to share our ideas and to be understood. For that reason, leaders' communication skills are playing an important part while leading the team forward at direction of success. The same thinking can be applied forward CEO and other leaders who lead big company. According to Brett et al., (2006), Henderson, (2005) and Morgan et al., (2014) language can be seen as positive thing helping firm and team grow together or if communication and language do not work. Then it can be seen as a liability.

Corporate culture is factoring that leaders have to take in notion while leading team. Randle and Flamholtz (2012) found different dimensions of how corporate culture affects the company. They say that it can be an asset or a liability to the company depending on culture and how the corporation uses it. Used in the right way it is something that moves the company forward in the business world and when used the wrong way it is something that can destroy good company whole. When corporation culture is strong leaders are able to easily identify it and use it as a power supply for leading team forward success. Randle and Flamholtz (2012) say that corporate culture is something that can be a chance, and it can be changed. A good leader should be able to see the change of corporate culture and to be able to adapt to it.

From earlier writing and from earlier studies we are able to find that there is not one leadership style over others. We have found that leader should be able to adapt leadership skills to answer situation at the hands. Corporation culture is also one limiting factor in how much freedom does leader have while choosing the right communication, leadership and approach style to the team. From that, we are able to conclude that a good leader should be adaptable and be learning new things all the time.

4 CASE STUDY METHODOLOGY

4.1 Qualitative research

A qualitative study was chosen as a research method to this case to understand leading multicultural teams in a Finnish company. Case study tries to emphasise and reflect the theory, how Finnish corporate culture affect multicultural teams. The case answer to following empirical research question:

How Finnish corporate culture affects the multicultural team in a company?

Following the case study: “NOKIA” analyses how corporate culture and leadership affect the efficiency of the multicultural team. It is important to understand how big effect multicultural teams have in an international company. The interview was conducted as a theme interviews one person at a time. This was done to get a neutral outlook as possible (Stahl, 2010). Themes that were brought up in theme interview were multicultural team, leadership and its challenges, corporate culture. Each of these themes was important to get relevant research information (Brett, et al, 2006; Cohen and Kassis-Henderson, 2017; Flamholtz and Hua, 2002; Griffith, 2015; Morgan, et al, 2014 and Randle and Flamholtz, 2012).

4.2 Interviews

Two people from different positions were interviewed to get perspective and insight into Nokia’s corporate culture and how it affects the leading international team. Same interviews are used to get a small insight into Finnish leadership in a multicultural team. The interviews were conducted in April 2019 with theme interview. Theme interview allowed to get broader discussion about questions and follow up questions about interesting topics that popped up. Persons were interviewed separately. Interviews lasted 40 minutes per interview. Interviews were recorded and questions can be found from the appendix.

The following persons were interviewed in Oulu at Nokia.

Erja Sankari, VP, Supply Chain Engineering at Nokia.

Jarkko Pyykkönen, Director, Technology Platforms at Nokia.

5 CASE NOKIA

This chapter analyses how Finnish corporate culture affects leading in a multicultural team at Nokia. Nokia is a Finnish company that is specialized in technology. First part is about Nokia as a company. The second part is about Finnish leadership in Nokia and how it has affected leading multicultural teams at an international company.

5.1 Nokia

Nokia's beginning was in 1865 as a single paper mill. Nokia has spread its wings and successfully worked in different industrial sectors that include cable, paper products, rubber boots, tires, televisions and mobile phones. Nokia has produced telecommunication technology since 1880 century. Nokia's success in different fields led also to worldwide growth geographically. In the 1980 century, Nokia has changed from a Finnish company to Nordic company. Nokia sold its other industrial production at the beginning of 1990 century and made the strategical choice to focus only on telecommunication devices. Rapid success in the mobile sector allowed Nokia's to become world best-selling mobile phone brand in 1998. Nokia sold its mobile and device division to Microsoft in 2014 and allowed Nokia's focus on the network hardware and software provider. Nokia re-entered mobile business with licensing agreement in 2016. (www.nokia.com)

Thanks to the success in different fields in different industries Nokia expanded to be a Nordic company from Finnish company in 1980 century. After widening their look further away towards Europe. Nokia grew to be a significant European company at the beginning of 1990 century. Same time Nokia chose to sell all other industries than telecommunication. In the middle of 1990 century, Nokia had grown to be a notable global company. Acquisition of Alcatel-Lucent has further solicited Nokia's position as a global company. (www.nokia.com)

Nokia is focused on developing 5G technology at a rapid speed by building infrastructure for 5G technology and internet of things (IoT). Nokia has workers from over 160 different countries, and it operates over 100 countries. Nokia has over

1300 patent applications, 9 Nobel prizes, 3 Turing prizes to mention few of them. From this, we are able to see that Nokia is a global and innovative company. (www.nokia.com)

5.2 Theme interview

Sankari and Pyykkönen (2019) told that Nokia is an international corporation that has roots in Finland. In the interview we spoke about different themes that were multicultural team, leadership and its challenges and the last theme was corporate culture. During the interviews, new viewpoints were brought up.

Sankari (2019) has a team of 500 people under her leadership. Members are presenting culture from seven or eight different nations. The team is responsible for Nokia's mobile network, mobile network supply chain design and for technical development. Pyykkönen (2019) Has a team where team members are from Finland and the USA. It is a technology team that research and build testing technology for 5 G. They also develop new solutions for production testing technology. Both Sankari and Pyykkönen (2019) brought up that different cultures and cultural backgrounds can be seen from team members and that it is a positive thing and helps to challenge some ideas and brings up new viewpoints to some problems. Sankari and Pyykkönen (2019) both brought up that different cultural backgrounds can cause friction inside of the team. Both teams were built by needs first. The biggest challenge according to Sankari (2019) in a multicultural team that works in many different continents is time zones. Because of different time zones, teams have only a couple of hours per day when all team members are up and can react fast for changes. Sankari (2019) Told that if being on time in one culture is a good thing. It will not be a bad thing in any culture.

Sankari's way of the leading team has developed over the years. Her way of a leading team is for first to look at why the team was created and clarify mission and vision. Then motivate the team by open top-down discussion and having a good alignment with team members (Sankari 2019). Pyykkönen leads with giving a clear goal and setting parameters for the team what they need to achieve. After that team is clear to choose how to achieve set goals. Sankari and Pyykkönen (2019) both say

that the biggest challenge while leading a multicultural team is real-life communication and creating good work relationships with team members who work abroad. Both have solved this problem by having weekly meetings by Skype or some other virtual communication method. Pyykkönen (2019) points out that by having only virtual communication some spontaneous ideas might be left out of the conversation. Sankari (2019) Said that one of the challenges for a leader is to take in notion different cultural backgrounds and to understand different viewpoints of the team members. Sankari (2019) said that leader needs to take in notion person, cultural background, history and leaders in a big company like in Nokia also needs to be able to do politics. Pyykkönen (2019) told that he uses transformational leadership to motivate the team and to get in the set goals. The leader should also be capable to lead a change and it is harder to change the way of thinking of people than it is to change technology (Pyykkönen 2019).

Corporate culture is important for both interviewees. according to Sankari (2019), Nokia has a strong Nordic culture and Nordic values everywhere Nokia operates. Nokia operates in eleven different countries (Sankari 2019). Nokia's values are Respect, Achievement, Renewal and Challenge (www.nokia.fi). Sankari (2019) says that Nokia is equalitarian, respects diversity, company intervenes in event of misconduct and everybody has the same opportunity at Nokia. Pyykkönen (2019) says that Nokia is more global company than a Finnish company. But Finnish leadership styles and cultures can be seen as many leaders of Nokia are from Finland. Sankari and Pyykkönen (2019) Both sees a corporate culture as a positive thing. Nokia's corporate culture is less masculine than the corporate culture at Siemens Sankari (2019). According to Pyykkönen (2019), Nokia's workers are able to tell Nokia's main competency at the time and understand the corporate culture that Nokia has.

5.3 Discussion

Morgan et al., (2014) suggests weekly or Bi-weekly meetings in virtual teams. Nokia's Sankari and Pyykkönen (2019) are meeting their global teams weekly with the help of virtual communication. This goes according to Morgan et al. (2014) suggestion of meeting virtual teams. From this, we can conclude that they keep

contact with team members and alignment in the team stays good. Morgan et al., (2014) Also have created virtualness scale. In the case of Sankari (2019) her teams' virtualness is high and on the left side of figure 1. She has team members in USA, Europe and Asia. In the case of Pyykkönen (2019), virtualness is not as high as Sankari's team virtualness. Pyykkönen's team works in Finland, Oulu and USA.

Sankari and Pyykkönen (2019) said that Nokia has a strong corporate culture, and they see it as a positive thing. Nokia also has a successful corporate culture and human capital, that motivates a team to work better and that is difficult to imitate (Sankari and Pyykkönen 2019). Randle and Flamholtz (2012) have said that corporate culture can be seen as a real strategic and economic set if managed correctly. Nokia has succeeded in this (Sankari and Pyykkönen, 2019). Nokia's teams are diverse with people from different cultural backgrounds. As a Stahl (2010) suggests, Nokia has done a good job in seeing multicultural teams as a positive resource. Nokia seeing a multicultural team as a positive resource can be concluded from the interview with Sankari and Pyykkönen (2019). This could be one factor why Nokia is a successful global company.

Nokia's interviewed multicultural team leaders Sankari and Pyykkönen (2019) uses direct communication when interacting with team members and they do not face problems with a language used in communication with team members. Sankari (2019) said that she needs to take a cultural background in notice while leading people from different cultures. Pyykkönen (2019) brought up different ways of decision making between Finnish and USA workers. Brett et al., (2006) has suggested four different problems when leading a multicultural team. Nokia has successfully solved these four suggested problems by using different approaches according to the situation.

According to Sankari and Pyykkönen (2019), Nokia uses different leadership approaches in different situations. Zander and Butler (2010) presented different leadership approaches in their study and leaders at Nokia uses some of them. Sankari and Pyykkönen (2019) choose the best approach according to the situation. Pyykkönen (2019) said that when a company makes changes leaders need to use transformational leadership. The company can get the best results of change when

transformational leadership is used in changing company (Bass and Riggio, 2006, p. 99-111).

Both Sankari and Pyykkönen (2019) uses hallway discussion with their teammates that work in the same location and uses empathetic and emotional intelligence (Sadri, 2011) to lead a team better forwards to the success. In the interview with Sankari and Pyykkönen (2019) arise that they are leading their teams with an idealized and pragmatic way to achieve their goals. Sankari (2019) sets the goal high for the team and celebrates with the team achieved goals.

From an earlier chapter, we can analyse Nokia's corporate culture and how Finnish leadership affects leading global teams. We suggest that the Finnish leadership style is direct communication. Sankari and Pyykkönen (2019) have no problem in communicating in English with their team members. Therefore, there is no trouble with the accent or fluency. Finnish attitude towards hierarchy is not as hi as in Asian countries. Therefore, the Finnish attitude towards hierarchy is not very high (<https://globeproject.com/results/countries/FIN?menu=country#country>). Norms in Nokia are used in everyday decision making. Nokia's values are affecting to the norms that they use for decision making. To make the further assumption we can use this case to approach how Finnish culture affects leading global teams in multinational companies that have a Nordic corporate culture.

Nokia's Finnish Leadership:

- Direct communication.
- Low hierarchy and good attitude towards authority.
- Uses Nokia's norms for decision making.
- Company language English that widely well understood.
- Leaders use transformational leadership.
- Leaders care about the wellbeing of their team members.

As a fast summary of what we have learned. Finnish leadership at Nokia and probably usually in other Finnish companies are straightforward, Direct communication, Low hierarchy and good attitude towards authority. Leaders at

Nokia use rationality in decision making and can move feelings aside while doing decision that benefits the company most Sankari And Pyykkönen (2019).

6 CONCLUSION AND SUMMARY

This chapter presents the essential findings of the theme interview and answers to the research questions. In this chapter also limitations are examined and future research ideas about the subject is brought up.

6.1 Summary

The objective of this thesis was to find answers for research questions. Literature analysis was used with theme interview at Nokia. In the interview, two of Nokia's leaders were interviewed with theme interview.

In the literature analysis, we discussed first, multicultural teams' culture and communication. Both of these should be taken in notion while working in multicultural teams. Second is discussion was how studies and some companies might look multicultural teams as a negative in light of negative publicity. In this study, we aimed for a neutral approach. The third discussion was about the importance of multicultural teams for global companies and how it is the glue that binds the company together.

In the third chapter, we studied different leadership styles and how corporate culture affects leader's leadership style usage. And how leaders overcome four challenge of leading multicultural teams (Brett et al., 2006). After that, we focused on how leaders' approach and to communicate with their team and how that communication affects leading of multicultural team as a leader. Lastly, we discussed what are best practices in a leading multicultural team and is there one practice over others.

Last part of this thesis is talking about how the interview was implemented and what different factors were taken in notion. After that is Case chapter where we go through interviews and what results they brought up.

6.2 Conclusions and research question answers

This study was about how Finnish corporate culture affects leading of the multicultural team. The research problem was analysed by looking at earlier studies about leadership styles and what is important while leading multicultural teams. The second approach to the research problem was theme interviews that were performed at Nokia. Following research questions were answered during this research:

How Finnish corporation at culture affects multicultural teams?

How virtual leadership effects on a global team and its leading?

How Finnish corporate culture affects the multicultural team in a company?

For the first question, we can answer with results that we got from the interview in Nokia. At Nokia, Finnish corporation culture is more Nordic corporation culture with Finnish influence. Nokia's corporate culture can be seen while leading multicultural team. Nokia's corporate culture is used in all the countries that Nokia operates (Sankari and Pyykkönen 2019). With that Nokia's culture that includes direct communication, low hierarchy, good attitude towards authority and making decisions based on rationality can be seen on leading multicultural teams and with that Nokia's and Finnish corporation culture can be seen as one factor that affects the leading multicultural team.

Virtual leadership can be seen affecting leading global teams. While discussions whit members of global teams are easy in the world of today. Virtualnes may cause some misunderstanding and harder time to connect with team members. As Henderson (2005) have said communication is also tones and facial expressions. These effects might create a challenge to be understood correctly while contacting team members virtually. Nokia's leaders have solved this communication problem by having a weekly meeting with team members (Sankari and Pyykkönen 2019). In this meeting, they catch up what has happened and how things are going. Virtualness and having team members all around the globe also makes reacting same time harder as all the team members are not awake at the same time. For example, if team members are

from Asia-Europe-USA. To conclude virtualness has helped communication in global teams but also the same time it has brought challenges that every company needs to solve in their own way.

Nokia's corporate culture can be clearly seen (Randle and Flamholtz, 2012). Nokia's culture affects global teams in a way that workers at Nokia have embraced Nokia's values and culture. That way they are carrying out Nokia's corporate culture that has traits of Finnish and Nordic corporation culture. Nokia's corporation culture makes teams make solutions with ration rather than with emotions. It allows innovation and challenging old. Communication is straight forward at Nokia and with good communication and hierarchy that is not too high, Nokia has successfully conveyed message to the people. A good example of Nokia's open messaging is Pyykkönen (2019) story about how Nokia changed production location but was open about it and communicated honestly with workers. Nokia's corporate culture changes communication and leadership to be more Nordic in teams at Nokia.

This research has brought new scientific information about how Finnish corporation culture affects in leading international team in a global company. With this research, we wanted to bring information to Finnish leaders how Finnish corporation culture affects the leading multicultural team. With this information, Finnish leaders are able to look at their own leadership style and be more efficient leaders for the multicultural team. Nokia as a company can use these results to better understand their own corporate culture and how it affects when the Finnish leader leads the multicultural team. With this understanding friction between team members should lessen. When corporate culture is examined leaders of a corporation can get a better picture of it. With this, it is easier to understand own corporate culture and other Finnish corporate cultures.

6.3 Limitations of study

Limitations of this study are the time and length of bachelor study. Time of bachelor study forced to choose a limited number of articles that were used in building a

framework for theory and study. Length of bachelor study forced limiting studies even more and to only take a couple of look points while doing a bachelor thesis.

These factors limited interviewed companies to be only one. With interviewing only one company we do not get reliable results of how Finnish corporate culture affect leading multicultural teams. The second factor is the interview with two people. With interview of two people we have to make pretty big generalizations and with generalizations possibility of making mistakes while making assumptions and reading results goes up. The third limitation of this study was an interview with only Nokia's Finnish leaders. With interviewing foreign leaders' study would have been much more comparable and reliable to other studies.

6.4 Future research possibilities

This topic leaves multiple research questions open for future research. More research should be conducted on how Finnish corporation culture affects leading multicultural teams. Research should be conducted in multiple different companies to get more reliable answers. Second research topic in future could be a research of Nordic organisation culture affects in leading multicultural team. With this research Nordic countries would get a better understanding of their leadership styles and how to use the most efficient way, while leading multicultural team. It would also be interesting to study different countries companies and leadership to get the most reliable results, how Finnish corporation culture affects leading multicultural teams.

REFERENCES

- Alon, I., & Higgins, J. M. (2005). Global leadership success through emotional and cultural intelligences. *Business Horizons*, 48(6), 501-512.
doi:10.1016/j.bushor.2005.04.003
- Brett, J., Behfar, K., & Kern, M. C. (2006). Managing multicultural teams. *Harvard Business Review*, 84(11), 84-91.
- Bernard M. Bass, Ronald E. Riggio. (2006). Transformational leadership (2nd edition). Mahwah, New Jersey, Lawrence Erlbaum Associates, Publishers.
- Cohen, L., & Kassis-Henderson, J. (2017). Revisiting culture and language in global management teams. *International Journal of Cross Cultural Management : CCM*, 17(1), 7-22. doi://dx.doi.org/10.1177/1470595816684882
- Flamholtz, E., & Hua, W. (2002). *Strategic organizational development, growing pains and corporate financial performance: An empirical test*
doi:9443/10.1016/S0263-2373(02)00098-1
- GLOBE, <https://globeproject.com/books>. Retrieved 5.5.2019.
- GLOBE, https://globeproject.com/publications#art_2014. Retrieved 5.5.2019.
- GLOBE, <https://globeproject.com/results/countries/FIN?menu=country#country>. Retrieved 5.5.2019.
- Griffith, J. (2015). How outstanding leaders lead with affect: An examination of charismatic, ideological, and pragmatic leaders. *Leadership Quarterly*, 26(4), 502.
- Henderson, J. K. (2005). Language diversity in international management teams. *International Studies of Management & Organization*, 35(1), 66-82.
doi:10.1080/00208825.2005.11043722

House, R. J., & Podsakoff, P. M. (1994). Leadership effectiveness: Past perspectives and future directions for research. In J. Greenberg (Ed.), *Series in applied psychology. Organizational behavior: The state of the science* (pp. 45-82). Hillsdale, NJ, US: Lawrence Erlbaum Associates, Inc.

Hutnyk, J. (2006). Culture. *Theory, Culture & Society*, 23(2-3), 351-358.
doi:10.1177/0263276406062700

Messner, W. (2015). Measuring existent intercultural effectiveness in global teams. *International Journal of Managing Projects in Business*, 8(1), 107-132.
doi://dx.doi.org/10.1108/IJMPB-05-2014-0044

Morgan, L., Paucar-caceres, A., & Wright, G. (2014). Leading effective global virtual teams: The consequences of methods of communication. *Systemic Practice and Action Research*, 27(6), 607-624. doi://dx.doi.org/10.1007/s11213-014-9315-2

Nokia. www.nokia.com. Retrieved 2.5.2019.

Posner, B. (2013). It's how leaders behave that matters, not where they are from. *Leadership & Organization Development Journal*, 34(6), 573-587.

Randle, Y., & Flamholtz, E. G. (2012). Corporate culture, business models, competitive advantage, strategic assets and the bottom line: Theoretical and measurement issues. *J Human Resource Costing Acc*, 16(2), 76-94.
doi:10.1108/14013381211284227

Sadri, G. (2011). Empathic emotion and leadership performance: An empirical analysis across 38 countries. *The Leadership Quarterly*, 22(5), 818-830.

Schweiger, D. M., Atamer, T., & Calori, R. (2003). Transnational project teams and networks: Making the multinational organization more effective. *Journal of World Business*, 38(2), 127-140. doi:10.1016/S1090-9516(03)00006-3

Stahl, G. K. (2010). A look at the bright side of multicultural team diversity. *Scandinavian Journal of Management*, 26(4), 439-447.

Tenzer, H. (2015). Leading across language barriers: Managing language-induced emotions in multinational teams. *The Leadership Quarterly*, 26(4), 606-625.

Zander, L., & Butler, C. L. (2010). Leadership modes: Success strategies for multicultural teams. *Scandinavian Journal of Management*, 26(3), 258-267.
doi:10.1016/j.scaman.2010.06.002

Zander, L., Mockaitis, A. I., & Butler, C. L. (2012). Leading global teams. *Journal of World Business*, 47(4), 592.

APPENDIX**Acknowledgements****Attachment 1**

Reprinted by permission from Springer Nature Customer Service Centre GmbH: Springer Nature, Systemic Practice and Action Research, Figure 1. Leading Effective Global Virtual Teams: The Consequences of Methods of Communication, Lisa Morgan, Alberto Paucar-Caceres, Gillian Wright, 2014, advance online publication, 01 January 2014 (doi: 10.1038/sj.[SN]).

Reprinted by permission from Emerald Publishing Limited: Emerald Insight, International Journal of Managing Projects in Business, Figure. 2, Measuring existent intercultural effectiveness in global teams, Wolfgang, Messner, 2015, advance online publication, 05 January 2015.

Theme interview**Attachment 2****Leading a multicultural team with Finnish leadership style****Multicultural Team**

What kind of team do you have and for what purpose it was built?

What affected the building of the team?

What cultural background do team members have?

How well the team plays together?

Leadership and its challenges

How you are leading the team?

What are the challenges of leading a multicultural team?

What is your team's biggest accomplishment?

What is your biggest accomplishment?

Corporate Culture

How corporate culture affects you and team?

What kind of corporate culture do you have in your organization?

Do you see corporate culture as a positive thing?

Would you change something about your corporate culture?