The Effects of Corporate Culture
A Study of Three Swedish Multinational Corporations
Acknowledgements

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We hope you will find this thesis as interesting to read as we felt writing it. Enjoy!

Christian and Victor
Abstract

Operating in a global environment carries with it a range of opportunities but also challenges. While organizations have their own unique culture, they must also be aware of and adapt to the norms of the environment in which they are operating. This study considers the effects of corporate culture in Swedish multinational corporations (MNCs). Specifically, the study focuses on three facets: the relation between corporate culture and the national origin of the MNC, how corporate culture is dispersed and used as a tool for unifying the MNC, and finally, whether corporate culture can provide a basis for decision making in both mundane as well as more ethically-loaded contexts. In order to investigate this we looked at three Swedish MNCs; CellMark, Elof Hansson and Stena Bulk. Interviews were conducted with eleven senior managers from eight different countries. The data generated was codified through a grounded theory approach and meshed together with a variety of different theoretical frameworks such as Hofstede's (1984) cultural dimensions model. From the interviews, five main themes were derived: foundation and communication of corporate culture, perception of corporate culture, decision making, culture as unifying tool and employee-organizational coherency. The study found that while many of the cultural attributes within the three MNCs could be perceived as being inherently ‘Swedish’ under Hofstede (1984), there were some attributes which had arisen on their own accord, suggesting the impact of globalization and the responses of organizations to this. Furthermore, the study concludes that corporate culture contributes to unifying a MNC around shared values, whilst also maintaining the benefits of cultural diversity. In terms of dispersion of corporate culture, the practices implemented by the three MNCs differed to suit their own agendas. Finally, the empirical data strongly indicated that a shared mindset and culture for all three MNCs was adopted by living it, rather than being of constraint by rigid frameworks. This allowed the employees as well as the companies to be flexible and agile in the different markets. As globalization and technology advances, so must organizations. The main implications for practitioners from this study is therefore to be careful in making assumptions regarding national culture as well as acknowledging benefits of local knowledge and allowing employees to inherit the corporate culture in a personal way. Suggestions for future research would be to further investigate the role of culture as it pertains to online and digital communities in comparison to face-to-face encounters.

Key words: Culture, values, multinational corporation, ethics, decision making, shared
Abbreviations and Definitions

*Ethnocentric* - Refers to organizations as home country oriented (Mayrhofer & Brewster, 1996).

*Geocentric* - Refers to organizations as world oriented (Mayrhofer & Brewster, 1996).

*Host country national* - An individual who has the same nationality as the country in which the company operates (Oxford Reference, 2017).

*MNC* - Multinational Corporation

*Organizational learning* - organizations learn from other’s experiences, their own experiences, thus through this creating routines and behaviors built on paradigms and frameworks (Levitt & March, 1988, p. 319).

*Parent country national* - An individual who has the same nationality as the company, hence different from the country he or she works in (Oxford Reference, 2017).

*Polycentric* - Refers to organizations as host-country oriented (Mayrhofer & Brewster, 1996).
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1. Introduction

This chapter gives a background to the subject of research and presents a problem discussion and the research question. In addition to this, the purpose and limitations are clarified and a list of definitions and abbreviations are provided.

1.1 Background

Over the past fifty years forces of globalization have led to significant reductions in both physical and human-constructed barriers between nations, organizations and people where the implications of this are complex interactions of communications, technology and logistics operating across multiple cultural contexts (Frankel, 2000). For businesses this presents a range of opportunities, but also challenges as managers are required to handle cross-cultural dissimilarities regarding behavior, reasoning processes and ethical principles (Hollensen, 2007). Bellin and Pham (2007) claims that management of global corporations are becoming increasingly concerned with the effects of international expansion on their corporate culture, thus it is therefore necessary to be aware of the effects that culture has for belongingness and collective thinking.

Hill (2009) discusses values and how they form the bedrock of a culture, and mentions values as abstract ideas of what a group imagine as good, right and desirable. In one of the most frequently used definitions of culture, Hofstede (1984) argues that culture is the collective programming of mind and something that can distinguish a certain group in society from another. Hofstede (1984) suggests that people build organizations in accordance with their values and it is therefore common that an organization reflects the dominant values of the culture in which it is created.

Bearing in mind that an organization’s place of origin can be reflected in the values of the company (Hofstede, 1984), it is reasonable to assume that organizations from different places will behave in different ways. The awareness of that the geographical area of origin leaves a certain mark is important when organizations are internationalizing, becoming global or multinational, and various nationalities are to become a unified unit (Mühlbacher, Dahringer & Leihs, 1999). Schneider (1988) claims that the establishment of a corporate culture can be used to achieve conformity throughout the organization. This perception is shared by both
Bellin and Pham (2007) and Mühlbacher et al. (1999) who argues that companies that operate around the world will, as a result of this, have employees with different nationalities and cultural backgrounds and that it is therefore important to emphasize shared values throughout the organization.

In the multicultural context of a globalized world there will be different cultural perceptions of what is morally correct, hence it is of essence to ensure that employees can rely on collectively accepted values in situations of decision making in cross-cultural and ethical aspects (Mühlbacher et al., 1999). Unification and salience of cultural differences in terms of ethical, organizational and strategic dimensions are increasingly carried out through business codes, credos and operating principles (Schwartz, 2005). Further, Schwartz (2005) discusses the establishment of moral values on a universal level from which corporate code of ethics can be constructed, this in order to ensure that corporate codes of ethics are sufficiently ethically grounded.

1.2 Problem Discussion

The way that companies operate will always be influenced by their history (Bartlett & Goshal, 1998). Behavior and values are included in the culture which lays the foundations of how organizations conduct their business (Schein, 2010). To be able to understand these routines and processes as well as the companies’ values and principles, one must understand their historic backgrounds (Bartlett & Goshal, 1998). Previous experiences, paths chosen and decisions made are all parts of a company’s organizational learning (Levitt & March, 1988), hence they contribute to how a company operates today and partly in how the company operates tomorrow and in the future (Bartlett & Goshal, 1998).

As a part of globalization, corporations have broadened their horizons of where they operate and conduct their businesses. This has created many opportunities but also some challenges. These challenges can be described as barriers which have to be overcome in order for the companies to be successful (Bellin & Pham, 2007). Some barriers may be regarded as lower or higher than others where linguistics may be seen as fairly easy to overcome if compared to some cultural differences (ibid.). These differences may be in terms of different perceptions of ethics and norms as well as differences in reasoning processes and behaviors, leading to misunderstanding and different perceptions of how to make decisions, solving problems or
behave and conduct business in general (Vitell, Nwachukwu & Barnes, 1993; Hollensen, 2007). Understanding these components is a key factor in dealing with diverse economical, cultural and ethical elements. It stands clear that there is a need for systems and principles for unifying cultural differences in multinational companies (Hamilton & Knouse, 2001). Furthermore, companies need to balance the corporate culture with the culture of the country in which they are operating, not adopting it to a whole nor ignoring them completely (Moon & Woolliams, 2000).

The challenges presented by globalization are to large extent linked to harmonizing cultural diversity and at the same time be able to utilize the benefits these differences bring. As corporate culture can be explained as the norms and values of organizations (Hill, 2009), this provides a common ground to unify different cultures around since the global presence of a MNC will result in a workforce of several nationalities. Mühlbacher et al. (1999) highlight the importance of shared values and that the acceptance of behavioral norms is of essence as firms internationalize. The shared values can then be codified into a corporate culture which will have a unifying effect of the diverse influences of national cultures to the context in which the MNC operates (Bellin & Pham, 2007). This study finds the topic of corporate culture as a tool for management highly relevant in relation to how employees of MNCs find their way in a multicultural work environment.

Culture exists both within organizations, as well as the broader environment in which the organization operates. The complex interrelationship between the two often results in environmental culture, or national culture as it is known, becoming infused with and co-evolving alongside corporate culture (Schneider, 1988). Understanding culture and being conscious of it when making decisions presents a range of implications which affect stakeholders both within and outside of the organization (Vitell et al., 1993). Management must make reasonable accommodations to respect the different demands of the operating environment which the organization is within, and utilize the expertise of local employees who are familiar with the operating environment. External stakeholders such as the community in which the MNC is operating may be interested in ensuring that the organization complies with local social norms, while not causing detrimental harm to society or the natural environment. A foreign government may be interested in ensuring that organizations can adapt their culture in order to abide by relevant legislation. The findings of this study are of direct relevance to each of these stakeholder groups.
This study acknowledges the need of corporate culture in MNCs in order to unify the organizations and provide a framework in which employees can ground their actions and decisions. Previous studies have found that cross-cultural factors have a significant influence on organizational culture (Hofstede, 1984; Vitell et al., 1993). However, limited attention has been given to the way in which core operational principles and values are translated and implemented by Swedish MNCs across cultures. Therefore, this study will contribute to the understanding of the significance of corporate culture in an increasingly globalized world.

In order to overcome these challenges, more and more companies have started to realize the importance of unified company values. Previous research suggests that cultural differences can be dealt with from different theoretical approaches. Regarding cross-cultural ethical dilemmas, Hamilton and Knouse (2001) discuss multinational enterprises and the principles by which they make decisions. Out of three models of decision making, different perspectives on how to judge the situation are presented.

The means mentioned to deal with cultural differences from ethical, organizational and strategic perspectives are increasingly carried out in the shape of business codes. These are of varying nature depending on what issue an organization strives to unify. Schwartz (2005), discusses the establishment of moral values on a universal level from which corporate codes of ethics can be constructed, this in order to create a shared meaning to the organization.

1.3 Research Question

This study will examine the effects of corporate culture in Swedish MNCs.

Specifically, the report will investigate:
- Is corporate culture related to the national origin of the MNC?
- How is corporate culture dispersed and used to unify the MNC?
- To what extent does corporate culture provide a basis for ethical decision making in the MNC?

1.4 Aim of the Study

The aim of this study is to analyze the effects of culture within three Swedish MNCs in order to derive possible themes connecting national culture to corporate culture. In addition to this,
the study aims to explore how culture is dispersed and used to unify the MNC as well as the extent to which it provides a basis for ethical decision making.

1.5 Limitations

This study will only take Swedish MNCs into consideration and is therefore not making any attempts to generalize in regards to MNCs originating from other parts of the world.

The study also acknowledges that all of the three MNCs that have been investigated do not operate in the exact same business area, thus it is possible that strategical aspects in regards to corporate culture may vary. However, the fact that they all originate from Gothenburg, Sweden, provides an element of comparison to the study.

Furthermore, the authors are aware of the possible risks of excluding valuable opinions by only including interview respondents of senior management positions and not personnel from a variety of levels in the company (Silverman, 1993). Nevertheless, the knowledge and expertise from the interviewees selected is considered to provide a fair depiction.

In relation to usage of Hofstede (1984), this study chooses to focus on the original four cultural dimensions, and does not cover the later two dimensions of long term versus short term orientation and indulgence versus restraint, which were introduced in 1988 and 2010 respectively. The reason for only focusing on the four original dimensions was to be able to analyze the MNCs’ corporate culture in depth. Due to the time and space constraints of this research, extension of the theoretical framework with two additional dimension may threaten a thorough application off all dimension in the analysis.
2. Methodology

This chapter will give an account for the process of how the study has been conducted and how the empirical data has been gathered and analyzed. Furthermore, different aspects regarding methodological considerations have been described and problematized together with a literature review giving a short recap on what has been said and researched in the realm of the subject.

2.1 Research Method

The choice of research method to produce, process and analyze data stands in general between either quantitative or qualitative research, or a combination of both (Sohlberg & Sohlberg, 2013). Whereas quantitative research is said to be coupled to nature science, numbers and hard facts, the qualitative research method is more suitable for social science research where the focus is on ‘words’ and ‘soft facts’ for example; picking up emotions expressed by respondents interviewed (Bryman, 2016). As Bryman (2016) states, a key difference between nature and social science is if the objects of analysis can “attribute meaning to events and to their environment” (p. 392), something which is true for people but not objects studied in natural science such as metals, gases and chemicals (ibid.).

In order to investigate the research question of this study, the choice of appropriate methodology has been discussed, weighing different possibilities and perspectives against each other. A qualitative research method was chosen in order to allow for a deeper understanding of corporate culture in Swedish MNCs since Alvesson and Sköldberg (2008) claim that the qualitative method deeper understanding of subject in focus.

The drawback of the qualitative method could however be the lack of objectivity by the researchers’ unconscious preconceptions, thus questions asked and subjects brought or picked up might have been different if the interviews would have been carried out by others (Bryman & Bell, 2013).

2.2 Research Approach

The relationship between theory and research is what researchers work with in attempts to describe the world around us. The process of doing this can be looked upon differently and there are various ways of doing this. One of these methods is the deductive approach. It is a
process where a theory is the foundation of the research which is later conducted to either confirm or reject a hypothesis deduced from the theory. As an alternative relationship between theory and research there is the so called *inductive approach*. This process does not rely on existing theories and instead the researcher uses the observations from the research as well as his or her own ideas and notions as stepping-stone for making constructing new theories (Patel & Davidsson, 2011). However, as Bryman and Bell (2013) puts it, we need to be somewhat careful in using the word “theory” in discussing inductive approach as there are examples of researchers developing what they call theories but that in fact rather are mere generalized assumptions. A third alternative is the *abductive approach*, which can be seen as a combination of the two above mentioned processes. This method utilizes the inductive process of grounding the theory in the context outlined by the results, combining it with the deductive approach of testing the results from the research against pre-existing theories (Bryman, 2016).

The limited time to conduct the research project as well as the relatively small number of interviewees has been regarded of the researchers to be rather insufficient if utilizing an inductive approach, hence there are limitations to the research frame that prevents from solely depend on observations to create new theories. Further, it has been decided not to follow a strict deductive approach, partly to reduce the risk of misrepresenting the empirical data, partly to not risk creating a gap between the people interviewed and the researchers (Sohlberg & Sohlberg, 2013). Instead, the study has characteristics of an abductive approach. The purpose of following this process is to give the researchers the freedom of the inductive approach but still maintain the objectivity and logic of the deductive approach, thus to hopefully enable a deeper understanding and analysis of the results (Patel & Davidsson, 2011).

2.3 Epistemological and Ontological Considerations

The methodology of this study will take the epistemological and ontological elements in consideration. The epistemological considerations are according to Bryman and Bell (2013) what is acceptable knowledge within a discipline, a key question is how the research choses to study the social reality, and if it should be studied through applying methods of natural science. The epistemological approach chosen for this study is known as interpretivism,
which will emphasize the understanding of social contexts are given meaning by people and their subjective views (ibid.).

The ontological perspective addresses the issue whether social entities can be perceived through an objective reality (Bryman & Bell, 2013). The ontological standpoint of this report is constructionism, which, according to Bryman and Bell (2013) questions the idea that the existence of any social phenomena is independent of social actors. Constructionism asserts that the meaning of social phenomena is continuously created by social actors and because of this it is said to be in a constant state of revision (ibid.).

As an effect of this approach the study acknowledges that the data collected are derived from multiple social realities and without any objective reality. However, the perception is that this approach will be the most suitable one for studying effects of corporate culture since these are perceived and interpreted in a subjective manner, by individuals.

2.4 Empirical Data Collection

2.4.1 Primary Data

The data collected for analyzing the research question was gathered through primary sources, consisting of interviews with key personnel from the three focus organizations. This was recorded and then transcribed by the authors, and later thematized under a grounded theory approach. The process of deriving the themes from the empirical data will be further elaborated under section 2.6.

2.4.2 Choice of Sample

This study has utilized a form of purposive sampling called theoretical sampling, which according to Bryman and Bell (2013) is a form of nonprobability sampling. There was no aim to choose random participants, the purpose was instead to strategically choose the participants most suitable for the research question.

In order to carry out this study the researchers wanted to examine Swedish MNCs, hence MNCs are exposed to several cultural contexts simultaneously. The respondents were all managers within their respective organizations and were chosen because they may be
perceived as cultural bearers in the MNCs. Additionally, managers can be expected to know the values proclaimed by their companies. In order to examine the perception and dispersion of corporate culture, interviewees from a wide range of locations in the world has been chosen. In total eleven managers from eight different countries representing three Swedish MNCs were interviewed.

There are however drawbacks of this method since the participants are handpicked for the research question, thus there is no possibility to generalize to a whole population (Bryman & Bell, 2013). Nevertheless, saturation was reached among answers from the interviewees which in combination with the specific knowledge of the interviewees supports the validity of the sampling method.

2.4.3 Interview Participants

2.4.3.1 CellMark

CellMark was founded in Gothenburg in 1984 and works as a global supply chain service provider. The whole organization consists of a number of divisions engaged in various areas of business such as paper, pulp, chemicals, metals, packaging material, recycling and medical devices. In total, CellMark employs over 700 people around the world with 65 offices in 30 countries spread over Asia, Europe, North and South America as well as in Africa (CellMark, 2017).

Elizabeth Doty  
Nationality: USA  
Position: Strategy Execution Catalyst  
Office: San Francisco, USA  
In the company since: 2016  
Interview date: 2017-04-25, telephone

Fredrik Anderson  
Nationality: Sweden  
Position: CEO  
Office: Gothenburg, Sweden  
In the company since: 2001  
Interview date: 2017-04-24, face-to-face

Henry Peng  
Nationality: China  
Position: Head of Pulp, Shanghai  
Office: Shanghai, China  
In the company since: 2001  
Interview date: 2017-04-18, telephone

Tan Nguyen  
Nationality: Vietnam  
Position: Head of Pulp, Vietnam  
Office: Ho Chi Minh City, Vietnam  
In the company since: 2014  
Interview date: 2017-04-19, telephone
2.4.3.2 Elof Hansson International

Elof Hansson is an international trading house that originally was founded in Hamburg, Germany in 1897 but was moved to Gothenburg as a consequence of the outbreak of World War I. Today the company operates in over 100 countries and employs approximately 300 people. The company primarily conducts business in forest, industrial and consumer products (Elof Hansson, 2017).

Anthony Shum  
Nationality: Hong Kong  
Position: Area Manager Asia  
Office: Singapore  
In the company since: 2013  
Interview date: 2017-04-20, telephone

Kota Shekar  
Nationality: India  
Position: President, Elof Hansson India  
Office: Chennai, India  
In the company since: 1993  
Interview date: 2017-04-23, telephone

Björn Olausson  
Nationality: Sweden  
Position: President, Elof Hansson International  
Office: Gothenburg, Sweden  
In the company since: 2012  
Interview date: 2017-04-18, face-to-face

Waldir Moidim  
Nationality: Brazil  
Position: President, Elof Hansson Brazil  
Office: São Paulo, Brazil  
In the company since: 1998  
Interview date: 2017-04-20, telephone

2.4.3.3 Stena Bulk

Stena Bulk is a shipping company, founded 1982 in Gothenburg and provides transport of oil and petroleum at sea. Stena Bulk has offices in six countries across Asia, Europe, the Middle East and North America and engages in operations in many more countries. The company employs 95 people ashore and 300 people on board, the fleet consist of approximately 100 vessels. Stena Bulk is part of the Stena Sphere which employs close to 20 000 people and engages in a wide spectrum of activities (Stena Bulk, 2017).

Erik Hånell  
Nationality: Sweden  
Position: President & CEO, Stena Bulk  
Office: Gothenburg, Sweden  
In the company since: 1999  
Interview date: 2017-04-13, face-to-face

Aayush Giri  
Nationality: India  
Position: General Manager, Stena Weco DMCC  
Office: Dubai  
In the company since: 2004  
Interview date: 2017-04-25, telephone

J.R. Gardner  
Nationality: USA  
Position: General Manager & Head of Stena Bulk USA  
Office: Houston, Texas, USA  
In the company since: 2011  
Interview date: 2017-04-20, telephone
2.5 Qualitative Interviews

This report utilizes qualitative interviews for the collection of empirical data which in most cases entails a less degree of structure (Sohlberg & Sohlberg, 2013). Bryman and Bell (2013) mentions two types of qualitative interviews; unstructured and semi-structured. In the unstructured form, the researcher will bring up certain themes, and sometimes not even ask a single question, the goal is to let the interviewee associate freely around this theme (ibid.). When conducting interviews in a semi-structured form, the interviewer uses a list of more specific themes which will constitute a base for interview questions (ibid.).

As the subject of corporate culture can be perceived differently by interviewees, semi-structured interviews are appropriate as they give a freedom and flexibility to the conversation (Bryman & Bell, 2013). Yin (2003), suggests that semi-structured interviews may provide better qualitative data as the free flowing nature of such an approach allows the interviewee to go off on tangents which would not be allowable under a more structured approach. Furthermore, semi-structured interviews give the possibility to pick up tracks that have not been thought of before the interview as well as key issues brought up by the interviewee and elaborate on these (Bryman & Bell, 2013).

The interviews conducted to collect empirical data for this report were, if possible, held face-to-face otherwise over telephone. Each interview lasted for 46 minutes on average and all interviews were recorded and transcribed, which has multiple advantages. Bryman and Bell (2013) points out that through audio recordings and transcription the researcher is able to do repeated reviews of the answers and thereby conduct a thorough analysis of the interview. The interview questions can be found in the appendix.

2.6 Data Analysis

Qualitative research will quickly generate large amounts of data, in this case due to semi-structured interviews.

The grounded theory approach has been chosen given that it is well suited for analyzing qualitative data gathered from semi structured interviews. As the results from such inquiries may be unpredictable and of great amount, this method offers a strategy of systematically
dealing with the observations and answers collected (Martin & Turner, 1986). The collected data will be coded into concepts and categories which will account for the main findings from the interviews, this will constitute the base for the analysis. Once all interviews were held the researchers went back to review transcriptions, topics that occurred multiple times created patterns which constituted the five main themes derived from the interviews.

Grounded theory approach is considered to originate from the work of Glaser & Strauss (1967) and has previously been used to make sense of organizational reality for example; organizational change, democracy and culture have been examined. By using the grounded theory approach the possible non-standard data produced can be analyzed and highlight features of the organizational culture (Martin & Turner, 1986).

2.7 Validity and Reliability

2.7.1 Internal Validity

Bryman and Bell (2013) describes internal validity as how well the theoretical assumptions made by researchers correspond with the observations made. Bryman and Bell (2013) also mentions that the internal validity is one of the strengths in qualitative research. This is because of the presence and participation among a social group, which in this study would be constituted by the interview participants, this would ensure correspondence between observations and theoretical assumptions. Using the semi-structured interviews with open questions for the collection of empirical data allows the researcher to elaborate in depth on the interviewees thoughts and answers to the questions asked.

2.7.2 External Validity

To what extent the results from this study can be used to generalize across other environments or situations, is referred to as external validity (Bryman & Bell, 2013). Bryman and Bell (2013) further states that the external validity constitutes a problem for qualitative research in order to be generalizable. Since this study utilizes a qualitative method in combination with a purposive sampling method, the aim is merely to analyze the effects of corporate culture in organizations globally, but rather to provide a better understanding of how Swedish MNCs are using corporate culture as a management tool.
2.7.3 Reliability

This study uses qualitative interviews as the method for empirical data collection. It is therefore important to be aware of the possible effects this has on the results, furthermore it is necessary to critically assess the method used to make sure that the empirical data is credible and reliable (Jacobsen, 2002). As a consequence of interviews conducted face-to-face or by telephone there might be certain effects on the result provoked by the interviewers. Jacobsen (2002) claims that almost all interviewees are exposed to a certain degree of stimuli provoked by the interviewer. Being aware of the potential effects, it is important that the interviewers keep an open mind and do not try to affect the answers during the interviews.

2.8 Literature Review

The field of organizational or corporate culture is widely researched, Schein (2010) and Hofstede (1984) are among the most influential authors on the topic and provide definitions of culture and tools for analyzing effects of corporate culture. Furthermore, Gelfand, Erez and Aycan (2007) provides a basis for understanding the cultural elements attached to multiple aspects of cross-cultural business such as teams, leadership, managing across borders and expatriation. In addition to this Schneider (1988) discusses relevant effects of national versus corporate culture. In a more recent timeframe Ramdhani, Ramdhani and Ainyisfia (2017) discusses the effects of corporate culture in relation to employees’ commitment and shows that their commitment to the organization can be improved through a corporate culture built on e.g. teamwork or communication.

As this study also will take ethical considerations in account in terms of how corporate culture provides a basis for decision making in the MNC, it is important to be aware of the research conducted in the field of business ethics. Donaldson (1989) is a well known author on the topic and his research regarding moral minimums for MNCs are further elaborated by Hamilton and Knause (2001) where they provide a decision model for cross cultural ethical conflicts. Kaptein (2004) defines the concept of business codes discusses the presence of business codes in the MNC in relation to how the company ensures how they meet their responsibilities. In addition to this Schwartz (2005) develops six universal moral values for corporate codes of ethics.
This study will benefit from the existing research in the field of organizational or corporate culture, however, as this study primarily aims to explain the effects of corporate culture internally in the Swedish MNC, the authors are convinced that it will shed light on a yet, fairly unexplored subject.

2.9 Ethical Considerations

Research is essential to further understand and develop individuals as well as the society as a whole. Therefore, members of academia have established a requirement that research is conducted in relation to pertinent topics and that it is of high quality. This is called the research requirement (Vetenskapsrådet, 2002). Furthermore, a requirement ensuring individuals not becoming victims of humiliation or other violations because of the research, has been established and is called the requirement of individual protection (ibid.). This is the foundation of ethical considerations of research. Since this report utilizes qualitative interviews in order to gather empirical data, the researchers have needed to take the requirement of individual protection into consideration.

In relation to the criteria of pertinent topics and research of high quality, this thesis has been written to fulfil the requirements of the independent thesis project in the Bachelor of International Business Studies. Like all programs at the University of Gothenburg School of Business, Economics and Law, the pedagogical underpinnings of this course are based on the requirements as stipulated under the Association to Advance Collegiate Schools of Business (AACSB). This is a rigorous criteria which ensures that student research projects are supervised and assessed to a high standard, as well as deal with pertinent topics.

The requirement of individual protection is made up of four basic requirements that this report shall fully meet. These are:

The Information Requirement

Researchers are required to inform those affected by the research of the purpose of the current research (Vetenskapsrådet, 2002).
The Requirement of Consent
Participants in the research have the right to decide over their participation themselves (Vetenskapsrådet, 2002).

The Requirement of Confidentiality
Personal information in regard to the participants should be treated with confidentiality and this information should be stored in a way that unauthorized parts can not take part of them (Vetenskapsrådet, 2002).

The Requirement of Utility
The data collected regarding individuals may only be used in research purpose (Vetenskapsrådet, 2002).

According to Kelman (1967), when conducting research involving with human subjects, it must be ensured that all participants are made aware of exactly what the data will be used for, and whether they will be quoted directly.

The presentation of the data in the Empirical Findings section will be anonymized in terms of leaving out the names of the respondents. However, specific quotations are attributed to the country of origin and/or company of the employee. This allows for benchmarking and further analysis of both country specific cultural traits as well as differences between the companies in the Discussion chapter. Furthermore, all audio recordings have been done in consent with the respondents.
3. Theoretical Framework

This chapter presents a theoretical framework based upon existing theories and research in order to apply these to the analysis of the empirical data collected in the interviews and to answer the research question regarding the effects of corporate culture. Based on the themes derived from the empirical data, theories and concepts have been chosen to enable application and comparisons between theory and the empirical data.

It is difficult to provide a general definition of culture since people of different cultures perceive culture in their own way. In one of the most famous definitions made by Geert Hofstede (1984, p. 82), he claims that culture is a collective programming of mind and that this is something that distinguishes certain groups in society from others and that the patterns of thought that constitutes culture is transferred within these groups. Further Hofstede (1984, p. 82) states that values will reflect culture in the meanings that people tie to different aspects of life. Hill (2009) means that values form the bedrock of a culture and discusses values as abstract ideas of what a group imagine as good, right and desirable, this will in turn provide a context in which norms will be determined and justified.

According to Hollensen (2007), awareness of culture is an important aspect of conducting international business, aspects such as language barriers are rather easy to manage by being aware of this and plan in advance (ibid.). There are however more complicated matters relating to the underlying attitudes of behaviors in different cultures that are more difficult to understand (ibid.), these requires a deeper understanding to be overcome.

3.1 Hofstede’s Cultural Dimensions

Due to the fact that meaning and perception of culture can vary among people, across regions and between corporations there is a need to categorize the cultural aspects in order to assign cultural attributes to people, regions or corporations. Culture is to a large extent linked to values, and one of the most famous studies of how culture relates to values in corporations was carried out by Geert Hofstede (Hill, 2009). Hofstede (1984) states that organizations are built by people, in accordance to their values, and organizations often reflect the dominant values of the people within their culture. This report will attempt to identify the origin of the
corporate culture within Swedish MNCs and in order to do so the empirical observations will be reviewed through Hofstede’s cultural dimensions.

Hofstede’s (1984) study examines how national culture relates to workplace values and is based upon data on attitudes and values from more than 100,000 employees at IBM between 1967 and 1973 (Hill, 2009). This data made it possible to compare different dimensions of culture and based on relative scores ranging from 0-100 (Hofstede, 1984). The study resulted in four value dimensions in which fifty countries and three multi-country areas could be ranked (ibid.). The dimensions are; power distance, uncertainty avoidance, individualism versus collectivism and masculinity versus femininity (Hill, 2009).

Hofstede extended the original study in 1988 by adding a fifth dimension: long-term versus short-term orientation (Hasegawa & Noronha, 2014). More recently in 2010 Hofstede collaborated with Michael Minkov and added a sixth dimension called indulgence versus restraint (ibid.)

As the presentation of the dimensions include Sweden’s rank it is important to bear in mind that Sweden has undergone a demographic change since 1984. Since then Sweden has received large waves of immigration and in 2016 18% of the Swedish population was reported to be born in a foreign country (Statistiska Centralbyrå, 2017). This might have implications for the perception of Swedish culture.

3.1.1 Power Distance

The power distance dimension explains to what degree members of a society chooses to accept unequal distribution of power in organizations (Hofstede, 1984). Societies of high levels of power distance tend to accept a hierarchical order where everybody knows their place whilst societies of low levels tend to endeavor equalization of power. The leadership in organizations with a high degree of power distance is according to Hasegawa and Noronha (2014) autocratic and paternalistic. On the other side of the spectrum, Hasegawa and Noronha (2014) claims that in organizations of lower power distance there is a more open climate and employees tend to delegate more. In the dimension of power distance Sweden scored 31 out of 100 and was ranked in place 6-7 which indicates a low level of power distance in the Swedish society (Hofstede, 1984).
3.1.2 Uncertainty Avoidance

The dimension of uncertainty avoidance measures how tolerant a society is to uncertainty and ambiguity (Hasegawa & Noronha, 2014). Common characteristics of societies of high uncertainty avoidance are that people are less open to changes and tend to a large extent to rely on rules, formalities, standards, and people value long periods of employment at the same company (ibid.). In addition to this, societies of high uncertainty avoidance tend to be more risk averse (ibid.). In societies of low uncertainty avoidance on the other hand, deviance from rules or principles will to a larger extent be tolerated (Hofstede, 1984) and organizations tend to value unconventional thinking (Hasegawa & Noronha, 2014). Sweden scored 29 out of 100 in the dimension of uncertainty avoidance and was ranked in place 4-5 which is considered a low level of uncertainty avoidance (Hofstede, 1984).

3.1.3 Individualism versus Collectivism

One fundamental aspect of this dimension is what level of interdependence the people in a society maintains among each other (Hofstede, 1984), it focuses on the relationship between individuals (Hill, 2009) and on people’s self-concept as in “I” or “we” (Hofstede, 1984). The individualistic society prefers a loosely assembled social framework and the individuals are to a greater extent taking care of themselves and their immediate family as opposed to the collectivistic society (ibid.). The collectivistic society is symbolized by tighter ties between individuals in the social framework where the in-group members look after each other and the interests of the group rather than the interests of the individual (ibid.). In this dimension Sweden scored 71 out of 100 and was ranked 40-41, indicating that Sweden possesses a high degree of individualism (ibid.).

3.1.4 Masculinity versus Femininity

It is important to highlight that the terms “male” and “female” are used for biological determination between the sexes, whilst the terms “masculine” and “feminine” are used for social distinction (Hofstede, 1984), hence, the gender of an individual is not necessarily interconnected with masculine or feminine attributes. Masculinity is symbolized by a preference for achievement, assertiveness and material success and femininity incorporates preference for relationships, modesty, caring for the weak and quality of life (ibid.). Hofstede (1984, p.84) mentions societies that strive for maximum social differentiation between the sexes, in these societies the norm is that men are given a more outgoing and assertive roles
and women the more caring and nurturing roles. If a society in contrast to this, strives for minimal social differentiation between the sexes, this would mean that women can take assertive roles, but especially that men are capable of taking the more empathetic, relationship-oriented and caring roles (ibid.). In societies characterized by a minimal differentiation between the sexes Hofstede (1984) claims that becomes “welfare societies” where the members all care for each other regardless of gender affiliation. Sweden scored 5 out of 100 points and was ranked number one, as the least masculine country among those presented (ibid.).

3.2 Global Staffing Approach

Many MNCs are as any other company concerned with the issue of employing the right person for the right position throughout the world. This would to a certain extent require specific skills in order to carry out specific jobs. However, an additional element of importance is the employee’s fit into the organization, in this regard the company’s staffing policy can be used to create and preserve a corporate culture (Schein, 2010). Hill (2009) mentions three types of staffing policies to be commonly represented in contemporary research, namely; ethnocentric approach, polycentric approach and geocentric approach. Each one of these will be presented below in order to apply in the analysis of Swedish MNCs staffing as a tool for dispersion of corporate culture throughout the organization.

3.2.1 Ethnocentric Approach

The ethnocentric approach for staffing the MNC refers to that companies appoint parent-country nationals to management positions abroad (Hill, 2009). There are various reasons to why a company chooses the ethnocentric approach, Mayrhofer and Brewster (1996) mentions one of these as the lack of qualified host-country nationals, this situation often occur when the company engages in operations in less developed countries (Hill, 2009).

Hill (2009) further states that a common incentive for using this approach is the possibility to maintain a unified corporate culture or if the company is pursuing value creation by transferring core competencies abroad. However, the policy of ethnocentric staffing tends to be less frequently used by MNCs (ibid.). Mayrhofer and Brewster (1996) mentions that there are a number of disadvantages coupled with this approach, the ethnocentric policy will in fact limit career advancement for host-country nationals which could lead to resentment within
the group, lower productivity and increased turnover among the workforce (Hill, 2009). Other potential drawbacks are the long and difficult adaptation process for the expatriate (Mayrhofer & Brewster, 1996) and what (Hill, 2009) refers to as cultural myopia which is the company's failure to understand host-countries' cultural differences which would require different management and marketing techniques (p. 629).

3.2.2 Polycentric Approach

Hill (2009) means that the polycentric approach in many respects is a better alternative to the shortcomings of the ethnocentric approach. This approach is based on employing host-country nationals to manage subsidiaries or offices abroad and key positions at the headquarters are filled with parent-company nationals (ibid.). Mayrhofer and Brewster (1996) discuss the advantages of this approach, due to the low flow of personnel between countries costs are reduced in terms of expensive expatriates. An additional effect of the polycentric approach is the elimination of the tension between host-country nationals and expatriates from the headquarters (Ibid.). There is also a lower risk cultural myopia in regards to marketing and management due to cultural misunderstanding among host-country nationals (Hill, 2009).

Nevertheless, there are drawbacks with the polycentric approach as well. Mayrhofer and Brewster (1996) find limited opportunities for personnel in the organization to gain international experience. In addition to this, Hill (2009, p. 629) identifies a major disadvantage of the polycentric approach as the potential gap between host-country managers and parent-country managers, due to factors such as language barriers, national loyalties and other cultural differences. This can ultimately result in the organization becoming a federation constituted by national units which to a large extent are independent to the headquarters (ibid.).

3.2.3 Geocentric Approach

The Geocentric approach does not take nationality into account and pursues to appoint the most suitable individual for key positions within the organization (Hill, 2009). Utilizing this approach the MNC develops a network of persons with international experience and contacts across borders (Mayrhofer & Brewster, 1996), which will ultimately form an executive staff with multicultural experience (Hill, 2009). Kobrin (1994) suggest that the idea of a geocentric
Staffing policy will eventually lead to the elimination of the concepts of a home or a host country. Further Hill (2009) means that the effects described above will create a strong and unifying corporate culture and the difficulties mentioned regarding cultural myopia in relation to an ethnocentric approach. There might however be obstacles in applying this approach since many countries use protectionist measures as immigration laws to make foreign firms employ the host-country citizens (ibid.). In addition to this, training and relocation of managers are both time consuming and expensive when moving from country to country (ibid.).

Discussing these three approaches will be helpful in the analysis of how Swedish MNCs shape, spread and preserve corporate culture throughout the organization. This report acknowledges that MNCs are possibly using a mix between the various approaches in their staffing policy, however it is likely that attributes of a certain approach are found to be dominant and could thereby function as a tool for analysis.

### 3.3 Corporate Culture

The following section presents a selection of concepts and ideas from a variety of authors within the realm of corporate culture in order to bring clarity to its purpose and in what aspects it is useful in MNCs.

#### 3.3.1 Understanding Corporate Culture

Hill (2009), explains corporate culture as organizations’ norms or values, which is related to what Schein (2010) argues, that the understanding of the way organizations operates lies in their culture where behavior as well as values and beliefs are included. Bartlett and Goshal (1998) emphasizes the importance for companies that want to be successful even in the future, to know their historic background as well being aware of their so called administrative heritage. The way processes look and how things are done within a company will be influenced by previously taken decisions and how choices been made before, thus decisions and chosen paths of today will partly define what the company is and how it operates tomorrow and in the future (ibid.).
3.3.2 Shared Culture

According to Moon and Woolliams (2000) there are two fundamental mistakes one can do in approaching culture, either ignoring the differences or fully adapt to the other culture abandoning one’s own. By disregarding another person’s ethical principles and sticking to one’s own could create a gap between the two parties, thus risking to alienate the other person (ibid.). Doing the opposite by fully adopting another person’s culture could on the other hand lead to mistrust by the other person who would probably be able to see through the outlandish behavior of a person trying to act in a way they are not used to (ibid.). Instead, it is argued that the solutions lie in the differences being acknowledged by the people involved and that they reconcile and respect each other’s differences (ibid.).

Mühlbacher et al. (1999) addresses the issue of shared values and how the acceptance behavioral norms become increasingly important as organizations internationalize. The multinational presence of a company will in many cases result in a workforce of diverse nationalities hence cultural backgrounds, this is why a corporate culture is necessary to create a common framework of how to do business (ibid.).

Bellin and Pham (2007) highlights the importance of a shared mindset in order to unify an organization around the same purpose and goal but at the same time being able to adapt certain practices due to cultural differences throughout the world. A shared mindset throughout the company will give managers the tools needed to reinforce similarities across a global organization, it will shape values that are perceived and interpreted the same throughout the organization (ibid.). This is something that can be codified into a corporate culture that easily can be passed on to new employees in new regions and will contribute to unifying the diverse cultural influences in a multinational corporation (ibid.). In addition to this Bellin and Pham (2007) discusses that a corporate culture will help overcoming linguistic, national and cultural obstacles that creates barriers between the different regions of operations. The responsibility of transferring the shared mindset across the organization and into local practices lies with the managers closest to each respective area of operations (ibid.).

3.3.3 Ethical Decision Making

Corporate codes of ethics are a continuously growing phenomena around the world (Schwartz, 2005). The establishment of ethics codes is a way for corporations to create a
framework in order to clarify to their employees what the company expects from them in their behavior (Buller, Kohls & Anderson, 1997). A problem however, according to Buller et al. (1997), is that ethics codes can be quite abstract in their formulation allowing for different interpretations depending on who reads them. Furthermore, Moon and Woolliams (2000) regard these practices as highly ethnocentric in origin, not fully understanding and taking the complexity of social contexts of cultures into consideration.

The distinction between norms and values can be described as norms being what is regarded as accepted practices and values being a person’s preferences (Moon & Woolliams, 2000). There is much research showing that national culture contributes to the shaping of people’s values and ethics (Hofstede, 1984; Vitell et al., 1993). Buller et al. (1997) also mean that even people with the same values can behave differently in a given situation, as well as people not sharing the same values in some situations may act the same.

Using Hofstede’s (1984) dimensions of culture, Vitell et al. (1993) elaborates on the concept of how decision-making can be influenced by the cultural perception of what may be seen as ethical or unethical in a given situation. This divided view is exemplified with Hofstede’s masculine/feminine dimension (ibid.). The cultural attributes of Sweden are according to Hofstede (1984) more feminine than other countries’ in comparison such as the US and Japan which can be described as more masculine cultures. Included in the typical masculine attributes are among other things, competitiveness and ambitiousness which are described as factor that are often associated with unethical behavior (Vitell et al., 1993). Continuing, Vitell et al. (1993) argue that such masculine cultural influences may entail decision-makers from such countries to be less likely to perceive a situation as ethically questionable as a opposed to a person from a more feminine country like Sweden. Furthermore, Vitell et al. (1993) suggest coming from a country with a prevailing masculine culture, could lead to a person being less sensitive to organizational codes of ethics. However, there are many other factors than just cultural environment that contribute in the decision-making process in example; personal values, organizational environment and business environment (ibid.).

Buller et al. (1997) argue that companies with strong ethical cultures have a way of influencing their managers’ decision-making. Even though corporate ethics and national culture and norms influence individuals, they will still have their own palette of ethics (ibid.). As a result of this difference there may be situations where an individual will find themselves
in an ethical dilemma between his or her own values and the values of the company or other societal context, a situation in which Buller et al. (1997) implies in the normal case entails the person conforming to values of societal context.
4. Empirical Findings

This section of the study will present the empirical findings from the interviews conducted with managers from the three MNCs. The empirical findings will in accordance with the grounded theory approach be categorized into themes that represent the most frequently discussed topics during the interviews. The research resulted in five main themes being identified with sub-categories for better structure and logical context.

4.1 Foundation and Communication of Corporate Culture

Respondents from all companies explained that the foundation of the corporate culture originates from frameworks that present the most basic values and norms to set a direction for employees.

4.1.1 Foundation of Corporate Culture

**CellMark**

CellMark works with what they refer to as their five *Guiding Principles* that makes out the foundation of their culture.

“If you have five Guiding Principles you can always navigate, so you will achieve speed and a desired behavior and you can identify those who are counterproductive.”

One employee gave this interpretation to the Guiding Principles:

“I think the Guiding Principles are like a kind of a company guiding book, a bible. Of course it doesn’t mean there are stipulations of the company rules but spiritually or mentally this is kind of guidance for us.”

**Elof Hansson**

At Elof Hansson there have been several documents in place over time. The first one traces back to 1925 and acted as rules on how to behave internally. An employee explains that since then the former CEO published a document called *This is how we work at Elof Hansson* which stipulated what ethical behavior and guidelines employees should act upon. In addition to this there has been three values from the start:

“We have three values that have been with us: commitment, trust and professionalism, that has been preached from Elof Hansson himself (founder of the company). And these three values should form a sort of company culture.”
Another employee explained that these values are interpreted in a contemporary context:

“...We also have the three principles in form of three words that was set up by our owner many, many years ago when he founded the company, so recently we have been trying to emphasize on those three words and at the same time we try to give these three words more of an explanation to fit into the business environment right now because the business environment now and hundred years ago is totally different but at the same time these three word are still in use but they can have new meanings.”

**Stena Bulk**

Stena Bulk is using what they refer to as the *White Book* as a framework for conduct among employees and is described by employees as:

“...You can describe it as a little bible which embodies a little bit of what every employee is meant to know and meant to do, and that can say is like the framework for our corporate culture.”

In addition to this a colleague in another country referred to the White Book as culture or company guidelines handed down in the shape of the book.

“That is kind of our guiding vision and the way we are supposed to interact with customers or the way we are supposed to handle ourselves.”

In contrast to using the White Book as a firm framework one employee explained his experience that the corporate culture is something that you will acquire over time:

“... of course, we have a book you could say and descriptions of what values we have. This is something we are getting when employed and we will do an update of that maybe every third or fourth year. Things are changing so that the values are changing to certain degrees. But in all honesty, personally I have never looked in that book. I have been working with Stena and you gain that working culture and system, you will probably read it through but you will notice after a while, this is what I do.”

A topic that was discussed throughout a majority of the interviews was how the companies are spreading and maintaining the corporate culture across offices in geographically dispersed areas.
4.1.2 Dispersion of Corporate Culture

**CellMark**

CellMark uses what they refer to as Guiding Principle-ambassadors, these are representatives from each office across the world whose mission is to bring the meaning of the five principles that makes out the foundation of the corporate culture into action through workshops.

During an interview with a CellMark Employee the development of the Guiding Principles was discussed. The employee explained that these principles may be abstract, but they are built on stories that every employee has shared which then is translated into how to achieve concrete behaviors. The employee explained the process like this:

“...The facilitators of the Guiding Principle-ambassadors would tell their own stories, so again you get more illustrations of what we mean because they’re in action. [...] So it’s simple right? But it’s very intentional that it focuses on concrete behaviors and I think it helps anyone because abstract values are so easy to gloss over right? You want to make them thick and rich and vivid.”

One employee explained the importance of having an understanding of your role and how the culture is communicated within CellMark:

“If you’re not clear in yourself over who you are you become obscure to others, so if your clear internally, you will also be clear externally. [...] We have Guiding Principle ambassadors, they work with the values, we have 50 of those, they are specially trained to bring it into action.”

In addition to this the same employee made clear that the company can provide the framework and environment for people to motivate themselves, but in the end it is up to every individual to find motivation. An Asian employee explained how this work in practical terms:

“We have this different Guiding Principle training [...] all of these things are putting us together to sit and talk and so on.”

**Elof Hansson**

At Elof Hansson several employees referred to the internal communication and physical meetings between offices as opportunities to spread a sense of belongingness. To the question of how culture is spread within the organization a non-Swedish employee gave the answer:
“I would say that most of the people have been to the head office, most of the people here has almost every day contact with Sweden for many different reasons and I think they understand very much the way Sweden works around the world, our Swedish values they have a different approach to different markets. [...] People here are very much involved with the Swedish team and we exchange experiences almost every week.”

The same employee made comments of how the physical meeting can contribute to the feeling of being part of a bigger context:

“We have once or twice a year an internal conference where we can see each other, we can exchange information, we can have a drink together. Not only with Sweden but with all the guys around the world and this is very nice. Another thing that I think is also important to make us feel that we are part of a team bigger team is our internal intranet where you can share all sorts of information, this is good for feeling bigger.”

Another employee elaborated on how the fundamental values are to be developed and communicated in the future:

“We are actually doing a development of our values. Today we have engaged a consultant in communication and we are doing internal workshops of what kind of values that we should embrace.”

**Stena Bulk**

A common perception among the interviewed employees at Stena Bulk on how the company spreads and ensures that the corporate culture reaches all offices around the world was either through expatriates or to bring employees to the head office in Gothenburg to acquire the culture before being deployed to manage a satellite office. One employee’s comment to the dispersion of culture was:

“Well I think when you have a company like us which is pretty tight and family owned, what you want to do is realistically transfer that culture abroad, and you can’t do that unless you have people who has been in Gothenburg and stayed there and know what it’s all about there. [...] I mean the White Book is just the framework or just the paper part of it, one of the most definite way of spreading culture in external offices is actually having people from the headquarters.”

He also commented on his own situation:

“...because I have been to Sweden or been in Stena a few years I guess it’s implied that I have Stena culture with me, so when I’m setting up an office here, we have people coming in who are local, they will imbibe that culture from what I’m guiding them towards. [...] But on the other hand if we just wanted to start here and hire someone local, then one: they wouldn’t know what it’s about and two: it would take a lot more time.”

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The mindset behind expatriate policies was explained by another employee as:

“I like to call it ‘people who have been working in the head office for a number of years’, I would say a minimum of 3-4 years in the head office before we send them abroad, depending a little bit on age and previous experience. That is one tool, so they know what values they are coming from.”

A country manager described communication of corporate culture from the perspective of being the first non-Swedish employee to carry out this job:

“I think the internal messaging is extremely strong for the rest of the organization, that you don’t necessarily need to be Swedish to have this type of role [...] there was the belief for the thought that there was a glass ceiling here, if you don’t have a red passport from Sweden you’ll reach a certain point [...] it raises the standards of myself to ensure that we still are carrying over the elements from Gothenburg.”

The same employee also explained would not be able to carry out this mission if it had not been for the time spent at the head office in Gothenburg to acquire the corporate culture.

4.2 Perception of Corporate Culture

Throughout the interviews respondents from all MNCs gave their view of what they perceived as influential to their corporate culture and organizational structure. Examples of what these influential factors can be are specific attributes linked to; the national origin, the ownership or the history of the company.

4.2.1 Cultural Influences

CellMark

Within CellMark the perception of national origin to the corporate culture varied to some extent between employees, one of the employees involved in the development of the company’s Guiding Principles made the following observation among American employees regarding the corporate culture within CellMark:

“...When I asked them as we were crafting the Guiding Principles, ‘why do you work for a Swedish company? You could be a trader for any company in the US, right?’: There are many and they have the cowboy, hunter kind of culture right, and they said ‘no we like the kindness, we like the egalitarian, we like the heart.’”
A Swedish employee explains that during a workshop, the management had discussed whether CellMark is a Swedish or a global company which results the employee commented as:

“...My take is that we agreed that we are a global company, so why should Swedish values be better than Chinese? [...] it’s multicultural influences, and remember the management group is 12 people or 11 people, and five of those are based in the US. So when we define together in a workshop that cultural values built on the past and also where we want to be aspirationally, then it was a melting pot.”

This view contrasted by an Asian employee who perceived the phenomenon of corporate values to be more a Western world practice than Asian:

“These kind of values are driven from Sweden of course, but it does have kind of multicultural approach on the company culture, but in Asia, or in Vietnam especially, this is kind of a new thing. We don’t talk about values much, we just feel when something is right. But it’s difficult to speak out. So actually when we have these kind of values coming through the company it has a feel to it that it is a Western thing.”

**Elof Hansson**

When asked the question whether the multicultural composition of Elof Hansson has contributed to a mixed corporate culture or if it is predominantly Swedish, an employee in Asia explained that there are very Swedish traditions in their corporate culture. The same employee said:

“...We are following strictly what Gothenburg sets the rules and at the same time we have more or less adopted the Swedish culture [...] we are really not like other Asian companies, sometimes we are more exposed to the risk, we are more cautious when facing a risk for the business. So for us this is the Swedish culture - to mix a low risk and at the same time do the business.”

This perception was shared with a non-Swedish employee who also experienced that the company to a large extent is influenced by Swedish values. Despite the vast geographic dispersion, one employee’s testimony of his experiences of cultural elements in the organization was:

“...I believe that we have a Swedish culture here in our company. Although that we have contact with many other countries around the world where we have companies like Singapore, India, Chile, Argentina or the United States we are basically oriented by the Swedish team and we have learned a lot, the people working here has learned a lot.”
An Asian employee of Elof Hansson described the structure of their division as:

“In Asian culture there is a multi level management, but here in our company or in our Asian team we have a very flat organizational structure, everyone can talk about anything and everything is transparent between the team.”

**Stena Bulk**

All respondents from Stena Bulk shared the perception that the fact that Stena Bulk is a Swedish organization has left clear marks upon the corporate culture, this is something that is actively preserved and maintained across the offices across the world. A non-Swedish employee answered the question of what kind of cultural elements one encounter throughout the organization as:

“...Culturally I think we are quite pervasive from the Swedish side, we are very open, our office for example is an open environment, we don’t have cubicles or independent offices.”

An additional answer to the same question was:

“...We will make sure that all our offices and the people get to know the Stena culture, we can call it, to a part Swedish culture but I would more say it’s a Stena culture but even more so a Stena Bulk culture. And what that really means is basically what we in Sweden refer to as to have a flat organization, everyone knows who’s taking decisions when it’s needed but in between there are no walls and everyone can ask everything, we want people involved.”

4.2.2 Influences of Ownership

**Stena Bulk**

An employee of Stena Bulk identified the Swedish ownership to be a defining factor of the corporate culture when explaining:

“...We are a Swedish owned company and we try to keep that at the forefront of almost everything we do, so I don’t believe that we market ourselves as a multinational company because I don’t think that that’s what we try to portray too often, we are an international company but we’re not just a multinational conglomerate which is, you know, country less, like Pepsi or Coke or Unilever, to me those organizations are what I would call multinationals. [...] I think it’s very much the defining element of our culture across the world, the fact that we are a West coast based owner you know.”
4.2.3 Influences of History

**Elof Hansson**

When an employee of Elof Hansson was asked whether the company worked with any specific practices or routines to shape or maintain a corporate culture, the history turned out to be a crucial factor.  

“...Elof Hansson has been active for a huge number of years and the company culture is very strong in Elof Hansson, there is a positive feeling of being a part of Elof Hansson as a company, and I guess that goes especially or even more for a person working outside of Gothenburg, to feel proud of being part of such a company with the strong tradition that Elof Hansson has.”

4.3 Decision Making

**CellMark**

In making decisions the CellMark personnel interviewed all brought up what they call the company’s Guiding Principles. When faced with an ethical dilemma one of the respondents said:

“...usually I turn back to the company policy because that is something that backs me up. I can do the local way to get it done but that is one way. But I know that when I do as the company policy I can have company support during a longer term [...] So when it comes to an ethical dilemma I will try to follow what the locals want to do but inside the limit and say that this is our company and how we do it. Legally.”

Further, their decision making was according to the all respondents from CellMark helped by the possibility to discuss with colleagues or ask them for advice, either in their own office or by giving someone a call:

“Our managers are very close with me frequently asking things and I do also ask for advice by skyping [...] I always feel that I have the support when I need it.”

This was supported by another employee at CellMark linking back to the company’s Guiding Principles and open discussions:

“...When you have a critical moment when you say; ‘I don’t feel safe in this, I need to discuss this with someone’, so we have a Guiding Principle - ‘we have open discussions, we treat each other with respect’...”

In making decisions the personal culture, values and experience were also mentioned as contributing to the CellMark personnel’s decision making:
“It (the Guiding Principles) covers a lot and it is like a dictionary and it can help us when we do business. That’s for sure. And I think that this is the basic rules we use for business development. Then we also have our own culture that we carry [...]. Of course we respect the company Guiding Principles and then our staff, and our own personal culture.”

Furthermore, the entrepreneurial mindset and culture of the company being allowing in the sense of making decisions on their own:

“Of course we have some guidelines that we have to follow, financially and so on. But actually they are encouraging us to be more entrepreneurial to have freedom in order to be efficient and that I think is really great.”

**Elof Hansson**

At Elof Hansson one of the interviewed said that much trust was given to the managers around the world:

“... To some extent we need to rely on the managers in the respective offices to make the right decisions for the overall good for the company.”

A colleague at Elof Hansson explained that the organization in general had described how to conduct business but if any uncertainty it was possible to call the head office:

“... we can always go back to Sweden to discuss with them about what we should do [...] and ask for their opinion.”

The company culture itself helped in guiding the direction of the decisions made:

“... some people used to and tell; ‘Sir, we have to give them money to get this order’ and I said; ‘No, drop it! It’s not our culture!’”

In another part of the world an employee said:

“... This has been a part of Brazilian culture, the way doing business was based on giving money to people. It has been like that for centuries, it’s not something new [...] we don’t do these kind of businesses. We don’t want to be in the grey area. From the beginning we talked to Sweden that this is not the kind of business we like...”

**Stena Bulk**

One of the people interviewed at Stena Bulk perceived decision making to be a combination of having colleagues to discuss with as well as being able to make own decisions supported by the company culture being entrepreneurial, thus employees are trusted to make the right decisions:
“Stena Bulk is always very entrepreneurial. It’s a trading group or a trading company and we have to be able to make decisions, we have guys sitting on desks making decisions for up to $5 million exposure at the time and these decisions need sometime to happen within a very rapid time frame or sometimes you have a little bit more time to bounce off your colleagues.

But generally you trust people that are making those decisions to be the right ones.”

Making decisions on your own was described by another Stena Bulk employee as being something that you grow into as you work for the company, getting experience and also adopting the company culture about how business is done:

“Does anyone ever look in a book about how to do business? If you are brand new you probably do it but then you leave this thick file in the book shelf and never look at it again. Because that’s the culture you are living with. You learn by working and that’s the reason to what I said before - it probably takes five years before you’re up and running when we think, and I think; ‘Ok, this guy is ready to business himself’.”

A respondent from Stena Bulk also referred to the company’s White Book as a guidance in how the company conducts business and makes decisions:

“... the White Book is the kind of guidelines on how we do our business...”

The White Book was by another interviewee at Stena Bulk regarded as a quite strict framework with much spelt out to avoid doubt:

“I think they are well spelt out just to make sure there is no of doubt right? [...] So it doesn’t matter what level you are, that’s very strict and straightforward and written down. That’s what you do. So there is no room for argumentation, but where something isn’t very clear there is the freedom to decide what you think is best...”

The way to handle an ethical dilemma was further described by one of the Stena Bulk employees as a sort of step-by-step process to involving their own “gut feeling”, the entrepreneurial culture of the company and also asking for fellow colleagues’ opinions and using the White Book as reference:

“... first and foremost; the gut. Secondly would be falling back and talking with the colleagues and with the Erik (CEO) and reviewing, and within the White Book-parameters then come into it. But the initial... again with being a bit entrepreneurial and fast moving in some respects..."
4.4 Culture as a Unifying Tool

4.4.1 Unification

**CellMark**

The work of unifying the organizational culture was described by a respondent at CellMark as being an ongoing process where there is importance of formulating the values and working with them through the whole company:

"... if you have cultural values and you define them, then you know what to work with. It doesn't mean that it has to be static over time, as you progress as a company or a human, you can adjust them. But it's not just something that happens, you have to work with it, otherwise it becomes something in Shanghai, something else in Korea, something else in Singapore and something else in California."

According to the same person, it is important that the values come from within the company and are in fact lived by its employees:

"... why I think a lot of companies that say “we need a vision and mission. We need a why. We need values. This is who we are” and becoming something by working with an ad-agency, nice, hip copywriter and then you post it and roll it out. And actually if you look in research how companies implement their values and how they live it, that's where they fail. It becomes a poster product and carries no meaning."

Another person interviewed at CellMark brought up the importance of unifying the company values to allow for a more free and flexible way of making decisions:

"It's important to be able to coordinate without bureaucracy for them. To be able to align and make decisions in a right way, in an opportunistic, flexible way but still aligned with freedom."

**Elof Hansson**

Unifying the company around values and a common culture was by one of the respondents explained as:

"I think it’s extremely important and I think we could actually do much more in trying to unify the company around certain values, a certain culture."

This view was supported by a colleague in another part of the world, underlining the importance of corporate culture saying:
“The work culture has to be the same, the guidelines and Elof Hansson Holding... every company has a culture, like I always tell my people. Every household has a culture, every company has a culture, so Elof Hansson has a culture. [...] So we all should have the same corporate culture inculcated in every employee, despite where you are sitting.”

However, the same person also stated that unifying the culture is not possible in all aspects:

“... because we all come from different countries and our customers’ demands are different so we cannot really unify from that point of view...”

The employee then continued describing the company’s way of harmonizing parts of their organization:

“... how we are to project ourselves, how we conduct all the business like risk management and financial aspects and all that stuff, those are things laid down commonly...”

**Stena Bulk**

At Stena Bulk an employee emphasized the meaning of the combination of unifying the organization with common values while maintaining local the culture:

“...unify in the respect of values in the business but at the same time make sure that you have the local cultures where you can do business-to-business in regional parts of the world...”

The same person interviewed further elaborated on the same theme of balancing the will of the head office and local office:

“... we strive to ensure that what we’re doing here is aligned with not only what Gothenburg would like to see, but also aligned with what people here enjoy doing and want to be a part of.”

**4.4.2 Benefits and Challenges**

**CellMark**

Having offices in many countries around the world was according to one of the interviewed at CellMark, an advantage when evaluating the right person for the job in a specific market:

“If we don’t have somebody that we know is good, we would just go to a recruitment company, post an ad and then start testing. [...] imagine, we have 65 offices in 30 countries. We probably do better by letting the local office, the division or the business unit to recruit and evaluate that person.”

The same person also stated one of their perceived benefits of having local people who understand the market and the local culture:
“...I think it’s better to recruit someone who has mileage and leverage at the local level...”

The challenges of being multinational and having offices around the world was described by a fellow interviewee at CellMark as partly being coupled to the physical distances:

“So overall I think we are human beings, we do much better face-to-face. [...] there is a challenge around, how you build in guardrails with so many entrepreneurs around the world that you don’t see. So the shared value on guardrails, clear boundaries on your decisions, and thus practices for good decisions [...] trying to build it without bureaucracy and micromanaging, and I think that’s fantastic, but that’s one of the distinctive challenges of being global...”

Another one’s thoughts regarding the subject

“... persons build the culture and the more we are close to each other, that’s where the culture forms. [...] So the closer we are, the more we will understand and agree on certain things we should do together. In order to achieve that it’s not going to be easy but it’s the only way...”

Elof Hansson

One of the interviewed at Elof Hansson described the importance of multinationalism of their company as:

“... in a multinational company you also need multinational employees and that is of course in this world, it is of course a strength to have people from various backgrounds. [...] We have people with lots of ethnical and cultural backgrounds in Elof Hansson which is extremely important for us being a multinational company, to have these kind of assets and knowledge from different parts of the world. Whether it’s emphasized in any guidelines - that we actually should hire people with ethnical backgrounds - I don’t think it’s stated but this is the way Elof Hansson has behaved in many, many years.”

Having colleagues from other parts of the world to discuss business with was also brought up as an advantage of having a global presence in which it is possible to discuss experiences and information about products and strategies of selling:

“... I like to get information of business done in other parts of the world [...] sometimes we have the same supplier that we sell for here in Brazil that is also represented by the guy in India for instance. And perhaps we are not so successful here and in India they are, I mean we exchange this type of information - perhaps we are approaching it the wrong way or it could be the other way around.”
Being a multinational company, one employee at Elof Hansson perceived there to be a challenge sometimes in how and in which way decisions were made but at the same time the person acknowledged the possibilities to learn and viewing that as a benefit:

“Our organizational behavior is affected by the culture in how we approach things [...] organization wise we have learnt a lot, we try to be not exactly as you are in Sweden but we try to follow the organization in many ways that we feel good in our company here...”

Another respondent also spoke on the theme of difference in how things differ in what he did not describe label ‘cultural differences’, but rather a difference he labeled ‘working style’:

“I wouldn’t call it culture, but the working styles influence a lot sometimes. The working cultures of different countries you know. That can sometimes act as an increment or possibly you feel that you are not possible to get things done in a much faster way. I don’t call it cultural but the way that things move...”

Regarding the challenge of different working cultures one employee also said:

“...we also know what we can expect from the colleagues in Sweden, even if we are looking at things different. Possibly I want everything today, or yesterday but I know in the back of my mind that I will not get it until tomorrow, maybe the day after tomorrow, maybe in one weeks time...”

Stena Bulk

The employees of Stena Bulk agreed upon that there are benefits of multinationalism because of the greater opportunities of market access and to get closer to local customers. Two different employees had the following statements:

“... for us it’s important to have other cultures because they are the ones who can do business in their culture in another way from what we can. I mean, they have a lifetime experience of their culture while we have just arrived.”

“I think the ability to reach across borders has made it much easier for everybody, the ability for us to communicate in a very open and distinct dialogue as the world has become more flat, to use an expression. The opportunities there and in that respect are endless. [...] ...we are always kind of looking for seeing ways where Stena can use its expertise elsewhere.”

One of the managers explained how he viewed the combination of being part of a company culture but still keep some of the local mindset and culture:

“... ensure that we are still carrying over the elements from Gothenburg that are still necessary for us here in Houston but also to recognize the strengths that we have coming from the individuals here in Houston themselves...”
One of the Stena Bulk employees highlighted one of the challenges with a multinational company:

“That is very difficult if you are employed in, let’s say Singapore, to get that feeling of what is going on in the head office in Gothenburg. Then you have to sit here in Gothenburg to get the pace and the feeling and how things are working in the head office.”

Another challenge brought up by one of the employees was:

“... I think the challenge to do that is people feel they don’t have that ability to look at opportunities and they get kind of shot down, so I think that the challenge is to actually encouraging people...”

4.4.3 Belonging, Identity and External Perception

CellMark

A CellMark employee described the company’s well known brand as being an important contributor to how the company was viewed by customers’ as well as the employee himself and what it meant to work there:

“... representing a multinational company we have a lot of respect in that issue towards foreigners. CellMark is a big company and we have several offices. For myself, I’m feeling a bit proud that I’m representing a big company...”

The sense of pride and belonging was described by the same person as a part of conveying a uniform message to external stakeholders:

“If our culture is clear they will see the values of us, it is not just a name. So actually we present ourselves to the customers by showing how we live, how we talk, how we act and this culture shows this. Maybe I could say that I’m Vietnamese - then people would have preconceptions. So if a company have a strong culture we can express that; ‘This is CellMark and this is why we are different.’. This is how we can gain more advantage when doing business, if we have a clear business culture about how we do things.”

Elof Hansson

One of the interviewed at Elof Hansson emphasized the importance of a clear communication of the values and the culture within the company, not only from an internal perspective but also for how the company is perceived from the outside:

“... Elof Hansson has not been very good in communicating our company externally. [...] ...if we are not good at communicating externally, we are not good at communicating internally either. And that has triggered this kind of workshop that we need to do, you know, look inside
ourselves - what we stand for, what kind of values that we have and how we communicate them internally and externally.”

One of the Elof Hansson personnel talked about the importance of the company brand and a sense of belonging:

“The name of the company is extremely important. Elof Hansson is a company from over a hundred years ago. Running the company here in Brazil and also in many other countries, most of the customers know us. So things like that keeps us together as parts of a big group.”

Another member of the company’s staff supported this view by saying:

“I think that the corporate identity is fairly strong with most of the employees, they feel proud to be a part of Elof Hansson…”

Stena Bulk

One of the respondents told a brief story of how he had perceived Stena Bulk before working for them and what it meant to be working there:

“... I worked with Stena Bulk from ‘the outside’, looking in as extremely professional, very nice guys and girls, very willing to sit down and have a good discussion [...] So I always hold Stena Bulk in a high regard and I think externally the company is held in high regard as well. When we approach people it’s always like: ‘Oh you’re with Stena Bulk, that’s so great!’ You know, the brand, it is so strong and we’re recognized from day one to walk in and behave, well dressed, and well groomed and knowledgeable business people [...] the company just has this way about it, it makes you proud to be a part of Stena Bulk.”

The importance of culture was described by another Stena Bulk respondent as:

“It is what we live and die with I would say, so it’s very important. I mean, we want to be leading in our industry and how we are leading is to have a very strong, very strong culture. We don’t want to be the average guy out there, we want to be seen as a partner to rely upon and a partner that you want to continue develop your business with and if you don’t have a very strong culture you cannot reach to that level.”

4.5 Employee-Organizational Coherency

One topic that was frequently discussed throughout the interviews at a majority of the companies was the importance of bringing the right people into the organization and how organizations are searching for employees whose values are in line with those of the organization.
CellMark

On the topic of shared values between the organization and employees an employee from CellMark pointed out a number of vital aspects, one of them was how the corporate culture constitutes the fundamental criteria to know what you are looking for in an employee:

“If you don’t have a culture and you don’t find your culture, it’s very easy to don’t get anything, you don’t know what you get because you don’t know what you want. Hence you need a culture to get the right people, very simple!”

The actual process to find persons with a set of values similar to the organizations was described as:

“Depending on which position in the company, some are subject to a full day of interviews with a psychologist and deep, deep personal testing, the more senior and the more directional the position is, the more we spend.”

One of the benefits of knowing your own values and what to look for in employees will enable you to identify those who are not in line with this:

“...let’s say you have someone who has worked here for 20 years that is obstructive, without values you cannot identify if they are obstructing the values because you don’t know what they are, they are fluid. But if they are crystal clear or very well defined and backed up by stories, organizational stories on how the Guiding Principles enables you to act, then you would identify those who are abusive. Also very simple!”

Stena Bulk

Personality was described to be a crucial factor when hiring in Stena Bulk, and in a discussion to what extent experience and personality is weighted in the process of hiring one employee gave the following comment:

“If you have an education you show that you can actually achieve something, I would say that is secondary, but very important, it is a ticket! But personality is the one thing I think about.”

An answer to why the right personality is essential was given by another employee:

“I think we hire to the White Book standard and Stena is the first company that I’ve been a part of that really sticks to certain things, there is no real grey area where you bring somebody in like ‘they will be ok, we’ll just kind of mole them into the person we want them to be’. I think in the past they’ve done that a couple of times and in Stena Bulk as a company they are pretty quick to say ‘this is not working, this is not the right person for us, let’s move on.’”
A third employee mentioned something in line with the previous comment:

“...you shouldn’t have anybody in your company whose values doesn’t match the ones of your organization. So it’s easy to change people who perform but it’s not easy to change people who haven’t got the same values as your company.”
5. Discussion

This chapter of the study will discuss the research question regarding the effects of corporate culture in Swedish MNCs. The research question has been divided into three areas of focus, each one will be discussed independently. The data presented in the ‘Empirical findings’ chapter has given account for the empirical findings and will be discussed under each focus area in relation to the theoretical framework. Finally, this chapter will constitute the foundation for the conclusions of this study.

5.1 Corporate Culture in Relation to National Origin of the MNC

As this study investigates the effects of corporate culture in Swedish MNCs who carry out their operations globally and under the influence of multiple cultures, this section aims to answer whether it is possible to identify a national origin in the three respective corporate cultures. The theoretical framework presents Hofstede’s (1984) four cultural dimensions which is used to assign and compare cultural attributes derived from the interviews.

A majority of the interview respondents shared a perception of how the organization they worked for gave outlet of what they referred to as “Swedish values”. This would be in line with what Hofstede (1984) claims that because organizations are built by people and in accordance to their own values, an organization often reflects certain values linked to the area where it is founded. However, there were discrepancies in regard to this claim in cases where not all respondents shared the perception of that Swedish values were the dominant ones in the organization. An employee of CellMark explained that being a company of multicultural influences contributes to a melting pot of values, and that in a global company, the values of one specific country should not dominate the perception of the company values. This corresponds well with what Moon and Woolliams (2000) mentions, in order to operate in a multicultural setting, one cannot disregard that there will be differences between regions in regards to cultural perceptions, by not acknowledging differences gaps between regions can be created. However, to fully adopt a local culture can be perceived as artificial by host-country nationals and lead to mistrust (ibid.). Therefore, the melting pot analogy coheres with what Moon and Woolliams (2000) argues to be the optimal way of operating in a multicultural setting which is to acknowledge and respect differences.
Several interviewees at CellMark, Elof Hansson and Stena Bulk gave the explicit testimony that the corporate culture within their organization resembled a Swedish culture. To conclude that an organization’s culture predominantly is constituted by the values of a specific country would require information of certain cultural attributes visible in the organization. The empirical findings show that employees of Stena Bulk perceived the setting of their work environment to be transparent and open and structure wise the organization is described as flat. All office layouts are consciously designed without independent offices or cubicles and there is a mentality that anyone can speak their mind in any question and another employee described the work environment as a place where “...we want people involved”. Furthermore, the organizational structure is explained to be flat. Working in an office layout without independent offices or cubicles can be interpreted as an example of what in the context of Hofstede’s (1984) cultural dimensions is prioritizing collectivism over individualism where an individual’s self concept is central in terms of “I” or “we” and being part of a group is emphasized. In regard to the result of Hofstede’s (1984) study, this is not something that could be traced back to Swedish cultural traits since Sweden is argued to be part of a more individualistic culture. The fact that the organization was perceived to be flat with room for anyone to share ideas and thoughts, suggests a low level of power distance which according to Hasegawa and Noronha (2014) is explained by an open climate where employees tend to delegate more. Since Hofstede (1984) identifies Sweden as a country which possesses a low degree of power distance, there is a possibility that this is a Swedish influence to the corporate culture. On the topic of power distance, this was something that occurred within CellMark and Elof Hansson as well, where employees described their organizations as flat. At Elof Hansson a non-Swedish employee said: “everyone can talk about everything and everything is transparent between the team”, this is again a sign of low power distance which can be interpreted as a Swedish trait. In the light of these findings we could propose that the effects of what was referred to as flat organizations were perceived as something positive, an environment where everyone can express their opinions was an important part of the corporate culture among all three companies. Further research and comparisons between organizations of low power distance and those of more hierarchical structure could increase our understanding of how an environment where everyone is allowed to participate in discussions and speak their mind could perhaps contribute to higher levels of creativity and innovation.
Hofstede (1984) discusses that the level of uncertainty avoidance within a society can be determined by the attitude towards rules, formalities and standards but also by the degree of risk aversiveness (Hasegawa & Noronha, 2014). A low level of uncertainty avoidance is not necessarily regarded as a Swedish attribute since Hofstede (1984) claims that there is a low level of uncertainty avoidance in Swedish culture. This is why we find it somewhat remarkable that several non-Swedish employees at Elof Hansson shared the perception of a risk averse mentality in the company “we are more cautious when facing a risk for the business. So for us this is the Swedish culture”. Since it according to the results of Hofstede’s (1984) study is difficult to claim that Sweden is a country of high uncertainty avoidance thus of a risk averse mentality, it is therefore reasonable to assume that this is not a particularly Swedish contribution to the corporate culture. A possible explanation to the perception of Swedish risk aversiveness might be that the quote was made by an employee from an Asian country with a lower level of uncertainty avoidance than Sweden. However, viewing this from the perspective of what Bellin and Pham (2007) mentions regarding the importance of a shared mindset in order to reinforce similarities, this finding may suggest that it is merely a Swedish contribution to the corporate culture, but an attempt to unify the diverse cultural influences of a global organization. However, since employees in this case, as well as in several others, describes the influences to the corporate culture to be Swedish it is reasonable to assume that the risk aversive trait is linked to the Swedish origin of the company.

The typical masculine cultural attributes are depicted by the preference for achievement, assertiveness and material success (Hofstede, 1984). An employee of CellMark explained that having experience of multiple American working environments other than in the context of CellMark’s American operations, one can conclude that there are masculine influences when the culture is described by using attributes as “hunter” or “cowboy” which would refer to the masculine traits mentioned. As CellMark uses their Guiding Principles as a foundation to their corporate culture, they have considered what sort of values they wish to emphasize. These principles are created under influence of the employee's own experiences and shall therefore represent the cultural diversity in the multinational organization. An employee gave the example of when American colleagues was asked in the process of creating the Guiding Principles why they have chosen to work for a Swedish company and the answers received suggested that they valued the kindness, egalitarian and heart they felt that the company gave outlet for. The interpretation of these attributes are that they are in line with what Hofstede (1984) claims to be the contrast to those that symbolize masculinity. In a cultural setting
influenced by femininity Hofstede (1984) means that there is a preference for relationships as well as caring for the weak, and that the members of these groups take care of each other, regardless of gender affiliation (ibid.).

While the feminine traits which emphasize caring elements will have positive internal effects on the corporate culture for making employees feel taken care of and valued in their roles at the company, it might from an external viewpoint create some challenges. An example of this could be an underperforming employee being overly protected and accommodated for, when based on performance, they should have been let go. One must be aware that not all organizations value these aspects in regards to human relations or in the way they approach a business opportunity. Thus, organizations cannot always expect counterparts to behave in the same manner. Sweden is one of the countries with the lowest score in the results of Hofstede’s (1984) study, thus the feminine attributes associated to CellMark’s corporate culture would again indicate that a Swedish MNC, operating in multiple countries, hence are subject to influences of cultural diversity still carries Swedish influences in their corporate culture.

5.2 Communicating and Using Corporate Culture

5.2.1 Dispersion of Corporate Culture

The way in which the MNC chooses to staff offices throughout the world will have effects on how the corporate culture is spread and acquired among employees. Three approaches to global staffing is introduced in the theoretical framework and different uses of these approaches can be identified at all three MNCs.

The researchers’ interpretation of how Stena Bulk actively works with staffing in order to spread the corporate culture is that the company to a large extent believes that in order to spread the culture one must acquire it where it once was formed, at the head office. Regardless of where someone is employed, everyone will receive a copy of the White Book, which is a practical and direct way of informing new employees of fundamental values that constitutes the corporate culture. A common feature in Stena Bulk’s staffing approach used to be the use of Swedish expatriates in managerial positions, however, the empirical findings suggest that the company now sees benefits in appointing not only Swedish managers. One of
the interview respondents from Stena Bulk explained that it is not uncommon that when employees have been working in the head office for a minimum of 3-4 years, they will be deployed abroad. This is according to several employees an effective strategy for communicating the values which the company comes from. Stena Bulk’s strategy of appointing parent country nationals for management positions abroad seem to be in line with Hill’s (2009) definition of a ethnocentric approach, in addition to this, the White Book, which constitutes the very foundation of the values is from the interviews to judge composed in the context of the head office. This indicates that what Moon and Woolliams (2000) claims regarding corporate business codes and how they can be ethnocentric of origin seems applicable in this case. Mayrhofer and Brewster (1996) suggest one of the reasons for engaging in the ethnocentric staffing approach to be the lack of qualified host-country nationals. This however, does not seem to be the case in Stena Bulk where the cultural diversity in many aspects is perceived as an advantage for understanding the local business environment at the operational sites around the world. The strategy seemed to be more in line with Hill’s (2000) claim that an ethnocentric staffing approach is used to maintain a unified corporate culture. One of the main drawbacks of the ethnocentric approach discussed by Mayrhofer and Brewster (1996) is that it will limit career opportunities for host-country nationals, this was mentioned by a non-Swedish employee who explained that there to some extent were a perception that Swedish employees had opportunities of reaching higher positions in the organization: “there was the belief for the thought that there was a glass ceiling here, if you don’t have a red passport from Sweden you’ll reach a certain point.”. However, this comment referred to the situation prior to the use of non-Swedish managers in the organization.

Several employees implied that there has been a development towards appointing not only Swedish employees to managerial positions throughout the world. The polycentric staffing approach is according to Hill (2009) based on appointing host-country nationals to managerial positions. This could have beneficial effects since the risks of cultural misunderstandings, or what Hill (2009) refers to as cultural myopia, would decrease. This seems to be in line with the benefits of cultural diversity explained by several employees. However, there are no clear signs of a policy suggesting that offices should solely be staffed by either Swedish expatriates or host-country nationals. The empirical findings suggest that the most critical aspect in regards to spreading the corporate culture appears to be that the employee given the mission to manage an office outside of Sweden has acquired the
corporate culture at the head office in Gothenburg. Non-Swedish employees that manage offices outside of Sweden explained how they were appointed for this mission because of their experience of the corporate culture at the head office: “because I have been to Sweden or been in Stena a few years I guess it’s implied that I have the Stena culture with me”. This implies that ethnocentric staffing approach that has been used for spreading the corporate culture no longer appears to be the dominant way.

The researchers’ interpretation suggests that Stena Bulk pursues a combination between a polycentric approach where host-country nationals are appointed to manage offices abroad and the geocentric approach in which the nationality of the employee becomes secondary and the most suitable individual is chosen for managerial positions. The common element appears to be that the company values someone who can transfer the corporate culture from the head office abroad. The combination of these will have various effects, to pursue a polycentric approach would according to Mayrhofer and Brewster (1996) eliminate tensions between host-country nationals and expatriates from the head office. However, Hill (2009) points out that factors such as cultural differences or national loyalties can in fact create a gap between the head office and offices abroad. The benefits of the geocentric approach is according to Mayrhofer and Brewster (1996) that the MNC will develop a network of employees with broad cultural experience and contacts across borders which coheres with what Stena Bulk appears to perceive beneficial in term of how cultural diversity in the workforce enables local offices to understand the local business environment.

As well as Stena Bulk, both CellMark and Elof Hansson identified beneficial elements of the diverse cultural context that the companies are subject to. However, neither of these companies are using expatriates to convey the corporate culture from the head offices in Sweden, our interpretation is that among both CellMark and Elof Hansson the polycentric staffing approach seem to be the dominant one. The impression from the empirical data is that they value the local knowledge regarding culture and business environment that are found in host-country nationals to achieve the desirable effects of minimizing cultural myopia (Hill, 2009). Viewing this from the perspective of Moon and Woolliams (2000), it is important not to fully adopt another culture, but pursue an understanding and respect for differences, in this respect Mühlbacher et al. (1999) points out the importance of shared values in order to accept different behavioral norms in a multicultural context. When the MNC chooses to pursue the advantages of employing a host-country national for managerial
positions, it is of great importance that the corporate culture is built on values which everyone can emphasize and share. In a situation where this is not achieved there might be a risk that regional entities form their own subculture. This may create challenges in terms of unifying the organization as a whole.

Multiple respondents from Elof Hansson referred to the three fundamental values which from the very start has constituted the bedrock of the corporate culture at Elof Hansson. In terms of how corporate culture was spread throughout the organization there was a shared perception that the corporate culture to a large extent is dispersed through internal communication and the exchange of experiences at physical meetings, such as conferences. In comparison to both CellMark and Stena Bulk there are difficulties to identify any concrete actions from Elof Hansson in how the organization today ensures that everyone shares the same values and culture in the workplace. Several employees commented how the three values of Elof Hansson are under reconstruction and how they work with implementing those values into a more contemporary context. The development of the direction of the values is shaped in internal workshops together with consultants in communication which is similar to the development of CellMark’s Guiding Principles.

The foundation of CellMark’s corporate culture is as previously mentioned the five Guiding Principles. To ensure that these are conveyed and translated into concrete and desired behaviors across the organization CellMark has appointed ambassadors. There are 50 ambassadors that represent every office throughout the world and their mission is to bring the meaning of the principles into actions among employees. Bellin and Pham (2007) discusses how a shared mindset in a company will shape values which can be codified into a corporate culture, this appears to be coherent with how CellMark has shaped their corporate culture. Furthermore, Bellin and Pham (2007) argues that the responsibility to spread the corporate culture throughout the organization and to ensure that it contributes to a desired behavior lies with local managers, again similar to how CellMark deliberately has chosen to communicate their corporate culture in the organization. Buller et al. (1997) claims that parts of corporate codes can be abstract and that there is a possibility that they will be interpreted differently due to cultural diversity within an organization. However, in the way that CellMark has involved employees throughout the entire organization by having them sharing their stories and experiences in workshops in order to develop the five Guiding Principles they appear to pursue a basis for the corporate culture that everyone can relate to and understand. In this
regard Moon and Woolliams’ (2000) claim that certain corporate codes does not incorporate the understanding or complexity of a multicultural context in consideration becomes somewhat inconclusive.

5.2.2 Unifying the Company with Culture

There are two mistakes one can make when approaching another culture according to Moon and Woolliams (2000), either completely ignore it or fully try to adapt to it. The data from the study showed a unison understanding among the respondents about the importance of a common culture within their respective organizations. However, the results from the interviews also suggest that the companies work with culture in different ways from one another even though the aim in the end was the same; to unite their companies.

Mühlbacher et al. (1999) argues about the necessity for companies with a multinational presence to create a common framework and mindset, hence being a multinational entail in many cases companies to deal with multiple cultures and nationalities. Furthermore, Vitell et al. (1993) also discusses personal values, business environment and organizational environment as factors influencing people. The distances between the offices was referred by several respondents as one of the most challenging parts of creating and maintaining a common corporate culture. The distances made it harder for people in some offices to fully feel and understand each other and be a part of the company culture. One of the interviewed from Stena Bulk said; “...very difficult if you are employed in, let’s say Singapore, to get that feeling of what’s going on in the head office in Gothenburg....” and from CellMark another employee emphasized the importance of people meeting frequently; “persons build culture and the more we are close to each other, that’s where the culture forms [...] so the closer we are, the more we will understand and agree on certain things we should do together...”.

Keeping a common mindset and feeling connection to a culture is indicated by the answers from the study to be closely related to face-to-face interaction. A lot of the companies’ connections were most of the time by technical means, but interestingly enough many respondents from all companies emphasized the meaning of real life interaction with their colleagues, how important it was for the fellowship and the relationship building.

In unifying the culture Bellin and Pham (2007) emphasizes a shared mindset as a key aspect, having people work towards the same goal and able to adapt to shared practices. However, one must be careful in how this is done. Even though the company has strong values, people
are influenced by many other cultural contexts (Buller et al., 1997). Argued by Moon and Woolliams (2000), such practices as common company ethics codes are often ethnocentric in origin, thus not taking the complexity of other cultures into account. Moreover, Moon and Woolliams (2000) highlight the fine balance of adopting a culture and maintaining one’s own culture. Trying to hard to adopt a culture can come across a being fake and the opposite of not trying at all could result in people feeling alienated. Fake behavior would be fairly easy to recognize, thus creating mistrust for the person trying to act a behavior (ibid.). Instead it is recommended that people reconcile and respect each other’s cultural differences which in itself would be a solution as people acknowledge and understand one another (ibid.).

In some cases, there were signs of some respondents’ feeling alienated described by one as: “... it does have kind of multicultural approach on the company culture, but in Asia, or in Vietnam especially, this is kind of a new thing. We don’t talk about values much, we just feel when something is right [...] these kind of values coming through the company it has a feel to it that it is a Western thing”. This finding could be argued to suggest that; not only ethnocentric cultural values of a company can create a feeling of alienation among foreign employees, but company values in themselves as a phenomenon can be a reason to alienation. This would imply a complete paradox as the whole purpose of the values would be to unify the organization with a shared mindset. However, the world is not black or white, nor is it in this case. In changing something one needs to start somewhere, and the same would be true for culture, pushing limits and open up new ways of thinking. As Bartlett and Goshal (1998) reasons, what a company has done historically and does today will partly define how it operates tomorrow.

From the empirical findings it was indeed an overwhelming positiveness in general towards the benefits the multinationalism of the companies, rather than focusing on the differences the similarities were emphasized. The cultural differences were rather embraced and learnt from where the companies’ cultures continuously developed by learning from others. One of the interviewed employees described it: “...perhaps we are not so successful here and in India they are, I mean we exchange this type of information - perhaps we are approaching it the wrong way...”. As well as learning from others, one big advantage of multiple cultures within the companies was referred by the interviewees to the possibilities to engage in different markets having competence and understanding of doing business locally. Suggested by the data, the companies strived to have employees keep parts of their local cultures when doing
business. Nevertheless, the importance of the company culture was prevailing and nothing that was negotiable contradicting what Moon and Woolliams (2000) discusses about acknowledging each other’s differences and reconciling them. The value of a shared mindset seems more important than just understanding, thus which people were hired had a pivotal role in maintaining the company mentality and culture. Having the right people was especially discussed by Stena Bulk and CellMark which was also an indication of the two companies having a more thought out structure in their work with creating a shared culture. An employee from Stena Bulk described how the company actively seeks employees who’s values are in line with the organization’s as: “…you shouldn’t have anybody in your company whose values doesn’t match the ones of your organization.”. Seemingly, this view is well in line with Mühlbahrer et al. (1999) highlighting the increased importance of shared values within multinational companies.

5.3 Corporate Culture as Basis for Ethical Decision Making

5.3.1 Effects of National Culture within the MNCs

As presented in the theoretical framework, Vitell et al. (1993) suggests that culture may influence people’s decision making. The results from the interviews shows there being a strong majority of the respondents acknowledging differences in reasoning processes and decision making within their respective companies on a country level. Examples of various situations where the participants found themselves sometimes in a cultural clash with fellow colleagues from a different country were described by almost everyone interviewed.

In one of the companies, Eloff Hansson, two participants from offices outside Sweden described similar situations where there was a difference in working style and decision making between their office and the head office in Sweden. The respondents’ descriptions suggested them both sometimes feeling held back due to a slower pace of work in the head office. The interviewees’ answers indicated a sign of frustration in this respect but there seemed also to be an understanding of the acting of their Swedish colleagues, in example one said; “…we also know what we can expect from the colleagues in Sweden, even if we are looking at things differently...”. Hollensen (2007) states the importance of being aware of cultural differences when conducting business internationally. Barriers between countries and cultures can to varied degrees be hard to overcome where differences in languages may be
seen as rather easy to handle in relation to diverse behaviors due to underlying cultural attitudes (ibid.). Having an appreciation of what to expect from colleagues in their thinking processes, behaviors and decision making could through Hollensen’s (ibid.) perspective of understanding the underlying attitudes, be a step closer towards creating a common foundation of what decisions to make and how those decisions are made in similar situations throughout the company.

One of the participants from Elof Hansson mentioned risk management about which he perceived Sweden’s mentality to be more conservative towards risk than offices from other region. This claim in relation to Sweden’s rank in Hofstede’s (1984) cultural dimension of uncertainty avoidance is partly contradicted as Sweden scored relatively low which indicates a low level of uncertainty avoidance. According to the employee, the risk aversive attitude pervaded the company culture and the processes surrounding risk evaluations. A colleague of his gave a similar view of procedures being shaped in accordance to the company culture: “...how we conduct all the business like risk management and financial aspects and all that stuff, those are things laid down commonly...”. The mentality of Elof Hansson may rather be explained through Bartlett and Goshal’s (1998) claim that the way in which a company operates today and in the future partly builds its history and administrative heritage. The processes, decision making and the general manner in which tasks will be done tomorrow are influenced by how tasks been carried out historically until today (ibid.).

5.3.2 The Effects of Culture on Decision Making

Rather than “looking in a book”, the results from the interviews revealed the culture having a strong impact in people’s decisions making. Suggested by the empirical data, situations which faced the interviewees more often or decisions made in the daily work, were in general developed through the company culture. The employees adopted the way of doing things rather than actually following any strict checklists or instructions, summarized by one of the respondents at Stena Bulk as: “Does anybody ever look in a book about business? [...] You learn by working...”, suggesting the written framework of the company culture having a less important role in comparison to the people living and adopting the culture. One could argue that the existence of strong culture within the company may partly override other cultural contexts that the employee may be a part of. Buller et al. (1997) suggests that organizations
with very strong ethical cultures may in fact influence manager’s decision making even though they still have their own values.

Indicated by the empirical data, not one of the interviewees seemed to have any hesitations about their respective company policies and values. According to Buller et al. (1993) people sharing the same values may however have different behavior, moreover, people with different values may have the same behavior. If having the reasoning of Buller et al. (1993) in mind, it would be possible to suggest that people’s knowledge and shared perception of the company values not necessarily would entail similar situations to be handled the same because of people’s different behaviors.

This reasoning could be taken even a step further with questioning the way in which people perceive a situation in the first place. Perception of situations is connected people’s cultural context (Vitell et al., 1993). Exemplifying with an ethical dilemma, Vitell et al. (1993) argues there to be a relation between; what would be regarded by a person as morally questionable and the cultural dimension of masculinity versus femininity (Hofstede, 1984). People from countries regarded as having a more masculine culture and attributes would according to Vitell et al. (1993) be less likely to perceive a situation as ethically questionable than a person from a country with more feminine cultural attributes. This could lead to misunderstanding of how a situation should be handled as people may not perceive the situation the same despite their shared values. Not being aware of this fact could be argued to lead to unsynchronized acts from company employees, paradoxically creating an uncertainty of the company values.

5.3.3 Decision Making in Relation Company Policy Framework

When creating a written framework that is actually used and followed by the ones supposed to use it, it is important to make sure that there is an acceptance for the procedures and the values constituting the foundation (Bellin & Pham, 2007). Having stipulated corporate values and ethics codes could arguably be regarded as a good foundation for the employees to know the direction of how decisions should be made. As Mühlbacher et al. (1999) states, shared values and behavioral norms are important as organizations internationalize. This is also highlighted by Buller et al. (1997) who describes the phenomena of ethics codes as a way for companies to show what they expect from their employees. At the same time, ethics or business codes can sometimes be quite abstract leaving much room for interpretation (ibid.).
In this regard, Vitell et al. (1997) states that a person’s cultural background from various contexts can influence the way in which the person perceives a situation. Moreover, Buller et al. (1993) reflects about a possible scenario where an employee finds themselves in an ethical dilemma between the values of the company and his or her own principles, a situation which usually entails in the employee rather adapts to the values of the company (ibid.).

In the data collected, respondents had different experiences and ways of using company principles. At CellMark the company has put lot of focus on implementing the company values in their employee’s mindset, a work that seems to have paid off by the answers to judge. The overall opinion from the employees were that the principles of the company, also called the Guiding Principles, worked as a kind of benchmark when making decisions or when faced with a complicated situation. In example, one of the CellMark employees described that he would “...turn back to the company policy because that is something that backs me up...” if faced with a complicated situation not in line with the company values. This finding indicates that company ethics codes works as a guidance for employees to know what is expected of them as Buller et al. (1997) reasons. However, the finding may also contradict Buller et al. (1997) who argues that ethics codes can be abstract and interpreted differently depending on who reads them. As the employee seems to feel safe in using the company policies as a backup, one might ask the question the abstractness of business codes necessarily is to be regarded as a problem or rather an opportunity allowing them to be flexible and applicable to many different situations highlighted by one CellMark employee who said: “It’s important to be able to coordinate without bureaucracy for them. To be able to align and make decisions in a right way, in an opportunistic, flexible way but still aligned with freedom.”.

The same kind of approach to the written framework did not seem as clear among the other two companies’ staff. While Elof Hansson and Stena Bulk both have values in a written framework, the general impression was there being a difference in how it was used as a reference on a mundane basis. At CellMark and Stena Bulk the answers from the respondents suggested that their written frameworks were well recognized within their respective organizations referred by employees in both companies as “company bibles”. However, the differences in framing the values indicated a possible impact in how they were actually used, CellMark’s framework being in the form of five short principles and Stena Bulk’s being a guidebook. The Guiding Principles of CellMark were several times described by the
employees to be used in their decisions making as a frame of reference easy to go to; “It covers a lot and it’s like a dictionary and it can help us when we do business...”. At Stena Bulk, the White Book had an important role in the decision making, however it was often referred to something that you did not look in and rather knew what it said. One Stena Bulk respondent said; “Does anyone ever look in a book about how to do business? If you are brand new you probably do it but then you leave this thick file in the book shelf and never look at it again...”. With the previously discussed way of using principles rather than a book, as CellMark in comparison to Stena Bulk, this answer from the Stena Bulk employee may indicate rather the opposite of what Buller et al. (1997) argues about the problem with business codes being abstract. In fact, abstract business codes may be perceived as easier for an employee to go back to than a book in the daily work, thus resulting in the principles being used on a mundane basis in comparison to the book that remains in the bookshelf.

5.3.4 Concluding Remarks on Decision Making

Various examples from all companies indicate that culture is a powerful tool in deciding how to conduct business. One employee from Elof Hansson described this well: “some people used to come and tell me; ‘Sir, we have to give them money to get this order’, and I said; ‘No, drop it! It’s not our culture!’”. According to Buller et al. (1997) as well as Vitell et al. (1993), a strong company culture can influence decisions makers, even though they are also influenced by other cultural contexts. Having a shared view of how the company acts in regards to certain questions can be argued to be founded in the values but lived and adopted in the culture of the company. One of the respondents mentioned his view of many companies having values as “poster products” rather than values that are being lived. Bellin and Pham (2007) discusses the importance of a shared mindset in the company in order to have people perceive the company values in the same way, codifying it into the corporate culture, thus unifying the organization and its members. One could argue that culture may be thought of as a way of harmonizing the perception of the values giving them a context and a meaning and as Hill (2009) reasons; values forms the foundation of culture which will then provide a context where norms are created and justified.

The empirical data revealed that a strong majority of the respondents from all three companies felt that they could make decisions on their own. Furthermore, the cultures of the three companies seemed similar in the sense that their organizations were much
decentralized, giving much responsibility and freedom to their employees to make decisions. At Elof Hansson a senior manager said for example: “...we need to rely on managers in the respective offices to make the right decisions for the overall good for the company.”. Many times the respondents referred to their company cultures as being entrepreneurial, allowing them to be free in their work within the guardrails in the form of the company values which was summarized well by one of the CellMark employees: “...of course we have guidelines that we have to follow, financially and so on. But actually they are encouraging us to be more entrepreneurial to have freedom in order to be efficient...”. This finding in itself may suggest that the company culture in itself is open for people to make their own interpretation of situations trusting their managers and their judgement. With a liberal approach about controlling employees this entails a risk that people don’t act the same throughout the company and may create cells of various cultures in the different offices around the world. A CellMark employee described how to approach this challenge with: “... shared values on guardrails, clear boundaries on your decisions, and thus practices for good decisions [...] trying to build it without micromanaging...”. There are however benefits of this as well, it is a fine balance between adapting to the local markets still maintaining a shared view. This is described by Bellin and Pham (2007) stating the importance of unifying the mindset in an organization but also being able to adapt to the local differences in cultures and the practices related to them in different parts of the world.

When people make decisions on their own they will be influenced by many cultural contexts, including national cultural, business environmental, and personal values (Vitell et al., 1993). The results from the interviews suggested that most of the interviewees weighed in a number of different aspects in their decision making. In general, when business was done as usual they did what they had been trained to, adopting the corporate culture and their way of conducting business. However, there was a slight difference in reasoning when asked how they would resolve a more complicated situation. All respondents felt their company cultures allowed for discussions among colleagues and in complicated situations they felt they had the opportunity to talk to their colleagues without hesitation. So even though the company culture did not give them any clear answer to the situation the company culture in itself be open was a way solving the situation. At CellMark one described it: “...when you have a critical moment when you say: ‘I don't feel safe in this, I need to discuss this with someone’, so we have a Guiding Principle - ‘we have open discussions, we treat each other with respect’...” and at Elof Hansson another employee said: “...we can always go back to Sweden to discuss
with them about what we should do...”. Being able to communicate and discuss with colleagues can be argued to be a part of the creation of the corporate culture. As discussed by Bartlett and Goshal (1998), a company’s culture is a mix of cultural contexts. Being able to talk and discuss how others would do, getting access to other colleagues’ experiences and knowledge about company heritage is a way of in the long run being able to base decisions on many different aspects. As Bartlett and Goshal (1998) continues, companies need to know their historic backgrounds and administrative heritage to be successful in the future.
6. Conclusion

*This aim of this thesis was to investigate the effects of corporate culture within Swedish MNCs. Specifically we set out to answer three questions; 1. Is corporate culture related to the national origin of the MNC?; 2. How is corporate culture dispersed and used to unify the MNC?; 3. To what extent does corporate culture provide a basis for ethical decision making in the MNC?* An analysis of three Swedish MNCs derived a number of interesting themes which have implications for both theory and practice.

6.1 Summary

In relation to the first question we found that certain attributes relating to the corporate culture explained by interview respondents could through the perspective of Hofstede’s dimensions be perceived as Swedish. However, not all attributes could be linked back to Swedish culture. A possible explanation for this could be influences of the cultural variety in the multinational context of the MNC or the demographical changes that Sweden has undergone since Hofstede’s model was introduced in 1984.

In answering the second question of the study, the data showed a range of ideas. In terms of the dispersion effects of corporate culture, when meshed together with several theoretical frameworks pertaining to communication of values, we found that the dispersion of corporate culture was carried out in various ways across the three MNCs examined. Stena Bulk emphasized staffing approach based on transferring the corporate culture from the head office abroad while CellMark utilized a method spreading the corporate culture based on ambassadors from each office across the world. The empirical data suggested that Elof Hansson are not working with any clear routines or practices to ensure that everyone shares the same culture or corporate values. In regards to unifying effects the findings suggest that corporate culture works as a unifying force in the MNC contributing to a shared mindset. Furthermore, all MNCs valued the cultural diversity in order to learn from each other, as well as understand the local business environment.

In relation to question three, corporate culture was found to be a definitive factor for providing a basis for decision making in a wide range of respects. A common theme in the data was that while specific frameworks were important, employees ultimately enacted the
culture based on their own judgement and experience. This was particularly emphasized in the data gathered at Stena Bulk where employees made it clear that while they consulted frameworks, they ultimately made decisions based on their own accord. This applied not only to decision making in general, but also in terms of interpretations and enactments of ethics.

6.2 Theoretical Contribution

In applying Hofstede's work for identifying cultural traits it is of essence to be aware that a lot has changed in terms of the cultural attributes assigned to countries since 1984. Forces of globalization and associated multiculturalism have created a situation whereby it is becoming increasingly difficult to make generalizations about national cultures. Hence future theoretical frameworks need to take in consideration that countries are no longer as homogenous in their demographic composition, and that this has bearing on making broad claims about national culture.

The ethnocentric staffing approach was found to be the least represented one within the empirical data. This finding, in combination with recent directions of the global staffing literature, identifies a shift towards polycentric or geocentric approaches as being the most frequently used. This trend can be assigned to the forces of globalization, whereby in an increasingly interconnected world it makes business sense to use a staffing approach which utilizes local business expertise.

The empirical data suggests that the most commonly adopted way for acquiring the right mindset towards conduct, decision making and ethical practices appears to be grounded in living the corporate culture rather than being constrained by its frameworks. Generally this goes in line with the literature, which has since the early 2000s placed emphasis on employees demonstrating discretion and individual judgement rather than turning to rigid operating policies and guidelines.

6.3 Implications for Practitioners

The findings of this study have a range of practical implications not just for MNCs, but for all organizations subject to the dynamic global business environment of the 21st century. In relation to culture, organizations must be conscious to avoid making sweeping generalizations about the culture and attributes of specific countries. Furthermore, it is
important to be conscious of staffing approaches when setting up operations in a new country. Effective utilization of host-country nationals can offer insights into local cultures and may assist with succeeding in the local business environment. Finally, it is of essence for organizations to allow employees to demonstrate a degree of independence when interpreting and enacting operating principles and guidelines. This would benefit both the company and its employees to make appropriate adaptations to suit the local operating environment.

6.4 Suggestions for Future Research

This study has brought to surface a range of issues related to culture. Given the rapid advancement of globalization and technology, this area is going to be of increasing importance going forward. A possible interesting direction for future research could be focusing on how the existence of a unique corporate culture can contribute to competitive advantages in a global marketplace. In addition to this, coverage could be given to investigating the role of culture as it pertains to digital and online communities within organizations in comparison to face-to-face encounters.
7. Reference List

Literature


**Electronic Sources**


8. Appendix

Interview questions

● In your position within a multinational corporation, what kind of cultural elements do you encounter in within your organization?

● As the Mother company/Headquarters is Swedish, do you think that has influenced the company culture or is it a mix of the different cultures?

● What is your perception of how the company works with culture?

● Can you identify any specific style of management in your company?

● To what extent are your company engaged in business codes?
  ○ How does that affect the forming of corporate culture?

● How do the organization handle ethical dilemmas due to different perceptions of what's morally right in different parts of the world?

● How has the multicultural context of the company challenged/improved forming of a corporate culture?
  ○ Built to overcome differences or to unify around similarities?

● How important is corporate culture in your organization?